

Timothy M. Keller
State Auditor



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

State of New Mexico
OFFICE OF THE STATE AUDITOR

VIA EMAIL AND U.S. MAIL

February 3, 2017

Hanna Skandera
Secretary
Public Education Department
300 Don Gaspar Ave.
Santa Fe, NM 87501

Re: Fiscal Year 2016 Audit – Public Education Department

Dear Secretary Skandera:

The Office of the State Auditor (OSA) has released the Fiscal Year 2016 (FY16) financial and compliance audit for the Public Education Department (Department). The report was completed by the independent public accounting firm Axiom LLC.

Despite several years of litigation and a costly special audit, the Department has yet to resolve the State's ongoing contingent liability resulting from its failure to meet the required level of financial support for special education efforts. As indicted in Note 10 of the Department's financial statements, the State faces a reduction of up to \$63,491,592 in federal funding due to past maintenance of effort (MOE) shortfalls.

In reference to an apparent agreement between the Department and the U.S. Department of Education resolving the issue, you were quoted in a *New Mexican* article dated February 10, 2016, stating: "This is a huge win for New Mexico. This is something we have had hanging over our heads for six years. We have resolved it. We have saved our state and taxpayers an incredible loss of funds." However, the independent firm conducting the audit determined that no such final agreement actually exists. As part of the agency's corrective actions, the Department should promptly clarify the likelihood of, and timeline for, resolving this issue.

Due to the fact that the Department never spent previous special education appropriations dating back to 2013 and 2014, and because the Department never finalized an agreement with the federal government, during the most recent special session the Legislature transferred \$16,118,548 to the General Fund that was previously set aside to help the State comply with MOE requirements. In light of our current budget crisis and limited state reserves, the Department should prioritize its efforts to address this significant liability and work to ensure special education efforts are appropriately funded and expended in the future.

In addition, we remain concerned regarding the adequacy of the Department's support and oversight of charter schools. Over this last year the number of state-chartered charter schools continued to grow, with 11 new schools authorized in FY16. While charter schools are run

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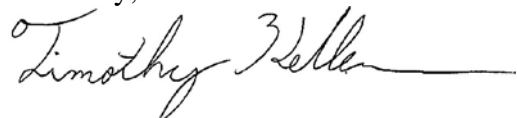
directly by their respective governing bodies, the Department plays a critical ongoing role in monitoring and supporting these schools and ensuring financial accountability.

We recognize that the Department has taken steps to address financial management problems on the back end, such as assuming financial control over La Promesa and closing the Health Sciences Academy and CEPi. However, more needs to be done with respect to helping charter schools obtain the support they need to succeed on the front end. Closing failing schools is disruptive to students and costly to the state. The more the Department can do to identify financial problems early on and ensure appropriate training and corrective actions are promptly implemented, the higher the likelihood that charters will be able to sustain operations and safeguard public funds.

The overall number of audit findings associated with state-chartered charter schools decreased from 195 in FY15 to 178 in FY16. These findings relate to a broad array of problems, including procurement violations, inadequate purchasing and disbursement controls, non-compliance with background and licensure requirements, overspending, weak financial controls, payroll deficiencies, reconciliation, incorrect travel and per diem rates, and capital asset management problems. Since the general character of the findings issued to charter schools has remained generally consistent over the last several years, there is an opportunity for the Department to proactively facilitate trainings specifically focused these problem areas. Rather than generic overhead supplementation, direct administrative support with tailored financial management assistance and trainings would be a far more productive use of the 2% in funding the Department withholds from charter schools each year.

Thank you for your attention to these matters.

Sincerely,

A handwritten signature in cursive script that reads "Timothy M. Keller". The signature is written in black ink and includes a long horizontal flourish at the end.

Timothy M. Keller
State Auditor

cc: Deputy Secretary Aguilar, Public Education Department

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2016

VOLUME I



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
OFFICIAL ROSTER
JUNE 30, 2016**

Administrative Officials

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

Public Education Commission

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

INDEPENDENT AUDITOR'S REPORT

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

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each discretely presented component unit (New Mexico state chartered charter schools), each major fund, and the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the New Mexico Education Department ("Department"), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Department's nonmajor governmental funds and fiduciary funds, and the budgetary comparison for the major capital projects fund and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2016, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Summary of Opinions

Opinion Unit	Type of Opinion
All Governmental Activities Funds	Unmodified
Fiduciary Funds	Unmodified
Discretely Presented Component Unit and its Funds:	
Creative Education Preparatory Institute #1	Disclaimer
La Promesa	Disclaimer
Health Science Academy	Disclaimer
Southwest Intermediate Learning Center	Modified
Southwest Primary Learning Center	Modified
Southwest Secondary Learning Center	Modified
Southwest Aeronautics, Mathematics, and Science Academy	Modified
Each Remaining Discretely Presented Component Unit	Unmodified

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

Management of the Creative Education Preparatory Institute #1 (“CEPI”) was unable to provide sufficient evidential matter in support of certain transactions and account balances, as presented in the CEPI financial statements and the related fund financial statements as of and for the year ended June 30, 2016. We were unable to satisfy ourselves by other auditing procedures concerning these reported balances for CEPI as a whole and its individual funds. Most notably we noted that cash is not being properly reconciled on a monthly basis and that entries are being posted to fund balance without adequate supporting documentation. As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of the balances reported on the CEPI financial statements.

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

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

Basis for Disclaimer of Opinion on La Promesa, a Discretely Presented Component Unit, and its Funds

Management of La Promesa was unable to provide sufficient evidential matter in support of certain transactions and account balances, as presented in the La Promesa financial statements and the related fund financial statements as of and for the year ended June 30, 2016. We were unable to satisfy ourselves by other auditing procedures concerning these reported balances for La Promesa as a whole and its individual funds.

Disclaimer of Opinion on La Promesa and its Funds

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

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

The fiscal year ending June 30, 2015 was the first year Health Sciences Academy (“HSA”) was in existence. During the year ending June 30, 2015 HSA was ordered by the New Mexico Public Education Commission to cease operations effective June 30, 2015 and the Commission revoked the HSA’s charter. HSA did not appeal the decision. Management of HSA had been involved in fraudulent reporting of student counts from out of state students to obtain inflated State Equalization Guarantee funding, failed to maintain appropriate separation of duties between the school and its board, failed to adequately address conflicts of interest, failed to properly comply with the State’s procurement code and failed to have all required education programming in place. For the fiscal year ending June 20, 2016, we were unable to satisfy ourselves by other auditing procedures concerning these reported violations and what impact they might have had on HSA as a whole and its individual funds. As a result of these matters, we were unable to determine whether any additional material adjustments might have been found necessary in respect of the balances reported on the HSA financial statements.

Disclaimer of Opinion on the Health Sciences Academy and its Funds

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

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

Management unable to provide a complete or accurate capital asset listing with depreciation expense for the year ended June 30, 2016. We were not able to apply other auditing procedures to provide evidence to verify the fairness of presentation of the capital assets and the related depreciation expense.

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

In our opinion, except for the effects of the matter described in the “Basis for Modified Opinion on the Southwest Intermediate Learning Center, Southwest Primary Learning Center, Southwest Secondary Learning Center, and the Southwest Aeronautics, Mathematics, and Science Academy (“Southwest Charters”), Discretely Presented Component Units, and their related funds” the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each discretely presented component unit (New Mexico state chartered charter schools), each major fund, and the aggregate remaining fund information of the Department, as of June 30, 2016, the respective changes in financial position and the respective budgetary comparisons for the general

fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each discretely presented component unit (New Mexico state chartered charter schools), each major fund, and the aggregate remaining fund information of the Department, as of June 30, 2016, the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position for each nonmajor governmental funds and fiduciary funds of the Department as of June 30, 2016, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital projects fund and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Department are intended to present the financial position and changes in financial position of only that portion of the governmental activities of the State of New Mexico that is attributable to the transactions of the Department. They do not purport to, and do not present fairly the financial position of the State of New Mexico as of June 30, 2016, and the changes in its position and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15-48 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the other schedules as required by Section 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2016 on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.



Albuquerque, New Mexico
November 30, 2016

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MANAGEMENTS DISCUSSION AND ANALYSIS
Year Ended June 30, 2016**

The following management's discussion and analysis (MD & A) provides an overview of the State of New Mexico Public Education Department (Department) financial activities for the fiscal year ended June 30, 2016. The MD & A is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Department's financial activity, (c) identify changes in the Department's financial position, (d) identify any material deviation from the financial plan (the approved budget) and (e) identify any financial issues or concerns. Please read it in conjunction with the Department's financial statements, which begin following this analysis.

Department Highlights

The Department is made up of 2 distinct appropriated entities and 64 discretely presented component units: the Public Education Department, the Division of Vocational Rehabilitation, and 64 state authorized chartered schools. The Public Education Department (PED) provides leadership at the state and department levels in meeting the needs of and requirements for education in New Mexico. This includes providing assistance and direction to local school districts, local boards of education and other educational entities.

The Division of Vocational Rehabilitation (DVR) is responsible for the administration and provision of all DVR programs and services through nine areas and twelve satellite offices statewide. This also includes the administration of the Social Security Disability Determination Services federal program.

The 64 state authorized chartered schools are to provide an alternative educational setting to parents and students in the public school system. State authorized chartered schools provide an opportunity to create new, innovative and more flexible ways of educating children.

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

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

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MANAGEMENTS DISCUSSION AND ANALYSIS (CONTINUED)
Year Ended June 30, 2016**

Using the Annual Report

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

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

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

The Department-wide Statement of Net Position reports the assets of the Department and the corresponding claims and liabilities against those assets at June 30, 2016. The difference between the value of the assets and the liabilities is reflected as the value of the net position. Increases or decreases in net position measure whether the financial position of the Department improved or deteriorated. Net position legally limited to a particular use is reported as restricted. Unrestricted net position contains assets that can be used to fund operating expenses in future years. A deficit (negative) balance in unrestricted net position would indicate that obligations incurred in the current and prior periods exceed the value of assets currently available, and that the assets of future periods will be required to meet the established obligations.

The Department-wide Statement of Activities reports the educational and education-related expenses and the cost of general government operations of the Department, with a comparison of the program revenues obtained to finance them, and the general revenues made available to fund the difference. The statement also reports the change in net position during the 2015 fiscal year. This also includes health and welfare related expenses and cost of general government operations of the Division of Vocational Rehabilitation, with a comparison of program revenues obtained to finance them, and the general revenues made available to fund the difference.

The Department's activities are grouped into the functional programs. The Education activities are funded from federal revenues provided primarily by the U.S. Department of Education.

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

Fund Financial Statements: The fund financial statements that follow the department-wide financial statements report on the financial position and changes in financial position of the individual funds used by the Department. Funds are separate accounting entities used in government accounting to segregate transactions according to the sources of funding and to demonstrate legal compliance with the restrictions that may be imposed on those financial resources. The Department uses two types of funds to account for its financial activities: governmental funds and fiduciary funds.

Governmental Funds

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

Fiduciary Funds

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

Reconciliation of Department-wide Financial Statements to Fund Financial Statements: Differences in amounts reported in the department-wide financial statements versus the fund financial statements result from the different measurement focus and basis of accounting used. The measurement focus used for governmental funds is based on budgetary control and the

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flow of resources in the current year. As an example, capital purchases are treated as expenditures of the current year. Department-wide financial statements reflect such transactions as allocations over the time of use in the form of depreciation. A reconciliation of differences between department-wide and fund financial statements is provided in separate schedules that detail the differences in accounting treatment.

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

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

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

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

Since the Department is composed of two distinctly appropriated entities and 62 state authorized chartered schools, a separate discussion and analysis section is being presented for the Public Education Department, the Division of Vocational Rehabilitation, and the 62 state authorized chartered schools following the department-wide discussion and analysis.

Financial Highlights

Public Education Department

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

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statements. The other funds are primarily pass-through funds and are described in more detail in the financial statements footnotes.

- The Department's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. We exclude these activities from the Department's other financial statements because the Department cannot use these assets to finance its operations. The Department is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Division of Vocational Rehabilitation

- As noted above, DVR has two major funds, which are combined in the financial statements for reporting purposes. The Vocational Rehabilitation Program is funded under the U.S. Department of Education's Rehabilitation Services Administration (RSA) with federal funding that requires 21.3% of the total expenditures under the program to be made with state matching funds. The remaining 78.7% are funded with the federal grant. DVR's other major program is the Disability Determination Program, which is funded by the U.S. Social Security Administration (SSA). The program does not require a state match and is funded 100% with a federal grant from SSA.
- DVR capital assets decreased by \$26,161, which was a result of a physical inventory count completed during the fiscal year that identified approximately \$252,943 of fully depreciated assets that were disposed of during the course of the fiscal year or did not exist. The reductions were offset by approximately \$266,782 of asset additions, net of \$80,815 of depreciation expensed during the fiscal year.
- Administration – The DVR program is a joint effort of the federal and state governments to assist people with disabilities, as a function of the Rehabilitation Act of 1973, as amended, the Workforce Innovation Opportunity Act of 2014, and the Social Security Act, as amended. The New Mexico DVR is a division of the New Mexico Public Education Department and is responsible for a variety of services for people with disabilities. Although it receives a separate appropriation from the Legislature and has its own business unit with the Department of Finance and Administration, DVR is a division of the Public Education Department.

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Financial Analysis of the Department as a Whole

Net Position

The Department's net position at June 30, 2016 was \$62,502,884 Table A-1 summarizes the Department's net position for the fiscal year ended June 30, 2016.

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

	(Dollars in Thousands)			
	June 30, 2016			June 30, 2015
	PED	DVR	Department	Department
<u>Assets</u>				
Current Assets	260,131	11,650	271,781	277,056
Capital assets, net	179	333	512	505
Total assets	<u>260,310</u>	<u>11,983</u>	<u>272,293</u>	<u>277,561</u>
<u>Liabilities</u>	<u>199,238</u>	<u>10,553</u>	<u>209,791</u>	<u>225,902</u>
<u>Net Position</u>				
Investment in capital assets	179	333	512	505
Restricted	52,081	1,784	53,865	42,243
Unrestricted (Deficit)	8,812	(687)	8,125	8,911
Total Net Position	<u>61,072</u>	<u>1,430</u>	<u>62,502</u>	<u>54,659</u>

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Changes in Net Position

The Department's change in net position for the year ended June 30, 2016 was \$7,844,272. Table A-2 summarizes the Department's changes in net position for fiscal year 2016.

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

	(Dollars in Thousands)			
	Year Ended June 30, 2016			Year Ended June 30, 2015
	PED	DVR	Department	Department
<u>Program Revenue Grants</u>	\$ 445,104	32,008	477,112	415,167
<u>General Revenues</u>				
State appropriation	2,739,418	5,659	2,745,077	2,732,842
Inter-agency transfer, net	(9,436)	305	(9,131)	(6,515)
Reversions	(8,031)	-	(8,031)	(18,535)
Proceeds of state general obligation and severance tax bonds	36,579	-	36,579	46,339
Loss on disposal of assets	-	(5)	(5)	-
Total general revenues	<u>2,758,530</u>	<u>5,959</u>	<u>2,764,489</u>	<u>2,754,131</u>
<u>Expenses</u>				
Education	(3,195,603)	-	(3,195,603)	(3,134,327)
Health and Welfare	-	(38,154)	(38,154)	(35,801)
Total Expenses	<u>(3,195,603)</u>	<u>(38,154)</u>	<u>(3,233,757)</u>	<u>(3,170,128)</u>
Change in net position	8,031	(187)	7,844	(830)
Net Position				
Beginning of Year	53,041	1,617	54,658	55,489
Restatement	-	-	-	-
Net Position Beginning of Year, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,489</u>
Total Net Position	<u>\$ 61,072</u>	<u>1,430</u>	<u>62,502</u>	<u>54,659</u>

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DVR's change in net position decreased by \$186,965 between years. The decrease is as a result from various changes in revenue sources and expenditure categories, including a decrease from fund balance.

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

Changes in Capital Assets

During the fiscal year 2016, PED purchased \$9,205 of IT equipment. During the fiscal year 2016, DVR purchased \$266,782 of equipment.

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

	(Dollars in Thousands)			
	June 30, 2016			June 30, 2015
	PED	DVR	Department	Department
Art Acquisitions	\$ 6	-	6	6
Equipment and Machinery	1,398	1,142	2,540	2,558
Accumulated Depreciation	(1,225)	(809)	(2,034)	(2,059)
Total capital assets, net	\$ <u>179</u>	<u>333</u>	<u>512</u>	<u>505</u>

Capital Assets for the Department are presented in Note 7 to the financial statements to illustrate changes from the prior year.

Reporting the Department's Most Significant Funds

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

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

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

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

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

General Fund Budgetary Highlights

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

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

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

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

With regard to the Public Education Department, general fund support decreased by \$17 Thousand for FY16.

Recognizing the importance of early learning of future student success, the Governor signed the General Appropriations Act that increased funding for Prekindergarten by \$5.3 Million, Kindergarten-three Plus by \$2.4 million, and \$540 thousand for early reading initiatives.

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As part of the Governors teacher effectiveness initiative, \$4.1 million was appropriated for teacher and school leader preparation programs. To accurately measure teacher effectiveness \$5.0 million was re-appropriated for a new teacher evaluation system.

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

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

	Final Budget	Actual Amount
Personal Services & Employee Benefits	\$ 11,901,986	11,913,133
Contractual Services	1,420,000	1,362,435
Other	1,184,600	1,167,889
Total Expenditures	\$ <u>14,506,586</u>	<u>14,443,457</u>

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

	Final Budget	Actual Amounts
Personal Services & Employee Benefits	\$ -	-
Contractual Services	-	-
Other	2,597,542,407	2,585,355,835
Total Education	\$ <u>2,597,542,407</u>	<u>2,585,355,835</u>

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

The DVR federal Vocational Rehabilitation grant program continued to address challenges during FY16 in the areas of financial management as well as significant changes to the divisions indirect cost rate which was finalized in late August 2016 which was after the end of the fiscal year. In FY16 DVR was successful in meeting the divisions FFY15 Maintenance of Effort, DVR has also made strides to ensure that the state match will be met in the first fiscal year of the federal grant. This is possible as a result of management changes implemented in FY15 and FY16, the division continues to derive detailed accounting information from the SHARE accounting system.

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The DVR budget for the Disability Determination Services program for FY16 remained virtually level from the previous fiscal year. DDS anticipated an increase in medical costs and medical consultant costs, however, medical costs decreased during the fiscal year. Limitations on hiring for vacated positions also impacted closing numbers due to employee retirements and transfers, without the ability to replace them.

Economic and Budgetary Factors

The Public Education Department overall FY 16 Budget was a decrease of approximately \$17 thousand from the FY 15 appropriated budget.

NMDVR: The NMDVR received an increase in their federal award of \$3,056,059 for FFY16, the division is anticipating the FFY17 award to remain consistent. The new WIOA, requirements where 15% of the of section 110 state allotments must be expended on pre-employment transition services will pose a challenge for the division.

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

Component Units — New Mexico State-Chartered Schools

The component units for PED consist of the state authorized chartered schools. The state authorized chartered schools were enacted during the 47th Legislative Session in 2006 under Senate Bill 600. In FY 2008, only two schools were authorized as state chartered (Cottonwood Classical Preparatory School and Media Arts Collaborative Charter School).

In FY 2009, seven additional schools were authorized as state-chartered. The seven schools include: Cien Aguas International School, Horizon Academy West, The International School at Mesa Del Sol, The New America School, North Valley Academy, School of Dreams Academy, and Taos Academy.

In FY 2010, thirteen additional schools were authorized as state-chartered. The thirteen schools include: Albuquerque School of Excellence, The ASK Academy, Alma D'Arte Charter High, South Valley Preparatory School, Cesar Chavez Community School, The MASTER Program, Tierra Adentro, ACE Leadership High School, Taos Integrated School for the Arts, Albuquerque Sign Language Academy, Creative Education Preparatory Institute, Gilbert L. Sena Charter High School and NM School for the Arts.

In FY 2011, fourteen additional schools were authorized as state-chartered. The fourteen schools include: Academy of Trades & Technology, Albuquerque Institute for Math & Science,

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Amy Biehl Charter High School, East Mountain High School, La Promesa Early Learning Center, New Mexico International School, Southwest Intermediate Learning Center, Southwest Primary Learning Center, Southwest Secondary Learning Center, The Great Academy, The Montessori Elementary School, Village Academy, J Paul Taylor Academy, and Aldo Leopold Charter School.

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

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

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

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

In FY 2016, 11 additional schools were authorized as state-chartered. The schools include: Dzit Dit Lool School of Empowerment, Action and Perversance (DEAP), Las Montanas Charter School, Monte del Sol Charter School, Sandoval Academy of Bilingual Education (SABE), Technology Leadership High School, Tierra Encantada Charter School, and Turquoise Trail Charter School. Please consider the additional schools when reviewing the financial analysis of the component units as a whole.

Academy of Trades & technology

- **Brief Discussion**

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

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ACE Leadership Academy

- **Brief Discussion**

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

Albuquerque Institute of Math and Science

- **Brief Discussion**

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

Albuquerque School of Excellence

- **Brief Discussion**

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

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The Albuquerque Sign Language Academy

- **Brief Discussion**

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

Aldo Leopold Charter School

- **Brief Discussion**

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

Alma d'Arte Charter High School

- **Brief Discussion**

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

Amy Biehl High School

- **Brief Discussion**

Amy Biehl High School (ABHS) transforms young people from all walks of life into civic-minded college students while they are still in high school. Located in the heart of downtown Albuquerque in a one hundred year old historic building, ABHS is redefining

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the value of a high school diploma by providing a challenging curriculum and cultivating close relationships with students and families.

Anthony Charter School

- **Brief Discussion**

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

The ASK Academy

- **Brief Discussion**

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

Cesar Chavez Community School

- **Brief Discussion**

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

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Cien Aguas International School

- **Brief Discussion**

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

Coral Community Charter

- **Brief Discussion**

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

Cottonwood Classical Preparatory School

- **Brief Discussion**

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

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

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Creative Education Preparatory Institute #1

- **Brief Discussion**

The Creative Education Preparatory Institutes (CEPI's) charter was revoked in 2016 and the school was closed. Its mission was to engage students and their families in learning experiences directed at gaining academic and social skills necessary for personal, social and career success. Students, family and community will view this school as one founded in community and family values, offering societal and career relevant education utilizing technology, community and family resources, and innovative and creative learning. Service learning in the community linked to careers and mentorship will be a core part of the curricula. Success will be judged using a continuous improvement process within the Baldrige Framework for Education, as well as tests mandated by the New Mexico Public Education Department.

Dream Diné

- **Brief Discussion**

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

Dzit Dit Lool School of Empowerment, Action and Perserverance (DEAP)

- **Brief Discussion**

DEAP's founders sought to create a school that is driven by community needs and hopes for empowering our youth and families. DEAP will provide students with not only educational opportunities but also opportunities to transform the community through focused planning and action.

Estancia Valley Classical Academy

- **Brief Discussion**

The Estancia Valley Classical Academy (EVCA) will provide students the benefit of a content rich and academically rigorous classical liberal arts education with a strong civics component, without the price tag of a private school. At EVCA, students will be challenged to excel both in academics and in moral discipline. Students will learn

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reading, math, and science through time proven methods and will learn a true account of history based in the reading of primary source documents. Furthermore, discipline, ethics, and personal responsibility will be modeled and expected. EVCA's aim is to develop the academic potential and personal character of each of its students, regardless of background, socio-economic status and ability, and to graduate them fully prepared to become intelligent, responsible, and active members of their community.

Explore Academy

- **Brief Discussion**

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

Gilbert L. Sena Charter High School

- **Brief Discussion**

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

The GREAT Academy

- **Brief Discussion**

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

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Health Leadership High School

- **Brief Discussion**

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

Health Sciences Academy

- **Brief Discussion**

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

Horizon Academy West

- **Brief Discussion**

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

International School at Mesa Del Sol

- **Brief Discussion**

The International School at Mesa Del Sol (TIS) is a state-authorized chartered school whose vision it is to bring a meaningful, comprehensive contemporary education to all students, regardless of personal circumstance, to motivate them to learn and be actively engaged in our school community.

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J Paul Taylor Academy

- **Brief Discussion**

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

La Academia Dolores Huerta

- **Brief Discussion**

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

La Jicarita Community School

- **Brief Discussion**

La Jicarita Community School closed on June 30, 2016. The mission of La Jicarita Community School (LJCS) was to provide a safe, open and creative environment for a culturally diverse kindergarten through 6th grade student population in the Peñasco area to learn through curriculum that is firmly based in state and national standards, and also fosters compelling life-relevant connections for children through learning expeditions.

La Promesa Early Learning Center

- **Brief Discussion**

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

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La Resolana Leadership Academy

- **Brief Discussion**

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

La Tierra Montessori School of the Arts and Sciences

- **Brief Discussion**

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

Las Montanas Charter School

- **Brief Discussion**

The mission of Las Montañas Charter High School is to develop the academic potential and personal character of each student by engaging and valuing the student, family and community partnership. Students will work to prepare for and meet the challenges of a post-secondary or workforce environment for a globally diverse society.

The MASTERS Program

- **Brief Discussion**

The mission of the Masters Program (MASTER) is to support the goal of a college education as an option for every student by expecting all students to perform at rigorous academic levels when provided challenging educational activities by inspired,

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talented teachers. The educational philosophy and approach of MASTER will be designed with an emphasis on Mathematics, Arts, Science, Technology, Engineering, Reading and Service (MASTERS). A STEM curriculum will be offered. Teachers will be trained in the Paideia Philosophy of education, which focuses on higher level thinking and communication.

McCurdy Charter School

- **Brief Discussion**

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

Media Arts Collaborative Charter School

- **Brief Discussion**

The Media Arts Collaborative Charter School (MACCS) provides a high school education through a holistic approach that blends media arts with responsibility and integrity in an inclusive and diverse academic environment.

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

Mission Achievement and Success

- **Brief Discussion**

The educational philosophy of Mission Achievement and Success (MAS) is that when provided solid, research based instructional practices, all students can learn. This

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

Monte del Sol Charter School

- **Brief Discussion**

Monte del Sol Charter School educates and inspires Santa Fe's diverse population in grades 7 through 12, by building strong relationships and creatively engaging the local and global community.

The Montessori Elementary School

- **Brief Discussion**

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

The New America School

- **Brief Discussion**

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

The New America School-Las Cruces

- **Brief Discussion**

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

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diverse communities where the need is greatest. We have three campuses in the metro Denver area, a campus in Albuquerque, New Mexico and opened a new campus in August 2012 in Las Cruces, New Mexico.

New Mexico Connections Academy

- **Brief Discussion**

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

New Mexico International School

- **Brief Discussion**

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

New Mexico School for the Arts

- **Brief Discussion**

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

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The North Valley Academy

- **Brief Discussion**

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

Red River Valley Charter School

- **Brief Discussion**

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

Sage Montessori Charter

- **Brief Discussion**

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

Sandoval Academy of Bilingual Education (SABE)

- **Brief Discussion**

SABE is a dual-language charter school in Rio Rancho that is innovative in its goals to provide an education that is equal in both Spanish and English proficiency outcomes as well as its focus on cultural education. **SABE** provides the Sandoval County community with a unique two-way immersion bilingual program with accommodations for English language learners, heritage learners, and native English speakers.

School of Dreams Academy

- **Brief Discussion**

The School of Dreams Academy (SODA) is a New Mexico state authorized charter school located within the boundaries of Valencia County. The focus of the school is to enhance

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student achievement through utilization of instruction in the arts, literacy, character education and community involvement through various service learning opportunities. SODA offers a quality, research-based core academic program through the virtual learning program, Education 2020.

South Valley Preparatory School

- **Brief Discussion**

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

Southwest Aeronautics, Mathematics, and Science Academy

- **Brief Discussion**

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

Southwest Intermediate Learning Center

- **Brief Discussion**

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

Southwest Primary Learning Center

- **Brief Discussion**

The Southwest Primary Learning Center is to prepare students in grades 4-6 for the future by meeting their academic needs through an emphasis on the four core content

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areas identified by the New Mexico Public Education Department (language arts, mathematics, science, and social studies). Students are also prepare in meeting their emotional and social needs by integrating the remaining five content areas (the arts, modern, classical and native languages, health education, physical education and career education) into the daily school program.

Southwest Secondary Learning Center

- **Brief Discussion**

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

Taos Academy

- **Brief Discussion**

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

Taos Integrated School of the Arts

- **Brief Discussion**

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

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Taos International Charter School

- **Brief Discussion**

Taos International School was approved as part of the 2012 New Application cycle, but did not commence operations until fall of 2014. The school began operations with grades Kindergarten, 1, and 6. The school now serves students in grades Kindergarten, 1, 2, 6, and 7 and will continue to add grades until it serves students K-8. The school has approximately 100 students. The school's mission is to provide K-8 students an educational program focused on inquiry-based teaching and learning, through the International Baccalaureate (IB) Primary and Middle Years Programs; the acquisition of languages including Spanish immersion and Mandarin Chinese; and the development of social, emotional, and rigorous academic skills necessary to function in our local, national, and international community.

Technology Leadership High School

- **Brief Discussion**

Tech Leadership High School (TLHS) is a project-based school that develops future leaders in the technology fields by providing them with 360 degrees of support. TLHS prepares young people for college or a career in the technology field upon graduation.

The Learning Community Charter School

- **Brief Discussion**

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

Tierra Adentro

- **Brief Discussion**

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

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Tierra Encantada Charter School

- **Brief Discussion**

The mission of the Tierra Encantada Charter School at Alvord ("TECS") is to empower students as citizen scholars within a dual language environment through a rigorous learning curriculum, which will prepare students for post-secondary success.

Turquoise Trail Charter School

- **Brief Discussion**

Turquoise Trail Charter School serves a diverse community of Pre-K through 6th grade students and families in a safe and supportive environment fostering communication, collaboration, critical thinking, and creativity. Students are empowered through a student-centered learning approach. Teaching and learning are research-based, data-driven, and relevant to diverse student needs and interests.

Uplift Academy

- **Brief Discussion**

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

Walatowa High Charter School

- **Brief Discussion**

Walatowa High Charter School (WH)- Through a community-integrated experiential learning program, Walatowa High Charter School will prepare students to be academically successful , while promoting Cultural awareness, community wellness, Leadership, College and Career readiness. The principal focus of Walatowa High's academic program is early college preparation, including dual credit coursework. The pre-college focused curriculum also emphasizes the value of the community's (Jemez, Zia and Jemez Valley Corridor) culture, and traditions. From the outset, the school founders,

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administrators, faculty and governance council have recognized that young people who understand their identity and appreciate their unique heritage are the best equipped to become effective students and citizens. Students are challenged with advanced courses in core subject areas and enter the dual credit program by their junior year of high school. WHCS maintains strong partnerships with post-secondary institutions to ensure the implementation of our college and career preparation program. Partnership such as University of New Mexico, Southwestern Indian Polytechnic Institute, Institute of American Indian Arts, Central New Mexico College, Eastern New Mexico University, New Mexico State University, UNM-Los Alamos, and Arizona University. In addition, through the Gear UP NM program, Exemplary Program and Federal Programs, Walatowa has been able to bring parents and students together in preparation for post-secondary enrollment.

William W. & Josephine Dorn Charter Community School

- **Brief Discussion**

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

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Financial Analysis of the Component Units as a Whole

Net Position

The Component Units' net position as June 30, 2016 was \$(70) million. Table A-4 summarizes the Component Units' net position for the fiscal years ended June 30, 2016 and 2015.

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

	<u>June 30, 2016</u> Component Units	<u>June 30, 2015</u> Component Units
Assets:		
Current assets	\$ 47,301,458	42,030,665
Other assets	1,655,665	803,608
Capital assets, net	61,242,272	45,691,985
Total Assets	<u>110,199,395</u>	<u>88,526,257</u>
Deferred Outflows - Pension Related	34,480,205	19,515,540
Current Liabilities		
Accounts payable	2,398,565	1,635,399
Accrued payroll	6,951,900	5,613,609
Unearned revenue	296,009	243,647
Other current liabilities	1,533,238	1,553,615
Compensated absences	142,837	298,219
Total Current liabilities	<u>11,322,549</u>	<u>9,344,489</u>
Non-Current Liabilities		
Net pension liability	146,788,442	109,021,707
Other non-current liabilities	50,860,808	39,886,609
Deferred Inflows - Pension Related	197,649,250	12,717,280
Net Position:		
Net investment in capital assets	10,678,753	10,553,908
Restricted	17,915,569	12,307,934
Unrestricted	(99,039,622)	(85,790,130)
Total net position	<u>(70,445,300)</u>	<u>(62,928,228)</u>
Total net position and liabilities	\$ <u>144,679,600</u>	<u>88,526,257</u>

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Year Ended June 30, 2016**

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

	<u>June 30, 2016</u> Component Units	<u>June 30, 2015</u> Component Units
Revenues:		
Program Revenues		
Charges for services	\$ 1,250,340	1,440,385
Operating Grants & contributions	18,785,071	15,674,846
Capital grants & contributions	13,450,527	11,015,253
General revenues and transfers:		
State equalization guarantee	127,419,401	108,167,112
State appropriations	-	-
Miscellaneous	10,440,595	6,906,242
Gain (loss) on disposal of capital assets	-	-
Total Revenues	<u>171,345,934</u>	<u>143,203,838</u>
Expenses:		
Instruction	85,691,545	69,106,333
Support Services	34,980,313	53,590,134
Operation of Non-Instructional Services	48,125,114	18,055,672
Interest on Long-Term Debt	-	43,896
	<u>168,706,972</u>	<u>140,796,035</u>
Changes in Net Position	2,638,962	2,407,803
Beginning Net Position	(73,696,007)	33,799,109
(Restatement)/Transfer in Component Units	611,745	(99,135,200)
Ending Net Position	<u>\$ (70,445,300)</u>	<u>(62,928,288)</u>

Changes in Capital Assets

During fiscal year 2016, Component Unit net capital assets increased by \$15,550,287 primarily due to acquisition of buildings and land as well as capitalization of land and building improvements.

	<u>June 30, 2016</u> Component unit	<u>June 30, 2015</u> Component Units
Capital Assets	\$ 73,372,600	55,450,643
Accumulated depreciation	<u>(12,130,328)</u>	<u>(9,758,658)</u>
Total capital assets, net	<u>\$ 61,242,272</u>	<u>45,691,985</u>

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

Reporting the Component Units' Most Significant Funds

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

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

- General fund – The primary operating fund of the Department accounts for all financial resources, except those required to be accounted for in other funds.
- Special revenue funds – These account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- Capital projects funds – Capital Projects Funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities or other capital assets.

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

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

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Requests for Information

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

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

BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF NET POSITION
June 30, 2016

	<u>Governmental Activities</u>	<u>Component Units</u>
ASSETS AND DEFERRED OUTFLOWS		
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ -	37,888,976
Investment in State General Fund Investment Pool	136,333,380	-
Due from Federal Government	108,964,714	-
Due from State General Fund	-	-
Due from Other State Agencies	25,810,987	8,857,149
Due from External Miscellaneous Parties	590,913	36,545
Due from Agency Fund	-	9,910
Prepaid Expenditures	-	224,567
Other Assets	81,598	284,311
Total Current Assets	<u>271,781,592</u>	<u>47,301,458</u>
NON-CURRENT ASSETS:		
Capital Assets	2,547,026	73,372,600
Restricted Cash	-	1,655,665
Accumulated Depreciation	(2,034,694)	(12,130,328)
	<u>512,332</u>	<u>62,897,937</u>
Total Non-Current Assets	<u>512,332</u>	<u>62,897,937</u>
Total Assets	<u>272,293,924</u>	<u>110,199,395</u>
DEFERRED OUTFLOWS - Pension Related	<u>-</u>	<u>34,480,205</u>

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STATEMENT OF NET POSITION (CONTINUED)
June 30, 2016

	<u>Governmental Activities</u>	<u>Component Units</u>
LIABILITIES AND DEFERRED INFLOWS		
CURRENT LIABILITIES:		
Accounts Payable	\$ 161,443,648	2,398,565
Accrued Payroll and Taxes	1,230,288	6,951,900
Interest in State General Fund		
Investment Pool-Overdraft	17,065	-
Cash Overdraft	-	143,942
Due to State General Fund	7,657,732	-
Due to Other State Agencies	2,702,688	153,748
Due to Federal Government	6,782,627	-
Due to Local Education Authorities	2,439,565	-
Unearned Revenue	4,505,236	296,009
Accrued Interest	-	182,556
Compensated Absences - Due Within One Year	1,330,647	142,837
Current Portion of Long - Term Debt	-	1,052,992
Other Current Liabilities	5,585,544	-
Total Current Liabilities	<u>193,695,040</u>	<u>11,322,549</u>
NON-CURRENT LIABILITIES:		
Long-Term Debt	-	50,860,808
Contingency Payable - Maintenance of State		
Financial Support	16,096,000	-
Net Pension Liability	-	146,788,442
Total Non-Current Liabilities	<u>16,096,000</u>	<u>197,649,250</u>
Total Liabilities	<u>209,791,040</u>	<u>208,971,799</u>
DEFERRED INFLOWS - Pension Related	-	6,153,101
NET POSITION		
Net Investment in Capital Assets	512,332	10,678,753
Restricted	53,865,155	17,915,569
Unrestricted	8,125,397	(99,039,622)
Total Net Position	<u>\$ 62,502,884</u>	<u>(70,445,300)</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Component Units
PRIMARY GOVERNMENT						
GOVERNMENTAL ACTIVITIES:						
Education	\$ 3,195,603,042	8,939,318	436,165,419	-	(2,750,498,305)	-
Health and Welfare	38,154,268	62,896	31,944,997	-	(6,146,375)	-
Total Primary Government	\$ 3,233,757,310	9,002,214	468,110,416	-	(2,756,644,680)	-
COMPONENT UNITS						
Instruction	\$ 85,691,545	847,773	13,948,027	680,135	-	(70,215,610)
Support Services	34,890,313	501	302,918	-	-	(34,586,894)
Operation of Non- Instructional Services	48,125,114	402,066	4,534,126	12,770,392	-	(30,418,530)
Interest on Long-Term Debt	-	-	-	-	-	-
Total Component Units	\$ 168,706,972	1,250,340	18,785,071	13,450,527	-	(135,221,034)
GENERAL REVENUES AND TRANSFERS:						
State general fund - general appropriations					\$ 2,634,803,708	-
State general fund - special appropriations					110,273,500	-
State equalization guarantee					-	127,419,401
Bond proceeds appropriations					36,579,016	-
Transfers in - other					330,504	-
Transfers out - other					(9,461,440)	-
Transfers out - State General fund reversions - FY16					(8,031,342)	-
Property taxes					-	5,378,301
Interest Income					-	-
Miscellaneous					-	5,062,294
Loss on the disposal of assets					(4,994)	-
TOTAL GENERAL REVENUES AND TRANSFERS					2,764,488,952	137,859,996
CHANGE IN NET POSTION					7,844,272	2,638,962
NET POSITION, BEGINNING					54,658,612	(73,696,007)
RESTATEMENT					-	611,745
NET POSITION, BEGINNING AS RESTATED					55,489,374	(73,084,262)
NET POSTION, ENDING					\$ 62,502,884	\$ (70,445,300)

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
BALANCE SHEETS - GOVERNMENTAL FUNDS
June 30, 2016

	PED General Fund 05700	DVR General Fund 50000	Disability Determination Services 50100
ASSETS			
Interest in State General Fund			
Investment Pool	\$ 1,535,981	8,715,651	93,858
Due from Federal Government	-	1,910,422	291,738
Due from State General Fund	-	-	-
Due from Other State Agencies	12,730	7,302	-
Due from External Miscellaneous Parties	554,322	-	-
Due from Agency Fund	-	-	-
Due from Other Funds	-	-	-
Other Assets	-	7,453	-
Total Assets	\$ 2,103,033	10,640,828	385,596
LIABILITIES AND FUND BALANCES (DEFICIT):			
Accounts Payable	\$ 677,860	1,688,735	310,054
Accrued Payroll and Taxes	399,196	378,006	170,913
Interest in State General Fund			
Investment Pool-Overdraft	-	-	-
Due to State General Fund	63,126	-	-
Due to Other State Agencies	114,296	-	-
Due to Federal Government	5,101	3,671,936	9,051
Due to Local Education Authorities	17,737	-	-
Unearned Revenue	-	3,589,727	-
Due to Other Funds	-	-	-
Contingency Payable - Maintenance of State			
Financial Support	-	-	-
Other Liabilities	123,792	-	-
Total Liabilities	1,401,108	9,328,404	490,018
FUND BALANCES (DEFICIT)			
Restricted	-	1,312,424	-
Committed	701,925	-	-
Unassigned (deficit)	-	-	(104,422)
Total Fund Balances (Deficit)	701,925	1,312,424	(104,422)
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	\$ 2,103,033	10,640,828	385,596

See Notes to Financial Statements

Federal Department of Education Flowthrough 67300	Special Projects 79000	Public School Support Flowthrough 85800	STB Capital Outlay 89200	Other Non- Major Governmental Funds	Total Governmental Funds
2,822,967	68,680,551	6,636,456	3,255,748	44,592,168	136,333,380
92,961,705	-	-	-	13,800,849	108,964,714
-	-	-	-	-	-
-	-	-	25,781,313	9,642	25,810,987
-	-	-	-	36,591	590,913
-	-	-	-	-	-
-	-	-	-	-	-
4,589	5,292	-	-	64,264	81,598
<u>95,789,261</u>	<u>68,685,843</u>	<u>6,636,456</u>	<u>29,037,061</u>	<u>58,503,514</u>	<u>271,781,592</u>
88,661,651	16,262,119	-	29,184,751	24,658,478	161,443,648
-	25,900	-	-	256,273	1,230,288
-	-	-	-	17,065	17,065
-	176,646	7,417,960	-	-	7,657,732
-	-	-	-	2,588,392	2,702,688
1,799,796	-	9,388	-	1,287,355	6,782,627
4,983	2,122,547	600	-	293,698	2,439,565
4,996	-	1,379	-	909,134	4,505,236
-	-	-	-	-	-
-	16,096,000	-	-	-	16,096,000
64,539	-	74,138	-	5,323,075	5,585,544
<u>90,535,965</u>	<u>34,683,212</u>	<u>7,503,465</u>	<u>29,184,751</u>	<u>35,333,470</u>	<u>208,460,393</u>
5,253,296	34,002,631	-	-	13,296,804	53,865,155
-	-	-	-	10,776,030	11,477,955
-	-	(867,009)	(147,690)	(902,790)	(2,021,911)
<u>5,253,296</u>	<u>34,002,631</u>	<u>(867,009)</u>	<u>(147,690)</u>	<u>23,170,044</u>	<u>63,321,199</u>
<u>95,789,261</u>	<u>68,685,843</u>	<u>6,636,456</u>	<u>29,037,061</u>	<u>58,503,514</u>	<u>271,781,592</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 RECONCILIATION OF THE BALANCE SHEETS - GOVERNMENTAL FUNDS
 TO THE STATEMENT OF NET POSITION
 June 30, 2016

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$ 63,321,199

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

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

Capital Assets	2,547,026	
Accumulated Depreciation	<u>(2,034,694)</u>	
Total Capital Assets		512,332

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

Compensated absences - due within one year	<u>(1,330,647)</u>
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Net Position of Governmental Activities (Statement of Net Position)	<u><u>\$ 62,502,884</u></u>
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See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (DEFICIT)
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2016

	PED General Fund 05700	DVR General Fund 50000	Disability Determination Services 50100
REVENUES:			
Federal Grants	\$ -	20,497,779	11,193,420
Other Revenue	2,631,703	62,896	-
Total Revenues	2,631,703	20,560,675	11,193,420
EXPENDITURES:			
Current:			
Education	14,434,252	-	-
Health and Welfare	-	25,291,404	11,187,125
Capital Outlay	9,205	226,782	-
Total Expenditures	14,443,457	25,518,186	11,187,125
(DEFICIENCY) EXCESS OF REVENUES (UNDER) OVER EXPENDITURES	(11,811,754)	(4,957,511)	6,295
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	11,879,702	4,374,800	-
Appropriations Funded with State Severance Bond Proceeds	-	-	-
Transfers in:			
Interfund	-	6,295	-
Other	-	305,504	-
Transfers out:			
Reversions - FY16	(63,125)	-	-
Interfund	-	-	(6,295)
Other	-	-	-
Total Other Financing Sources (Uses):	11,816,577	4,686,599	(6,295)
NET CHANGES IN FUND BALANCES	4,823	(270,912)	-
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	697,102	1,583,336	(104,422)
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 701,925	1,312,424	(104,422)

See Notes to Financial Statements

Federal Department of Education Flowthrough 67300	Special Projects 79000	Public School Support Flowthrough 85800	STB Capital Outlay 89200	Other Non-Major Governmental Funds	Total Governmental Funds
242,530,996	-	-	-	193,888,221	468,110,416
81	50	-	-	6,307,484	9,002,214
<u>242,531,077</u>	<u>50</u>	<u>-</u>	<u>-</u>	<u>200,195,705</u>	<u>477,112,630</u>
242,531,083	58,867,074	2,585,355,835	37,186,757	257,060,087	3,195,435,088
-	-	-	-	1,643,541	38,122,070
-	-	-	-	-	235,987
<u>242,531,083</u>	<u>58,867,074</u>	<u>2,585,355,835</u>	<u>37,186,757</u>	<u>258,703,628</u>	<u>3,233,793,145</u>
<u>(6)</u>	<u>(58,867,024)</u>	<u>(2,585,355,835)</u>	<u>(37,186,757)</u>	<u>(58,507,923)</u>	<u>(2,756,680,515)</u>
-	66,522,700	2,592,542,409	-	69,757,597	2,745,077,208
-	-	-	36,550,922	28,094	36,579,016
-	5,750,794	-	-	-	5,757,089
-	-	-	-	25,000	330,504
-	(781,645)	(7,186,572)	-	-	(8,031,342)
-	-	-	-	(5,750,794)	(5,757,089)
-	-	-	-	(9,461,440)	(9,461,440)
-	<u>71,491,849</u>	<u>2,585,355,837</u>	<u>36,550,922</u>	<u>54,598,457</u>	<u>2,764,493,946</u>
<u>(6)</u>	<u>12,624,825</u>	<u>2</u>	<u>(635,835)</u>	<u>(3,909,466)</u>	<u>7,813,431</u>
<u>5,253,302</u>	<u>21,377,806</u>	<u>(867,011)</u>	<u>488,145</u>	<u>27,079,510</u>	<u>55,507,768</u>
<u>5,253,296</u>	<u>34,002,631</u>	<u>(867,009)</u>	<u>(147,690)</u>	<u>23,170,044</u>	<u>63,321,199</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (DEFICIT)
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016**

	<u>Primary Government Governmental Activities</u>
Net Change in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances/Deficit)	\$ 7,813,431

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

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

Change in compensated absences payable	23,748
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Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlay	235,987
Depreciation expense	<u>(223,900)</u>
Excess of capital outlay over depreciation expense	12,087
Loss on disposition of assets	<u>(4,994)</u>

Change in Net Position of Governmental Activities (Statement of Activities)	<u><u>\$ 7,844,272</u></u>
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See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis
General and Major Special Revenue Funds
PED General Fund 05700
For the Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Grants	\$ 35,900	35,900	-	(35,900)
State General Fund Appropriations	11,879,700	11,879,700	11,879,702	2
Other Revenue	2,735,800	3,053,286	2,631,703	(421,583)
Other Financing Sources	181,900	181,900	-	(181,900)
Reversions	-	-	(63,125)	(63,125)
Total Revenues	<u>14,833,300</u>	<u>15,150,786</u>	<u>14,448,280</u>	<u>(702,506)</u>
Expenditures:				
Education:				
Personal Services & Employee				
Benefits	11,584,500	11,901,986	11,913,133	(11,147)
Contractual Services	1,420,000	1,420,000	1,362,435	57,565
Other	1,184,600	1,184,600	1,167,889	16,711
Total Expenditures	<u>14,189,100</u>	<u>14,506,586</u>	<u>14,443,457</u>	<u>63,129</u>
NET CHANGE IN FUND BALANCE	<u>\$ 644,200</u>	<u>644,200</u>	<u>4,823</u>	<u>(639,377)</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis
General and Major Special Revenue Funds
DVR General Fund 50000
For the Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Grants	\$ 23,357,500	23,357,500	20,504,074	(2,853,426)
State General Fund Appropriations	4,408,900	4,408,900	4,374,800	(34,100)
Other Revenue	300,000	300,000	62,896	(237,104)
Other Financing Sources	466,000	466,000	305,504	(160,496)
Total Revenues	<u>28,532,400</u>	<u>28,532,400</u>	<u>25,247,274</u>	<u>(3,285,126)</u>
Expenditures:				
Health and welfare:				
Personal Services & Employee				
Benefits	12,629,500	12,629,500	11,679,583	949,917
Contractual Services	787,000	1,741,100	1,535,741	205,359
Other	15,115,900	14,161,800	12,302,862	1,858,938
Total Expenditures	<u>28,532,400</u>	<u>28,532,400</u>	<u>25,518,186</u>	<u>3,014,214</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(270,912)</u>	<u>(270,912)</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis
General and Major Special Revenue Funds
Disability Determination Services 50100
For the Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Grants	\$ 17,122,400	17,107,500	11,193,420	(5,914,080)
Other Revenue	-	-	-	-
Total Revenues	<u>17,122,400</u>	<u>17,107,500</u>	<u>11,193,420</u>	<u>(5,914,080)</u>
Expenditures:				
Health and welfare:				
Personal Services & Employee				
Benefits	6,346,500	6,331,600	5,136,607	1,194,993
Contractual Services	552,400	552,400	403,275	149,125
Other	10,223,500	10,223,500	5,653,538	4,569,962
Total Expenditures	<u>17,122,400</u>	<u>17,107,500</u>	<u>11,193,420</u>	<u>5,914,080</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis
General and Major Special Revenue Funds
Federal Department of Education Flowthrough 67300
For the Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ 400,475,096	400,475,096	242,530,996	(157,944,100)
Other Revenue	-	-	81	81
Total Revenues	<u>400,475,096</u>	<u>400,475,096</u>	<u>242,531,077</u>	<u>(157,944,019)</u>
Expenditures:				
Education:				
Contractual Services	12,563,334	12,563,334	8,101,363	4,461,971
Other	387,911,762	387,911,762	234,429,720	153,482,042
Total Expenditures	<u>400,475,096</u>	<u>400,475,096</u>	<u>242,531,083</u>	<u>157,944,013</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(6)</u>	<u>(6)</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis
General and Major Special Revenue Funds
Special Projects 79000
For the Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 88,249,279	88,249,279	66,522,700	(21,726,579)
Other Revenue	-	-	50	50
Other Financing Sources	-	-	5,750,794	5,750,794
Reversions	-	-	(781,645)	(781,645)
Total Revenues	<u>88,249,279</u>	<u>88,249,279</u>	<u>71,491,899</u>	<u>(16,757,380)</u>
Expenditures:				
Education:				
Personal Services & Employee				
Benefits	945,000	431,650	650,530	(218,880)
Contractual Services	52,352,779	40,385,243	29,971,240	10,414,003
Other	34,951,500	47,432,386	28,245,304	19,187,082
Total Expenditures	<u>88,249,279</u>	<u>88,249,279</u>	<u>58,867,074</u>	<u>29,382,205</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>12,624,825</u>	<u>12,624,825</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis
General and Major Special Revenue Funds
Public School Support Flowthrough 85800
For the Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 2,592,542,407	2,592,542,407	2,592,542,409	2
Other Revenue	-	-	-	-
Other Financing Sources	5,000,000	5,000,000	-	(5,000,000)
Reversions	-	-	(7,186,572)	(7,186,572)
Total Revenues	<u>2,597,542,407</u>	<u>2,597,542,407</u>	<u>2,585,355,837</u>	<u>(12,186,570)</u>
Expenditures:				
Education:				
Other	<u>2,597,542,407</u>	<u>2,597,542,407</u>	<u>2,585,355,835</u>	<u>12,186,572</u>
Total Expenditures	<u>2,597,542,407</u>	<u>2,597,542,407</u>	<u>2,585,355,835</u>	<u>12,186,572</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>2</u>	<u>2</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 STATEMENT OF ASSETS AND LIABILITIES - AGENCY FUND
 June 30, 2016

	Agency Fund
	57300
<hr/>	
ASSETS	
Interest in State General Fund Investment Pool	3,774,339
Due from Other State Agencies	130,584
	<hr/>
Total Assets	\$ 3,904,923
	<hr/> <hr/>
LIABILITIES	
Due to Other Funds	\$ -
Due to External Parties	3,904,923
	<hr/>
Total Liabilities	\$ 3,904,923
	<hr/> <hr/>

See Notes to Financial Statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 STATEMENT OF FIDUCIARY NET POSITION
 June 30, 2016

	Private Purpose Trusts 61600 & 99300
ASSETS	
Interest in State General Fund Investment Pool	\$ 45,289
Certificate of Deposit	<u>20,000</u>
Total Assets	<u>65,289</u>
LIABILITIES	
Due to External Parties	<u>-</u>
Total Liabilities	<u>-</u>
NET POSITION	
Reserved for Scholarships	<u><u>\$ 65,289</u></u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2016

	Private Purpose Trusts 61600 & 99300
ADDITIONS	
Investment Earnings - Interest	\$ 243
DEDUCTIONS	
Scholarship Expense	<u>-</u>
CHANGE IN NET POSITION	243
NET POSITION, BEGINNING	<u>65,046</u>
NET POSITION, ENDING	<u><u>\$ 65,289</u></u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units
June 30, 2016

	Academy of Trade and Technology	ACE Leadership High School	AIMS at UNM
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 667,634	1,267,188	2,689,882
Receivables			
Due From Other Governments	85,590	262,777	71,137
Other Receivables	-	-	-
Deposits	1,500	-	-
Prepaid Expenditures	-	5,381	-
Due from Agency Fund	-	-	-
Other	-	-	-
TOTAL CURRENT ASSETS	754,724	1,535,346	2,761,019
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-	1,194,050	-
Construction-in-Process	-	-	-
Building and Improvements	1,946,238	4,022,775	-
Leasehold Improvements	-	-	-
Vehicles	67,361	-	-
Furniture, Fixtures, and Equipment	353,720	77,389	77,553
Restricted Cash	-	-	-
Less: Accumulated Depreciation	(708,639)	(265,061)	(38,296)
TOTAL NONCURRENT ASSETS	1,658,680	5,029,153	39,257
TOTAL ASSETS	2,413,404	6,564,499	2,800,276
DEFERRED OUTFLOWS - Pension Related	299,855	831,198	729,560
LIABILITIES AND DEFERRED INFLOWS			
CURRENT LIABILITIES:			
Accounts Payable	12,674	2,456	6,688
Cash Overdraft	-	-	-
Accrued Liabilities	61,587	36,213	209,392
Accrued Interest	-	-	-
Unearned Revenue	-	-	175,000
Compensated Absences	15,993	-	-
Due to Other Governments	-	-	-
Current Portion of Long-Term Debt	71,244	143,168	-
TOTAL CURRENT LIABILITIES	161,498	181,837	391,080
NON CURRENT LIABILITIES			
Long Term Debt	693,501	4,027,702	-
Net Pension Liability	1,838,896	4,284,064	3,576,099
TOTAL NONCURRENT LIABILITIES	2,532,397	8,311,766	3,576,099
TOTAL LIABILITIES	2,693,895	8,493,603	3,967,179
DEFERRED INFLOWS - Pension Related	178,931	98,706	82,394
NET POSITION			
Net Investment in Capital Assets	893,935	858,283	39,257
Restricted	129,958	786,539	1,093,938
Unrestricted (Deficit)	(1,183,460)	(2,841,434)	(1,652,932)
TOTAL NET POSITION (DEFICIT)	\$ (159,567)	(1,196,612)	(519,737)

See Independent Auditors Report and Notes to Financial Statements

<u>Albuquerque School of Excellence</u>	<u>Albuquerque Sign Language Academy</u>	<u>Aldo Leopold High School</u>	<u>Alma d'arte Charter High School</u>	<u>Amy Biehl Charter School</u>	<u>Anthony Charter School</u>
468,035	674,833	779,464	58,815	1,534,501	178,763
172,717	327,586	97,991	124,954	77,086	27,598
-	389	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	66,390	-	-	-	-
<u>640,752</u>	<u>1,069,198</u>	<u>877,455</u>	<u>183,769</u>	<u>1,611,587</u>	<u>206,361</u>
-	-	-	-	-	-
-	-	-	-	-	-
9,354,876	-	43,341	-	4,053,278	752,608
-	-	-	-	-	-
-	-	98,390	-	-	-
61,562	15,755	5,836	156,496	228,244	32,921
-	-	-	-	-	-
<u>(61,485)</u>	<u>(14,797)</u>	<u>(82,700)</u>	<u>(149,789)</u>	<u>(1,324,763)</u>	<u>(94,225)</u>
<u>9,354,953</u>	<u>958</u>	<u>64,867</u>	<u>6,707</u>	<u>2,956,759</u>	<u>691,304</u>
<u>9,995,705</u>	<u>1,070,156</u>	<u>942,322</u>	<u>190,476</u>	<u>4,568,346</u>	<u>897,665</u>
347,368	909,792	581,705	284,660	542,414	81,036
59,691	10,380	-	11,023	28,758	639
-	-	-	-	-	-
212,635	66,615	201,465	52,423	1,082	44,430
-	-	-	-	-	-
-	-	-	-	-	-
-	-	11,068	-	-	-
-	15,676	-	-	-	-
<u>42,021</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>314,347</u>	<u>92,671</u>	<u>212,533</u>	<u>63,446</u>	<u>29,840</u>	<u>45,069</u>
9,312,855	-	-	-	-	-
<u>2,343,475</u>	<u>2,875,259</u>	<u>2,341,532</u>	<u>2,561,759</u>	<u>4,431,098</u>	<u>843,340</u>
<u>11,656,330</u>	<u>2,875,259</u>	<u>2,341,532</u>	<u>2,561,759</u>	<u>4,431,098</u>	<u>843,340</u>
<u>11,970,677</u>	<u>2,967,930</u>	<u>2,554,065</u>	<u>2,625,205</u>	<u>4,460,938</u>	<u>888,409</u>
53,994	66,247	53,950	120,531	110,919	159,536
77	958	64,867	6,707	2,956,759	691,304
283,209	420,148	165,697	26,739	666,846	31,646
<u>(1,964,884)</u>	<u>(1,475,335)</u>	<u>(1,314,552)</u>	<u>(2,304,046)</u>	<u>(3,084,702)</u>	<u>(792,194)</u>
<u>(1,681,598)</u>	<u>(1,054,229)</u>	<u>(1,083,988)</u>	<u>(2,270,600)</u>	<u>538,903</u>	<u>(69,244)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2016

	ASK Academy	Cesar Chavez Community School	Cien Aguas International School
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 317,173	677,490	1,096,894
Receivables			
Due From Other Governments	112,477	125,609	255,647
Other Receivables	698	-	-
Deposits	-	13,000	-
Prepaid Expenditures	-	4,712	19,162
Due from Agency Fund	-	-	-
Other	-	-	-
TOTAL CURRENT ASSETS	430,348	820,811	1,371,703
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	647,989	-	-
Construction-in-Process	-	39,917	-
Building and Improvements	4,871,470	23,270	16,162
Leasehold Improvements	-	-	-
Vehicles	-	-	-
Furniture, Fixtures, and Equipment	189,428	114,657	182,602
Restricted Cash	715,572	-	-
Less: Accumulated Depreciation	(106,867)	(120,256)	(74,791)
TOTAL NONCURRENT ASSETS	6,317,592	57,588	123,973
TOTAL ASSETS	6,747,940	878,399	1,495,676
DEFERRED OUTFLOWS - Pension Related	1,053,473	278,136	909,381
LIABILITIES AND DEFERRED INFLOWS			
CURRENT LIABILITIES:			
Accounts Payable	2,006	5,818	12,672
Cash Overdraft	-	-	-
Accrued Liabilities	173,135	44,292	259,480
Accrued Interest	-	-	-
Unearned Revenue	-	-	-
Compensated Absences	-	-	-
Due to Other Governments	-	-	16,527
Current Portion of Long-Term Debt	81,885	-	-
TOTAL CURRENT LIABILITIES	257,026	50,110	288,679
NON CURRENT LIABILITIES			
Long Term Debt	6,382,772	-	-
Net Pension Liability	3,061,156	2,433,509	3,471,815
TOTAL NONCURRENT LIABILITIES	9,443,928	2,433,509	3,471,815
TOTAL LIABILITIES	9,700,954	2,483,619	3,760,494
DEFERRED INFLOWS - Pension Related	70,530	56,069	79,991
NET POSITION			
Net Investment in Capital Assets	(862,637)	57,588	123,973
Restricted	814,216	138,270	829,128
Unrestricted (Deficit)	(1,921,650)	(1,579,011)	(2,388,529)
TOTAL NET POSITION (DEFICIT)	\$ (1,970,071)	(1,383,153)	(1,435,428)

See Independent Auditors Report and Notes to Financial Statements

Coral Community Charter	Cottonwood Classical Preparatory School	Creative Education Preparatory Institute #1	Dream Diné Charter	Dzit Dit Lool School of Empowerment, Action & Perseverance (DEAP)	Estancia Valley Classical Academy
88,111	1,637,051	126,835	273,694	13,390	303,141
60,307	213,213	34	29,600	15,706	178,923
-	4,251	-	-	-	10,857
-	-	-	-	-	38,118
-	13,298	-	-	-	-
-	8,936	-	-	-	-
-	-	-	-	-	-
148,418	1,876,749	126,869	303,294	29,096	531,039
-	3,172,430	-	-	-	8,989
-	-	-	-	-	179,036
-	5,770,204	-	59,291	-	-
-	-	-	-	-	728,663
-	-	-	-	-	-
84,437	43,862	-	8,336	-	34,799
-	-	-	-	-	-
(42,965)	(445,501)	-	(4,102)	-	(554,863)
41,472	8,540,995	-	63,525	-	396,624
189,890	10,417,744	126,869	366,819	29,096	927,663
830,671	910,775	270,070	283,638		770,323
31,908	6,814	305,623	17,173	6,372	171,475
-	-	-	-	-	-
9,725	368,473	26,895	9,728	9,697	172,554
-	52,631	-	-	-	-
-	-	-	-	-	-
-	-	4,988	-	-	-
-	-	-	-	-	-
-	160,000	-	-	-	68,041
41,633	587,918	337,506	26,901	16,069	412,070
-	10,290,000	-	-	-	15,204
1,553,248	5,215,495	2,444,529	341,352	-	3,310,531
1,553,248	15,505,495	2,444,529	341,352	-	3,325,735
1,594,881	16,093,413	2,782,035	368,253	16,069	3,737,805
35,787	120,167	88,665	7,865		76,276
41,472	(1,909,005)	-	63,525	-	313,379
10,093	1,439,634	44,527	103,348	12,020	152,201
(661,672)	(4,415,690)	(2,518,288)	107,466	1,007	(2,581,675)
(610,107)	(4,885,061)	(2,473,761)	274,339	13,027	(2,116,095)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2016

	<u>Explore Academy</u>	<u>Gilbert L Sena Charter High School</u>	<u>GREAT Academy</u>
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 198,741	569,779	722,995
Receivables			
Due From Other Governments	50,647	118,468	72,770
Other Receivables	-	-	-
Deposits	-	-	-
Prepaid Expenditures	-	-	52,776
Due from Agency Fund	-	-	-
Other	-	-	-
TOTAL CURRENT ASSETS	<u>249,388</u>	<u>688,247</u>	<u>848,541</u>
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-	-	-
Construction-in-Process	-	-	-
Building and Improvements	-	-	1,447,714
Leasehold Improvements	-	-	-
Vehicles	-	-	126,612
Furniture, Fixtures, and Equipment	-	162,545	141,669
Restricted Cash	-	-	-
Less: Accumulated Depreciation	-	(114,625)	(157,019)
TOTAL NONCURRENT ASSETS	<u>-</u>	<u>47,920</u>	<u>1,558,976</u>
TOTAL ASSETS	<u>249,388</u>	<u>736,167</u>	<u>2,407,517</u>
DEFERRED OUTFLOWS - Pension Related	1,677,531	331,569	308,189
LIABILITIES AND DEFERRED INFLOWS			
CURRENT LIABILITIES:			
Accounts Payable	1,278	5,446	30,726
Cash Overdraft	52,086	-	-
Accrued Liabilities	-	139,474	15,374
Accrued Interest	-	-	-
Unearned Revenue	-	-	-
Compensated Absences	-	-	-
Due to Other Governments	-	-	-
Current Portion of Long-Term Debt	-	-	30,596
TOTAL CURRENT LIABILITIES	<u>53,364</u>	<u>144,920</u>	<u>76,696</u>
NON CURRENT LIABILITIES			
Long Term Debt	-	-	1,054,889
Net Pension Liability	2,002,123	2,569,517	1,693,157
TOTAL NONCURRENT LIABILITIES	<u>2,002,123</u>	<u>2,569,517</u>	<u>2,748,046</u>
TOTAL LIABILITIES	<u>2,055,487</u>	<u>2,714,437</u>	<u>2,824,742</u>
DEFERRED INFLOWS - Pension Related	46,130	59,203	39,011
NET POSITION			
Net Investment in Capital Assets	-	47,920	469,407
Restricted	17,917	150,593	487,821
Unrestricted (Deficit)	(192,615)	(1,904,417)	(1,105,275)
TOTAL NET POSITION (DEFICIT)	<u>\$ (174,698)</u>	<u>(1,705,904)</u>	<u>(148,047)</u>

See Independent Auditors Report and Notes to Financial Statements

<u>Health Leadership High School</u>	<u>Health Sciences Academy</u>	<u>Horizon Academy West</u>	<u>International School at Mesa del Sol</u>	<u>J. Paul Taylor Academy</u>	<u>La Academia Dolores Huerta</u>
1,069,310	78,457	1,136,499	858,211	16,729	56,917
130,996	-	220,695	95,611	15,142	195,205
-	-	-	-	-	-
27,000	30,000	-	-	-	-
11,576	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,238,882</u>	<u>108,457</u>	<u>1,357,194</u>	<u>953,822</u>	<u>31,871</u>	<u>252,122</u>
-	-	164,000	-	-	-
-	-	-	-	-	-
-	-	5,174,123	117,836	-	-
-	-	-	-	-	-
-	-	-	-	-	-
126,267	-	11,077	-	22,482	107,244
-	-	809,782	115,311	-	-
(26,540)	-	(396,235)	(71,682)	(18,857)	(69,962)
<u>99,727</u>	<u>-</u>	<u>5,762,747</u>	<u>161,465</u>	<u>3,625</u>	<u>37,282</u>
<u>1,338,609</u>	<u>108,457</u>	<u>7,119,941</u>	<u>1,115,287</u>	<u>35,496</u>	<u>289,404</u>
1,312,602	1,329,494	437,336	514,993	275,624	233,152
16,933	300	-	19,564	1,613	6,913
-	-	-	-	-	-
110,987	1,328	293,452	206,687	-	50,258
-	-	129,925	-	-	-
-	-	-	-	-	-
-	-	8,426	8,834	-	17,343
-	-	-	-	-	-
-	-	85,000	-	-	-
<u>127,920</u>	<u>1,628</u>	<u>516,803</u>	<u>235,085</u>	<u>1,613</u>	<u>74,514</u>
-	-	6,500,000	-	-	-
<u>2,105,759</u>	<u>1,750,157</u>	<u>4,037,280</u>	<u>2,411,486</u>	<u>1,947,714</u>	<u>1,759,226</u>
<u>2,105,759</u>	<u>1,750,157</u>	<u>10,537,280</u>	<u>2,411,486</u>	<u>1,947,714</u>	<u>1,759,226</u>
<u>2,233,679</u>	<u>1,751,785</u>	<u>11,054,083</u>	<u>2,646,571</u>	<u>1,949,327</u>	<u>1,833,740</u>
48,517	40,324	200,993	375,040	48,363	40,533
99,727	-	(822,253)	161,465	3,625	37,282
125,256	31,300	1,347,388	193,426	36,252	47,026
<u>144,032</u>	<u>(385,458)</u>	<u>(4,222,934)</u>	<u>(1,746,222)</u>	<u>(1,726,447)</u>	<u>(1,436,025)</u>
<u>369,015</u>	<u>(354,158)</u>	<u>(3,697,799)</u>	<u>(1,391,331)</u>	<u>(1,686,570)</u>	<u>(1,351,717)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2016

	La Jicarita Community School	La Promesa Early Learning Center	La Resolana Leadership Academy
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 26,356	42,194	8,094
Receivables			
Due From Other Governments	46,869	534,531	62,686
Other Receivables	-	-	-
Deposits	-	-	-
Prepaid Expenditures	4,045	-	-
Due from Agency Fund	-	-	-
Other	-	-	-
TOTAL CURRENT ASSETS	<u>77,270</u>	<u>576,725</u>	<u>70,780</u>
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-	1,402,136	-
Construction-in-Process	-	-	-
Building and Improvements	194,712	9,013,755	-
Leasehold Improvements	-	-	-
Vehicles	-	-	-
Furniture, Fixtures, and Equipment	88,193	204,445	-
Restricted Cash	-	-	-
Less: Accumulated Depreciation	(59,453)	(1,404,164)	-
TOTAL NONCURRENT ASSETS	<u>223,452</u>	<u>9,216,172</u>	<u>-</u>
TOTAL ASSETS	<u>300,722</u>	<u>9,792,897</u>	<u>70,780</u>
DEFERRED OUTFLOWS - Pension Related	223,691	1,002,967	219,261
LIABILITIES AND DEFERRED INFLOWS			
CURRENT LIABILITIES:			
Accounts Payable	-	96,109	55,715
Cash Overdraft	-	91,856	-
Accrued Liabilities	-	41,899	39,619
Accrued Interest	-	-	-
Unearned Revenue	-	-	-
Compensated Absences	-	-	-
Due to Other Governments	-	-	-
Current Portion of Long-Term Debt	21,566	8,657	-
TOTAL CURRENT LIABILITIES	<u>21,566</u>	<u>238,521</u>	<u>95,334</u>
NON CURRENT LIABILITIES			
Long Term Debt	373,484	7,585,868	-
Net Pension Liability	377,625	4,032,746	1,030,533
TOTAL NONCURRENT LIABILITIES	<u>751,109</u>	<u>11,618,614</u>	<u>1,030,533</u>
TOTAL LIABILITIES	<u>772,675</u>	<u>11,857,135</u>	<u>1,125,867</u>
DEFERRED INFLOWS - Pension Related	19,166	92,916	23,744
NET POSITION			
Net Investment in Capital Assets	223,452	1,621,647	-
Restricted	23,214	630,500	6,178
Unrestricted (Deficit)	(514,094)	(3,406,334)	(865,748)
TOTAL NET POSITION (DEFICIT)	<u>\$ (267,428)</u>	<u>(1,154,187)</u>	<u>(859,570)</u>

See Independent Auditors Report and Notes to Financial Statements

La Tierra Montessori School of the Arts and Sciences	Las Montanas Charter School	The Masters Program	McCurdy Charter School	Media Arts Collaborative Charter School	Mission Achievement and Success
137,102	50,815	623,022	130,104	426,337	406,059
144,150	87,262	41,317	698,816	189,662	205,681
-	-	-	1,600	-	-
-	-	-	-	-	-
6,000	-	-	-	-	-
-	-	-	-	-	-
-	-	-	8,078	-	-
<u>287,252</u>	<u>138,077</u>	<u>664,339</u>	<u>838,598</u>	<u>615,999</u>	<u>611,740</u>
-	-	-	-	410,000	-
-	-	-	-	-	-
41,067	-	30,557	-	1,581,533	-
-	-	-	-	-	-
-	-	-	119,321	-	-
7,845	145,398	179,149	-	120,238	305,868
-	-	-	-	-	-
<u>(9,750)</u>	<u>(73,666)</u>	<u>(145,191)</u>	<u>(20,864)</u>	<u>(388,734)</u>	<u>(69,073)</u>
<u>39,162</u>	<u>71,732</u>	<u>64,515</u>	<u>98,457</u>	<u>1,723,037</u>	<u>236,795</u>
<u>326,414</u>	<u>209,809</u>	<u>728,854</u>	<u>937,055</u>	<u>2,339,036</u>	<u>848,535</u>
407,825	237,722	366,972	597,159	826,942	2,163,206
-	3,840	4,792	14,913	11,785	111,845
-	-	-	-	-	-
64,361	9,199	164,969	292,338	89,625	268,945
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	10,902
-	-	-	-	-	-
-	-	-	-	75,955	-
<u>64,361</u>	<u>13,039</u>	<u>169,761</u>	<u>307,251</u>	<u>177,365</u>	<u>391,692</u>
-	-	-	-	579,206	-
<u>1,013,692</u>	<u>2,496,338</u>	<u>2,110,941</u>	<u>4,594,973</u>	<u>3,040,429</u>	<u>4,164,882</u>
<u>1,013,692</u>	<u>2,496,338</u>	<u>2,110,941</u>	<u>4,594,973</u>	<u>3,619,635</u>	<u>4,164,882</u>
<u>1,078,053</u>	<u>2,509,377</u>	<u>2,280,702</u>	<u>4,902,224</u>	<u>3,797,000</u>	<u>4,556,574</u>
23,356	234,050	48,637	188,761	70,052	95,960
39,162	71,732	64,515	98,457	1,067,876	236,795
68,287	6,187	112,514	355,563	81,225	75,398
<u>(474,619)</u>	<u>(2,373,815)</u>	<u>(1,410,542)</u>	<u>(4,010,791)</u>	<u>(1,850,175)</u>	<u>(1,952,986)</u>
<u>(367,170)</u>	<u>(2,295,896)</u>	<u>(1,233,513)</u>	<u>(3,556,771)</u>	<u>(701,074)</u>	<u>(1,640,793)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2016

	Monte del Sol Charter School	Montessori Elementary School	New America School
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 923,199	625,074	1,043,752
Receivables			
Due From Other Governments	120,014	186,516	157,675
Other Receivables	7,057	-	-
Deposits	-	-	-
Prepaid Expenditures	-	30,194	-
Due from Agency Fund	-	-	-
Other	-	-	-
TOTAL CURRENT ASSETS	1,050,270	841,784	1,201,427
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	435,125	-	-
Construction-in-Process	-	-	-
Building and Improvements	3,722,125	531,687	2,721,644
Leasehold Improvements	-	-	-
Vehicles	-	101,747	39,507
Furniture, Fixtures, and Equipment	229,264	12,974	68,000
Restricted Cash	-	-	-
Less: Accumulated Depreciation	(1,273,252)	(113,389)	(809,508)
TOTAL NONCURRENT ASSETS	3,113,262	533,019	2,019,643
TOTAL ASSETS	4,163,532	1,374,803	3,221,070
DEFERRED OUTFLOWS - Pension Related	552,749	652,259	271,481
LIABILITIES AND DEFERRED INFLOWS			
CURRENT LIABILITIES:			
Accounts Payable	24,202	18,610	24,841
Cash Overdraft	-	-	-
Accrued Liabilities	327,327	27,323	141,114
Accrued Interest	-	-	-
Unearned Revenue	-	-	-
Compensated Absences	11,302	-	-
Due to Other Governments	-	-	-
Current Portion of Long-Term Debt	81,433	-	183,426
TOTAL CURRENT LIABILITIES	444,264	45,933	349,381
NON CURRENT LIABILITIES			
Long Term Debt	2,182,520	-	1,843,585
Net Pension Liability	4,480,325	3,127,224	2,550,747
TOTAL NONCURRENT LIABILITIES	6,662,845	3,127,224	4,394,332
TOTAL LIABILITIES	7,107,109	3,173,157	4,743,713
DEFERRED INFLOWS - Pension Related	399,923	72,052	174,793
NET POSITION			
Net Investment in Capital Assets	864,309	533,019	(7,368)
Restricted	451,517	784,051	215,382
Unrestricted (Deficit)	(4,106,577)	(2,535,217)	(1,633,969)
TOTAL NET POSITION (DEFICIT)	\$ (2,790,751)	(1,218,147)	\$ (1,425,955)

See Independent Auditors Report and Notes to Financial Statements

<u>New America School of Las Cruces</u>	<u>New Mexico Connections Academy</u>	<u>New Mexico International School</u>	<u>New Mexico School for the Arts</u>	<u>North Valley Academy</u>	<u>Red River Valley Charter School</u>
880,380	1,385,846	347,444	862,753	626,271	34,537
122,448	80,954	29,209	141,412	318,071	75,737
-	-	3,800	-	-	-
-	-	19,755	12,500	-	-
-	-	-	15,570	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,002,828</u>	<u>1,466,800</u>	<u>400,208</u>	<u>1,032,235</u>	<u>944,342</u>	<u>110,274</u>
-	-	-	-	-	-
-	-	-	-	-	-
45,716	-	25,193	-	91,474	-
-	-	-	-	-	189,948
39,604	-	-	-	-	-
12,452	-	12,458	153,311	15,482	206,215
-	-	-	-	-	-
(41,072)	-	(11,677)	(106,825)	(98,844)	(267,046)
<u>56,700</u>	<u>-</u>	<u>25,974</u>	<u>46,486</u>	<u>8,112</u>	<u>129,117</u>
<u>1,059,528</u>	<u>1,466,800</u>	<u>426,182</u>	<u>1,078,721</u>	<u>952,454</u>	<u>239,391</u>
686,387	2,089,869	281,349	733,284	607,825	268,910
26,809	872,377	1,199	-	14,604	14,648
-	-	-	-	-	-
166,803	314,829	128,345	150,373	369,231	8,628
-	-	-	-	-	-
-	-	-	-	-	-
-	-	8,900	-	-	-
-	-	-	-	-	1,075
-	-	-	-	-	-
<u>193,612</u>	<u>1,187,206</u>	<u>138,444</u>	<u>150,373</u>	<u>383,835</u>	<u>24,351</u>
-	-	-	-	-	-
<u>2,445,168</u>	<u>3,021,645</u>	<u>1,468,396</u>	<u>3,043,667</u>	<u>4,074,848</u>	<u>1,059,033</u>
<u>2,445,168</u>	<u>3,021,645</u>	<u>1,468,396</u>	<u>3,043,667</u>	<u>4,074,848</u>	<u>1,059,033</u>
<u>2,638,780</u>	<u>4,208,851</u>	<u>1,606,840</u>	<u>3,194,040</u>	<u>4,458,683</u>	<u>1,083,384</u>
56,337	69,620	148,070	70,127	196,994	26,898
56,700	-	25,974	46,486	8,112	129,117
263,389	-	17,231	603,797	66,240	35,967
<u>(1,269,291)</u>	<u>(721,802)</u>	<u>(1,090,584)</u>	<u>(2,102,445)</u>	<u>(3,169,750)</u>	<u>(767,065)</u>
<u>(949,202)</u>	<u>(721,802)</u>	<u>(1,047,379)</u>	<u>(1,452,162)</u>	<u>(3,095,398)</u>	<u>(601,981)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2016

	Sage Montessori Charter School	Sandoval Academy of Bilingual Education	School of Dreams Academy
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 82,843	39,743	\$ 774,248
Receivables			
Due From Other Governments	91,609	24,373	416,427
Other Receivables	-	-	-
Deposits	10,000	-	-
Prepaid Expenditures	-	3,747	-
Due from Agency Fund	-	-	-
Other	-	-	-
TOTAL CURRENT ASSETS	184,452	67,863	1,190,675
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-	-	-
Construction-in-Process	-	-	85,319
Building and Improvements	-	-	-
Leasehold Improvements	-	-	-
Vehicles	-	-	216,719
Furniture, Fixtures, and Equipment	23,261	-	247,807
Restricted Cash	-	-	15,000
Less: Accumulated Depreciation	(16,557)	-	(313,443)
TOTAL NONCURRENT ASSETS	6,704	-	251,402
TOTAL ASSETS	191,156	67,863	1,442,077
DEFERRED OUTFLOWS - Pension Related	190,385	-	732,885
LIABILITIES AND DEFERRED INFLOWS			
CURRENT LIABILITIES:			
Accounts Payable	69,930	9,519	3,989
Cash Overdraft	-	-	-
Accrued Liabilities	90,205	42,028	-
Accrued Interest	-	-	-
Unearned Revenue	-	-	25,000
Compensated Absences	-	-	6,407
Due to Other Governments	-	120,470	-
Current Portion of Long-Term Debt	-	-	-
TOTAL CURRENT LIABILITIES	160,135	172,017	35,396
NON CURRENT LIABILITIES			
Long Term Debt	-	-	19,222
Net Pension Liability	1,412,692	-	3,550,829
TOTAL NONCURRENT LIABILITIES	1,412,692	-	3,570,051
TOTAL LIABILITIES	1,572,827	172,017	3,605,447
DEFERRED INFLOWS - Pension Related	35,596	-	262,819
NET POSITION			
Net Investment in Capital Assets	6,704	-	236,402
Restricted	21,266	11,592	339,077
Unrestricted (Deficit)	(1,254,852)	(115,746)	(2,268,783)
TOTAL NET POSITION (DEFICIT)	\$ (1,226,882)	(104,154)	(1,693,304)

See Independent Auditors Report and Notes to Financial Statements

<u>South Valley Preparatory School</u>	<u>Southwest Aeronautics, Mathematics, and Science Academy</u>	<u>Southwest Intermediate Learning Center</u>	<u>Southwest Primary Learning Center</u>	<u>Southwest Secondary Learning Center</u>	<u>Taos Academy</u>
126,010	1,123,803	931,233	638,508	2,169,409	826,522
110,795	66,524	25,240	28,270	91,253	339,310
-	1,352	1,630	1,007	3,904	-
25,125	-	-	-	-	-
-	-	-	-	-	25,020
-	974	-	-	-	-
-	-	-	-	-	-
<u>261,930</u>	<u>1,192,653</u>	<u>958,103</u>	<u>667,785</u>	<u>2,264,566</u>	<u>1,190,852</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	14,151	16,336	42,662	551,840
-	-	-	-	-	-
-	-	-	-	46,356	-
6,344	286,257	155,776	219,996	977,932	226,686
-	-	-	-	-	-
<u>(6,344)</u>	<u>(78,070)</u>	<u>(157,863)</u>	<u>(157,760)</u>	<u>(1,009,930)</u>	<u>(126,094)</u>
-	208,187	12,064	78,572	57,020	652,432
<u>261,930</u>	<u>1,400,840</u>	<u>970,167</u>	<u>746,357</u>	<u>2,321,586</u>	<u>1,843,284</u>
211,204	265,870	150,842	93,308	246,406	604,076
16,065	23,230	3,365	6,014	6,214	-
-	-	-	-	-	-
52,487	103,484	18,471	69,980	113,087	146,817
-	-	-	-	-	-
-	-	-	-	-	12,330
1,854	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>70,406</u>	<u>126,714</u>	<u>21,836</u>	<u>75,994</u>	<u>119,301</u>	<u>159,147</u>
-	-	-	-	-	-
<u>1,596,646</u>	<u>1,716,476</u>	<u>905,522</u>	<u>973,533</u>	<u>2,028,680</u>	<u>2,344,770</u>
<u>1,596,646</u>	<u>1,716,476</u>	<u>905,522</u>	<u>973,533</u>	<u>2,028,680</u>	<u>2,344,770</u>
<u>1,667,052</u>	<u>1,843,190</u>	<u>927,358</u>	<u>1,049,527</u>	<u>2,147,981</u>	<u>2,503,917</u>
91,383	39,548	142,428	163,204	229,322	54,024
-	208,187	12,064	78,572	57,020	652,432
105,073	337,273	432,296	430,251	940,768	345,288
<u>(1,390,374)</u>	<u>(761,488)</u>	<u>(393,137)</u>	<u>(881,889)</u>	<u>(807,099)</u>	<u>(1,108,301)</u>
<u>(1,285,301)</u>	<u>(216,028)</u>	<u>51,223</u>	<u>(373,066)</u>	<u>190,689</u>	<u>(110,581)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2016

	Taos Integrated School of the Arts	Taos International Charter	Technology Leadership High School
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 571,937	393,514	169,493
Receivables			
Due From Other Governments	218,316	5,368	80,656
Other Receivables	-	-	-
Deposits	12,000	4,000	5,417
Prepaid Expenditures	10,206	17,280	-
Due from Agency Fund	-	-	-
Other	-	-	-
TOTAL CURRENT ASSETS	812,459	420,162	255,566
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	379,100	-	-
Construction-in-Process	-	-	-
Building and Improvements	-	-	247,016
Leasehold Improvements	-	-	-
Vehicles	-	-	-
Furniture, Fixtures, and Equipment	113,376	7,000	13,341
Restricted Cash	-	-	-
Less: Accumulated Depreciation	(20,886)	(88)	(49,362)
TOTAL NONCURRENT ASSETS	471,590	6,912	210,995
TOTAL ASSETS	1,284,049	427,074	466,561
DEFERRED OUTFLOWS - Pension Related	231,817	640,254	-
LIABILITIES AND DEFERRED INFLOWS			
CURRENT LIABILITIES:			
Accounts Payable	-	13,080	-
Cash Overdraft	-	-	-
Accrued Liabilities	104,798	118,698	5,469
Accrued Interest	-	-	-
Unearned Revenue	-	-	-
Compensated Absences	-	-	-
Due to Other Governments	-	-	-
Current Portion of Long-Term Debt	-	-	-
TOTAL CURRENT LIABILITIES	104,798	131,778	5,469
NON CURRENT LIABILITIES			
Long Term Debt	-	-	-
Net Pension Liability	1,235,215	748,772	-
TOTAL NONCURRENT LIABILITIES	1,235,215	748,772	-
TOTAL LIABILITIES	1,340,013	880,550	5,469
DEFERRED INFLOWS - Pension Related	28,460	17,252	-
NET POSITION			
Net Investment in Capital Assets	471,590	6,912	210,995
Restricted	324,292	21,280	12,672
Unrestricted (Deficit)	(648,489)	141,334	237,425
TOTAL NET POSITION (DEFICIT)	\$ 147,393	169,526	461,092

See Independent Auditors Report and Notes to Financial Statements

The Learning Community Charter School	Tierra Adentro	Tierra Encantada Charter School	Turquoise Trail Charter School	Uplift Community School	Walatowa High Charter School
24,204	160,286	689,972	1,053,153	236,425	1,690,443
-	194,853	340,270	200,031	79,129	109,902
-	-	-	-	-	-
-	11,428	-	-	-	-
-	-	-	-	-	5,600
-	-	-	-	-	-
-	-	-	-	-	-
<u>24,204</u>	<u>366,567</u>	<u>1,030,242</u>	<u>1,253,184</u>	<u>315,554</u>	<u>1,805,945</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	18,969	138,212	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	61,558	238,572	123,524	60,963	8,755
-	-	-	-	-	-
-	(45,499)	(160,780)	(100,378)	(20,291)	(8,755)
-	16,059	96,761	161,358	40,672	-
<u>24,204</u>	<u>382,626</u>	<u>1,127,003</u>	<u>1,414,542</u>	<u>356,226</u>	<u>1,805,945</u>
-	725,718	438,778	603,951	398,769	251,339
10,710	16,651	8,426	22,938	112,842	-
-	-	-	-	-	-
-	146,808	35,960	393,284	88,590	4,907
-	-	-	-	-	-
-	-	83,679	-	-	-
-	-	-	4,721	-	32,099
-	-	-	-	-	-
-	-	-	-	-	-
<u>10,710</u>	<u>163,459</u>	<u>128,065</u>	<u>420,943</u>	<u>201,432</u>	<u>37,006</u>
-	-	-	-	-	-
-	3,081,883	3,348,099	5,422,767	1,402,976	1,165,908
-	3,081,883	3,348,099	5,422,767	1,402,976	1,165,908
10,710	3,245,342	3,476,164	5,843,710	1,604,408	1,202,914
132,000	71,008	101,794	202,502	172,861	26,863
-	16,059	96,761	161,358	40,672	-
-	40,030	563,757	293,129	9,433	301,724
<u>(118,506)</u>	<u>(2,264,095)</u>	<u>(2,672,695)</u>	<u>(4,482,206)</u>	<u>(1,072,379)</u>	<u>525,783</u>
<u>(118,506)</u>	<u>(2,208,006)</u>	<u>(2,012,177)</u>	<u>(4,027,719)</u>	<u>(1,022,274)</u>	<u>827,507</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2016

	William W. & Josephine Dorn Charter Community School	Total Charter Schools
ASSETS AND DEFERRED OUTFLOWS		
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 47,359	37,888,976
Receivables		
Due From Other Governments	53,327	8,857,149
Other Receivables	-	36,545
Deposits	-	209,843
Prepaid Expenditures	-	224,567
Due from Agency Fund	-	9,910
Other	-	74,468
TOTAL CURRENT ASSETS	100,686	47,301,458
NON-CURRENT ASSETS:		
Capital Assets		
Land and Land Improvements	-	7,813,819
Construction-in-Process	-	304,272
Building and Improvements	-	56,681,835
Leasehold Improvements	-	918,611
Vehicles	-	855,617
Furniture, Fixtures, and Equipment	27,125	6,798,446
Restricted Cash	-	1,655,665
Less: Accumulated Depreciation	(21,700)	(12,130,328)
TOTAL NONCURRENT ASSETS	5,425	62,897,937
TOTAL ASSETS	106,111	110,199,395
DEFERRED OUTFLOWS - Pension Related	170,200	34,480,205
LIABILITIES AND DEFERRED INFLOWS		
CURRENT LIABILITIES:		
Accounts Payable	4,360	2,398,565
Cash Overdraft	-	143,942
Accrued Liabilities	34,518	6,951,900
Accrued Interest	-	182,556
Unearned Revenue	-	296,009
Compensated Absences	-	142,837
Due to Other Governments	-	153,748
Current Portion of Long-Term Debt	-	1,052,992
TOTAL CURRENT LIABILITIES	38,878	11,322,549
NON CURRENT LIABILITIES		
Long Term Debt	-	50,860,808
Net Pension Liability	516,886	146,788,442
TOTAL NONCURRENT LIABILITIES	516,886	197,649,250
TOTAL LIABILITIES	555,764	208,971,799
DEFERRED INFLOWS - Pension Related	11,909	6,153,101
NET POSITION		
Net Investment in Capital Assets	5,425	10,678,753
Restricted	4,592	17,915,569
Unrestricted (Deficit)	(301,379)	(99,039,622)
TOTAL NET POSITION (DEFICIT)	\$ (291,362)	(70,445,300)

See Independent Auditors Report and Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2016

	Academy of Trade and Technology	ACE Leadership High School	AIMS at UNM	Albuquerque School of Excellence
INSTRUCTION				
Expenses	\$ (556,673)	(1,257,872)	(1,899,606)	(1,597,980)
Program Revenues:				
Charges for Services	-	1,657	6,814	10,066
Operating Grants and Contributions	204,619	237,141	41,205	191,973
Capital Grants and Contributions	-	-	-	-
Net (Expense) Over Revenue - Instruction	<u>(352,054)</u>	<u>(1,019,074)</u>	<u>(1,851,587)</u>	<u>(1,395,941)</u>
SUPPORT SERVICES				
Expenses	(540,993)	(1,513,087)	(759,381)	(417,264)
Program Revenues:				
Charges for Services	-	-	-	-
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	-	-	-	-
Net (Expense) Over Revenue - Support Services	<u>(540,993)</u>	<u>(1,513,087)</u>	<u>(759,381)</u>	<u>(417,264)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES				
Expenses	(578,697)	(1,367,214)	(598,084)	(912,395)
Program Revenues:				
Charges for Services	40	-	-	10,544
Operating Grants and Contributions	109,171	73,347	-	51,083
Capital Grants and Contributions	99,834	252,902	491,023	255,210
Net (Expense) Over Revenue - Operation of Non-Instruction Services	<u>(369,652)</u>	<u>(1,040,965)</u>	<u>(107,061)</u>	<u>(595,558)</u>
Interest on Long-Term Debt	-	-	-	-
Total Net (Expense) Over Revenue - All Functions	<u>(1,262,699)</u>	<u>(3,573,126)</u>	<u>(2,718,029)</u>	<u>(2,408,763)</u>
GENERAL REVENUES				
State Equalization Guarantee	1,743,058	3,348,314	2,775,072	2,264,905
Property Taxes	96,338	100,304	-	59,394
Miscellaneous	-	337,453	-	-
Total General Revenues	<u>1,839,396</u>	<u>3,786,071</u>	<u>2,775,072</u>	<u>2,324,299</u>
Change in Net Position	<u>576,697</u>	<u>212,945</u>	<u>57,043</u>	<u>(84,464)</u>
Net Position, Beginning	(736,264)	(2,665,599)	(576,780)	(1,597,134)
Restatement	-	1,256,042	-	-
Net Position, Beginning as Restated	<u>(736,264)</u>	<u>(1,409,557)</u>	<u>(576,780)</u>	<u>(1,597,134)</u>
Net Position, Ending	<u>\$ (159,567)</u>	<u>(1,196,612)</u>	<u>(519,737)</u>	<u>(1,681,598)</u>

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Albuquerque Sign Language Academy	Aldo Leopold High School	Alma d'arte Charter High School	Amy Biehl Charter School	Anthony Charter School
(1,164,522)	(999,095)	(1,359,264)	(1,802,350)	(422,661)
-	21,950	920	19,973	10
492,182	59,591	156,913	341,781	64,903
-	-	-	-	-
<u>(672,340)</u>	<u>(917,554)</u>	<u>(1,201,431)</u>	<u>(1,440,596)</u>	<u>(357,748)</u>
(1,142,232)	(735,118)	(319,741)	(1,238,146)	(291,811)
-	-	-	-	-
-	124,043	-	-	-
-	-	-	-	-
<u>(1,142,232)</u>	<u>(611,075)</u>	<u>(319,741)</u>	<u>(1,238,146)</u>	<u>(291,811)</u>
(567,305)	(321,632)	(493,278)	(1,158,543)	(344,161)
-	-	18,680	6,515	-
246,944	-	-	31,885	29,909
145,371	46,435	154,527	219,818	51,365
<u>(174,990)</u>	<u>(275,197)</u>	<u>(320,071)</u>	<u>(900,325)</u>	<u>(262,887)</u>
-	-	-	-	-
<u>(1,989,562)</u>	<u>(1,803,826)</u>	<u>(1,841,243)</u>	<u>(3,579,067)</u>	<u>(912,446)</u>
1,913,745	1,545,622	1,850,983	3,208,169	831,610
29,594	62,476	-	273,626	9,045
48,324	82,221	-	312,411	-
<u>1,991,663</u>	<u>1,690,319</u>	<u>1,850,983</u>	<u>3,794,206</u>	<u>840,655</u>
<u>2,101</u>	<u>(113,507)</u>	<u>9,740</u>	<u>215,139</u>	<u>(71,791)</u>
(1,056,330)	(970,481)	(2,280,340)	323,764	2,547
-	-	-	-	-
<u>(1,056,330)</u>	<u>(970,481)</u>	<u>(2,280,340)</u>	<u>323,764</u>	<u>2,547</u>
<u>(1,054,229)</u>	<u>(1,083,988)</u>	<u>(2,270,600)</u>	<u>538,903</u>	<u>(69,244)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2016

	ASK Academy	Cesar Chavez Community School	Cien Aguas International School
INSTRUCTION			
Expenses	\$ (1,954,178)	(1,007,486)	(2,193,510)
Program Revenues:	-		
Charges for Services	11,980	-	59,169
Operating Grants and Contributions	145,106	179,762	249,347
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Instruction	<u>(1,797,092)</u>	<u>(827,724)</u>	<u>(1,884,994)</u>
SUPPORT SERVICES			
Expenses	(890,964)	(623,650)	(614,379)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	-	-
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	<u>(890,964)</u>	<u>(623,650)</u>	<u>(614,379)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(1,592,621)	(788,774)	(983,287)
Program Revenues:			
Charges for Services	-	-	26,946
Operating Grants and Contributions	-	53,276	166,374
Capital Grants and Contributions	491,836	233,883	323,556
Net (Expense) Over Revenue - Operation of Non-Instructional Services	<u>(1,100,785)</u>	<u>(501,615)</u>	<u>(466,411)</u>
Interest on Long-Term Debt		-	-
Total Net (Expense) Over Revenue - All Functions	<u>(3,788,841)</u>	<u>(1,952,989)</u>	<u>(2,965,784)</u>
GENERAL REVENUES			
State Equalization Guarantee	2,999,469	2,032,970	2,693,037
Property Taxes	69,981	60,687	322,743
Miscellaneous	359,351	52	3,486
Total General Revenues	<u>3,428,801</u>	<u>2,093,709</u>	<u>3,019,266</u>
Change in Net Position	<u>(360,040)</u>	<u>140,720</u>	<u>53,482</u>
Net Position, Beginning Restatement	(1,610,031)	(1,523,873)	(1,488,910)
	-	-	-
Net Position, Beginning as Restated	<u>(1,610,031)</u>	<u>(1,523,873)</u>	<u>(1,488,910)</u>
Net Position, Ending	<u>\$ (1,970,071)</u>	<u>(1,383,153)</u>	<u>(1,435,428)</u>

See Independent Auditors Report and Notes to Financial Statements

Coral Community Charter	Cottonwood Classical Preparatory School	Creative Education Preparatory Institute #1	Dream Diné Charter	Dzit Dit Lool School of Empowerment, Action, & Perserverance (DEAP)	Estancia Valley Classical Academy
(1,202,302)	(3,334,114)	(1,021,587)	(187,871)	(94,763)	(1,943,123)
-	30,867	-	-	18,166	-
201,509	210,024	18,053	34,448	37,390	223,892
-	-	-	-	-	-
<u>(1,000,793)</u>	<u>(3,093,223)</u>	<u>(1,003,534)</u>	<u>(153,423)</u>	<u>(39,207)</u>	<u>(1,719,231)</u>
(384,901)	(669,731)	(625,617)	(160,572)	(84,439)	(420,629)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(384,901)</u>	<u>(669,731)</u>	<u>(625,617)</u>	<u>(160,572)</u>	<u>(84,439)</u>	<u>(420,629)</u>
(544,129)	(2,698,969)	(729,899)	(164,773)	(118,264)	(1,002,155)
9,041	-	-	-	-	-
26,227	281,465	-	13,115	-	65,000
148,964	498,083	95,951	11,044	28,540	328,791
<u>(359,897)</u>	<u>(1,919,421)</u>	<u>(633,948)</u>	<u>(140,614)</u>	<u>(89,724)</u>	<u>(608,364)</u>
-	-	-	-	-	-
<u>(1,745,591)</u>	<u>(5,682,375)</u>	<u>(2,263,099)</u>	<u>(454,609)</u>	<u>(213,370)</u>	<u>(2,748,224)</u>
1,328,609	4,261,019	1,986,131	472,540	226,297	2,331,212
41,103	177,672	-	-	-	128,252
-	918,756	-	-	100	12,061
<u>1,369,712</u>	<u>5,357,447</u>	<u>1,986,131</u>	<u>472,540</u>	<u>226,397</u>	<u>2,471,525</u>
<u>(375,879)</u>	<u>(324,928)</u>	<u>(276,968)</u>	<u>17,931</u>	<u>13,027</u>	<u>(276,699)</u>
(234,228)	(4,560,133)	(2,196,793)	296,193	-	(1,839,396)
-	-	-	(39,785)	-	-
<u>(234,228)</u>	<u>(4,560,133)</u>	<u>(2,196,793)</u>	<u>256,408</u>	<u>-</u>	<u>(1,839,396)</u>
<u>(610,107)</u>	<u>(4,885,061)</u>	<u>(2,473,761)</u>	<u>274,339</u>	<u>13,027</u>	<u>(2,116,095)</u>

STATE OF NEW MEXICO
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DISCRETELY PRESENTED COMPONENT UNITS
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	Explore Academy	Gilbert L Sena Charter High School	GREAT Academy
INSTRUCTION			
Expenses	\$ (1,134,992)	(1,034,139)	(895,441)
Program Revenues:			
Charges for Services	10,666	1,808	6,877
Operating Grants and Contributions	77,841	195,517	89,978
Capital Grants and Contributions	98,657	-	-
Net (Expense) Over Revenue - Instruction	<u>(947,828)</u>	<u>(836,814)</u>	<u>(798,586)</u>
SUPPORT SERVICES			
Expenses	(315,223)	(616,482)	(711,659)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	-	-
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	<u>(315,223)</u>	<u>(616,482)</u>	<u>(711,659)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(763,987)	(577,848)	(620,986)
Program Revenues:			
Charges for Services	119	-	-
Operating Grants and Contributions	113,085	-	-
Capital Grants and Contributions	-	201,708	147,986
Net (Expense) Over Revenue - Operation of Non-Instruction Services	<u>(650,783)</u>	<u>(376,140)</u>	<u>(473,000)</u>
Interest on Long-Term Debt	-	-	-
Total Net (Expense) Over Revenue - All Functions	<u>(1,913,834)</u>	<u>(1,829,436)</u>	<u>(1,983,245)</u>
GENERAL REVENUES			
State Equalization Guarantee	2,349,288	1,836,453	2,256,959
Property Taxes	-	54,378	-
Miscellaneous	20,100	-	57,948
Total General Revenues	<u>2,369,388</u>	<u>1,890,831</u>	<u>2,314,907</u>
Change in Net Position	<u>455,554</u>	<u>61,395</u>	<u>331,662</u>
Net Position, Beginning	(132,743)	(1,767,299)	(481,527)
Restatement	(497,509)	-	1,818
Net Position, Beginning as Restated	<u>(630,252)</u>	<u>(1,767,299)</u>	<u>(479,709)</u>
Net Position, Ending	<u>\$ (174,698)</u>	<u>(1,705,904)</u>	<u>(148,047)</u>

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Health Leadership High School	Health Sciences Academy	Horizon Academy West	International School at Mesa del Sol	J. Paul Taylor Academy	La Academia Dolores Huerta
(980,005)	(443,537)	(2,340,631)	(1,460,974)	(988,726)	(1,015,052)
2,130	-	70,610	-	4,289	-
136,188	431	461,365	167,720	47,646	176,405
-	-	-	-	-	-
<u>(841,687)</u>	<u>(443,106)</u>	<u>(1,808,656)</u>	<u>(1,293,254)</u>	<u>(936,791)</u>	<u>(838,647)</u>
(1,154,320)	(182,045)	(560,985)	(482,919)	(282,902)	(372,881)
-	-	-	-	-	-
-	-	133,357	64	-	-
-	-	-	-	-	-
<u>(1,154,320)</u>	<u>(182,045)</u>	<u>(427,628)</u>	<u>(482,855)</u>	<u>(282,902)</u>	<u>(372,881)</u>
(641,869)	(82,633)	(1,213,259)	(606,179)	(379,424)	(601,722)
39		21,338	16,168	28,612	2,408
44,410		244,747	155,772	34,155	84,914
205,800		346,715	162,343	151,106	110,552
<u>(391,620)</u>	<u>(82,633)</u>	<u>(600,459)</u>	<u>(271,896)</u>	<u>(165,551)</u>	<u>(403,848)</u>
-	-	-	-	-	-
<u>(2,387,627)</u>	<u>(707,784)</u>	<u>(2,836,743)</u>	<u>(2,048,005)</u>	<u>(1,385,244)</u>	<u>(1,615,376)</u>
2,360,632	-	2,869,822	2,314,549	1,331,042	1,394,093
27,014	-	139,860	70,647	-	60,861
493	-	17,383	-	12,567	-
<u>2,388,139</u>	<u>-</u>	<u>3,027,065</u>	<u>2,385,196</u>	<u>1,343,609</u>	<u>1,454,954</u>
512	(707,784)	190,322	337,191	(41,635)	(160,422)
368,503	246,846	(3,888,121)	(1,718,667)	(1,626,457)	(1,191,295)
-	106,780	-	(9,855)	(18,478)	-
<u>368,503</u>	<u>353,626</u>	<u>(3,888,121)</u>	<u>(1,728,522)</u>	<u>(1,644,935)</u>	<u>(1,191,295)</u>
<u>369,015</u>	<u>(354,158)</u>	<u>(3,697,799)</u>	<u>(1,391,331)</u>	<u>(1,686,570)</u>	<u>(1,351,717)</u>

STATE OF NEW MEXICO
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DISCRETELY PRESENTED COMPONENT UNITS
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	La Jicarita Community School	La Promesa Early Learning Center	La Resolana Leadership Academy
INSTRUCTION			
Expenses	\$ (245,330)	(2,808,463)	(455,269)
Program Revenues:			
Charges for Services	1,454	59,363	24
Operating Grants and Contributions	128,361	1,210,086	112,800
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Instruction	<u>(115,515)</u>	<u>(1,539,014)</u>	<u>(342,445)</u>
SUPPORT SERVICES			
Expenses	(146,208)	(976,675)	(322,972)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	-	-
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	<u>(146,208)</u>	<u>(976,675)</u>	<u>(322,972)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(242,684)	(2,654,424)	(361,106)
Program Revenues:			
Charges for Services	3,127	1,128	-
Operating Grants and Contributions	4,936	418,572	49,218
Capital Grants and Contributions	46,110	414,419	59,636
Net (Expense) Over Revenue - Operation of Non-Instruction Services	<u>(188,511)</u>	<u>(1,820,305)</u>	<u>(252,252)</u>
Interest on Long-Term Debt	-	-	
Total Net (Expense) Over Revenue - All Functions	<u>(450,234)</u>	<u>(4,335,994)</u>	<u>(917,669)</u>
GENERAL REVENUES			
State Equalization Guarantee	308,373	2,721,657	824,503
Property Taxes	9,254	329,491	-
Miscellaneous	(417,544)	600,000	-
Total General Revenues	<u>(99,917)</u>	<u>3,651,148</u>	<u>824,503</u>
Change in Net Position	<u>(550,151)</u>	<u>(684,846)</u>	<u>(93,166)</u>
Net Position, Beginning	282,723	(469,341)	(766,404)
Restatement	-	-	-
Net Position, Beginning as Restated	<u>282,723</u>	<u>(469,341)</u>	<u>(766,404)</u>
Net Position, Ending	<u>\$ (267,428)</u>	<u>(1,154,187)</u>	<u>(859,570)</u>

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La Tierra Montessori School of the Arts and Sciences	Las Montanas Charter School	The Masters Program	McCurdy Charter School	Media Arts Collaborative Charter School	Mission Achievement and Success
(766,815)	(1,182,247)	(1,191,235)	(2,469,216)	(1,653,222)	(4,504,172)
3,600	8,897	-	46,959	11,548	1,750
106,546	134,695	58,423	594,716	356,258	588,023
-	-	-	-	-	-
(656,669)	(1,038,655)	(1,132,812)	(1,827,541)	(1,285,416)	(3,914,399)
(297,550)	(362,700)	(786,934)	(723,044)	(776,060)	(840,539)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(297,550)	(362,700)	(786,934)	(723,044)	(776,060)	(840,539)
(324,387)	(759,936)	(377,929)	(1,109,995)	(606,147)	(2,016,443)
-	519	-	38,953	7,133	-
62,530	48,171	-	144,123	41,573	695,214
86,813	134,734	207,449	468,021	211,049	268,363
(175,044)	(576,512)	(170,480)	(458,898)	(346,392)	(1,052,866)
-	-	-	-	-	-
(1,129,263)	(1,977,867)	(2,090,226)	(3,009,483)	(2,407,868)	(5,807,804)
1,070,482	1,708,954	1,902,021	3,083,690	2,270,591	5,051,336
22,015	109,966	-	125,988	68,852	-
31,290	-	-	34,554	-	-
1,123,787	1,818,920	1,902,021	3,244,232	2,339,443	5,051,336
(5,476)	(158,947)	(188,205)	234,749	(68,425)	(756,468)
(361,694)	(2,136,949)	(1,045,308)	(3,791,520)	(632,649)	(884,325)
-	-	-	-	-	-
(361,694)	(2,136,949)	(1,045,308)	(3,791,520)	(632,649)	(884,325)
(367,170)	(2,295,896)	(1,233,513)	(3,556,771)	(701,074)	(1,640,793)

STATE OF NEW MEXICO
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DISCRETELY PRESENTED COMPONENT UNITS
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	Monte del Sol Charter School	Montessori Elementary School	New America School	New America School of Las Cruces
INSTRUCTION				
Expenses	\$ (2,231,879)	(1,928,460)	(1,060,105)	(1,109,399)
Program Revenues:				
Charges for Services	28,476	250,000	-	-
Operating Grants and Contributions	170,518	144,684	309,126	204,636
Capital Grants and Contributions	-	-	-	-
Net (Expense) Over Revenue - Instruction	<u>(2,032,885)</u>	<u>(1,533,776)</u>	<u>(750,979)</u>	<u>(904,763)</u>
SUPPORT SERVICES				
Expenses	(837,614)	(345,235)	(572,508)	(776,563)
Program Revenues:				
Charges for Services	-	-	-	-
Operating Grants and Contributions	-	-	-	45,454
Capital Grants and Contributions	-	-	-	-
Net (Expense) Over Revenue - Support Services	<u>(837,614)</u>	<u>(345,235)</u>	<u>(572,508)</u>	<u>(731,109)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES				
Expenses	(1,242,392)	(973,503)	(1,544,902)	(1,172,302)
Program Revenues:				
Charges for Services	12,450	-	-	13
Operating Grants and Contributions	292,992	-	71,735	49,127
Capital Grants and Contributions	354,555	447,546	270,570	179,277
Net (Expense) Over Revenue - Operation of Non-Instruction Services	<u>(582,395)</u>	<u>(525,957)</u>	<u>(1,202,597)</u>	<u>(943,885)</u>
Interest on Long-Term Debt			-	-
Total Net (Expense) Over Revenue - All Functions	<u>(3,452,894)</u>	<u>(2,404,968)</u>	<u>(2,526,084)</u>	<u>(2,579,757)</u>
GENERAL REVENUES				
State Equalization Guarantee	3,151,932	2,340,404	2,662,895	2,117,107
Property Taxes	469,533	344,193	120,406	119,658
Miscellaneous	306,568	-	22,183	-
Total General Revenues	<u>3,928,033</u>	<u>2,684,597</u>	<u>2,805,484</u>	<u>2,236,765</u>
Change in Net Position	<u>475,139</u>	<u>279,629</u>	<u>279,400</u>	<u>(342,992)</u>
Net Position, Beginning Restatement	(3,265,890)	(1,497,776)	(1,705,355)	(606,210)
Net Position, Beginning as Restated	<u>(3,265,890)</u>	<u>(1,497,776)</u>	<u>(1,705,355)</u>	<u>(606,210)</u>
Net Position, Ending	<u>\$ (2,790,751)</u>	<u>(1,218,147)</u>	<u>(1,425,955)</u>	<u>(949,202)</u>

See Independent Auditors Report and Notes to Financial Statements

New Mexico Connections Academy	New Mexico International School	New Mexico School for the Arts	North Valley Academy	Red River Valley Charter School
(7,030,594)	(874,450)	(1,405,981)	(2,331,970)	(654,141)
-	-	13,785	222	3,988
444,791	126,455	338,589	543,422	168,085
-	-	-	-	-
<u>(6,585,803)</u>	<u>(747,995)</u>	<u>(1,053,607)</u>	<u>(1,788,326)</u>	<u>(482,068)</u>
(1,246,089)	(270,480)	(670,857)	(506,895)	(259,476)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>(1,246,089)</u>	<u>(270,480)</u>	<u>(670,857)</u>	<u>(506,895)</u>	<u>(259,476)</u>
(209,408)	(517,690)	(641,872)	(1,287,774)	(229,339)
-	22,267	10,338	35,407	4,421
-	-	13,321	146,856	65,818
-	178,309	205,648	369,339	72,340
<u>(209,408)</u>	<u>(317,114)</u>	<u>(412,565)</u>	<u>(736,172)</u>	<u>(86,760)</u>
-	-	-	-	-
<u>(8,041,300)</u>	<u>(1,335,589)</u>	<u>(2,137,029)</u>	<u>(3,031,393)</u>	<u>(828,304)</u>
7,381,529	1,468,516	2,047,179	2,809,371	725,555
-	-	150,223	-	-
725	11,159	2,034	-	-
<u>7,382,254</u>	<u>1,479,675</u>	<u>2,199,436</u>	<u>2,809,371</u>	<u>725,555</u>
<u>(659,046)</u>	<u>144,086</u>	<u>62,407</u>	<u>(222,022)</u>	<u>(102,749)</u>
(62,756)	(1,191,465)	(1,514,569)	(2,873,376)	(499,232)
-	-	-	-	-
<u>(62,756)</u>	<u>(1,191,465)</u>	<u>(1,514,569)</u>	<u>(2,873,376)</u>	<u>(499,232)</u>
<u>(721,802)</u>	<u>(1,047,379)</u>	<u>(1,452,162)</u>	<u>(3,095,398)</u>	<u>(601,981)</u>

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	Sage Montessori Charter School	Sandoval Academy of Bilingual Education	School of Dreams Academy	South Valley Preparatory School
INSTRUCTION				
Expenses	\$ (951,100)	(262,186)	(1,738,081)	(854,898)
Program Revenues:				
Charges for Services	-	2,190	16,318	-
Operating Grants and Contributions	127,156	10,146	480,463	164,121
Capital Grants and Contributions	-	-	-	-
Net (Expense) Over Revenue - Instruction	<u>(823,944)</u>	<u>(249,850)</u>	<u>(1,241,300)</u>	<u>(690,777)</u>
SUPPORT SERVICES				
Expenses	(419,758)	(175,384)	(936,195)	(337,798)
Program Revenues:				
Charges for Services	-	-	-	-
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	-	-	-	-
Net (Expense) Over Revenue - Support Services	<u>(419,758)</u>	<u>(175,384)</u>	<u>(936,195)</u>	<u>(337,798)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES				
Expenses	(381,507)	(181,168)	(1,035,369)	(447,092)
Program Revenues:				
Charges for Services	-	-	-	1,913
Operating Grants and Contributions	-	-	135,246	92,815
Capital Grants and Contributions	161,975	88,350	277,567	99,177
Net (Expense) Over Revenue - Operation of Non-Instruction Services	<u>(219,532)</u>	<u>(92,818)</u>	<u>(622,556)</u>	<u>(253,187)</u>
Interest on Long-Term Debt	-	-	-	-
Total Net (Expense) Over Revenue - All Functions	<u>(1,463,234)</u>	<u>(518,052)</u>	<u>(2,800,051)</u>	<u>(1,281,762)</u>
GENERAL REVENUES				
State Equalization Guarantee	1,412,605	413,898	3,220,716	1,195,559
Property Taxes	-	-	-	45,511
Miscellaneous	-	-	39,021	-
Total General Revenues	<u>1,412,605</u>	<u>413,898</u>	<u>3,259,737</u>	<u>1,241,070</u>
Change in Net Position	<u>(50,629)</u>	<u>(104,154)</u>	<u>459,686</u>	<u>(40,692)</u>
Net Position, Beginning	(1,176,253)	-	(2,152,990)	(1,244,609)
Restatement	-	-	-	-
Net Position, Beginning as Restated	<u>(1,176,253)</u>	<u>-</u>	<u>(2,152,990)</u>	<u>(1,244,609)</u>
Net Position, Ending	<u>\$ (1,226,882)</u>	<u>(104,154)</u>	<u>(1,693,304)</u>	<u>(1,285,301)</u>

See Independent Auditors Report and Notes to Financial Statements

Southwest Aeronautics, Mathematics, and Science Academy	Southwest Intermediate Learning Center	Southwest Primary Learning Center	Southwest Secondary Learning Center	Taos Academy
(890,319)	(400,057)	(499,423)	(918,968)	(1,598,515)
5,143	457	2,702	27,423	2,750
96,977	28,572	32,063	104,840	258,697
-	-	-	-	-
<u>(788,199)</u>	<u>(371,028)</u>	<u>(464,658)</u>	<u>(786,705)</u>	<u>(1,337,068)</u>
(751,606)	(285,333)	(228,002)	(716,172)	(518,614)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>(751,606)</u>	<u>(285,333)</u>	<u>(228,002)</u>	<u>(716,172)</u>	<u>(518,614)</u>
(1,018,452)	(303,124)	(337,893)	(1,015,565)	(631,581)
-	-	-	45,703	-
189,817	-	-	-	-
204,678	81,068	76,499	191,916	347,922
<u>(623,957)</u>	<u>(222,056)</u>	<u>(261,394)</u>	<u>(777,946)</u>	<u>(283,659)</u>
-	-	-	-	-
<u>(2,163,762)</u>	<u>(878,417)</u>	<u>(954,054)</u>	<u>(2,280,823)</u>	<u>(2,139,341)</u>
2,179,070	973,373	846,152	2,496,318	2,238,977
84,153	99,865	90,546	239,585	135,359
7,024	6,452	6,342	48,455	-
<u>2,270,247</u>	<u>1,079,690</u>	<u>943,040</u>	<u>2,784,358</u>	<u>2,374,336</u>
<u>106,485</u>	<u>201,273</u>	<u>(11,014)</u>	<u>503,535</u>	<u>234,995</u>
<u>(322,513)</u>	<u>(150,050)</u>	<u>(362,052)</u>	<u>(312,846)</u>	<u>(345,576)</u>
-	-	-	-	-
<u>(322,513)</u>	<u>(150,050)</u>	<u>(362,052)</u>	<u>(312,846)</u>	<u>(345,576)</u>
<u>(216,028)</u>	<u>51,223</u>	<u>(373,066)</u>	<u>190,689</u>	<u>(110,581)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2016

	Taos Integrated School of Arts	Taos International Charter	Technology Leadership High School
INSTRUCTION			
Expenses	\$ (891,278)	(661,383)	(224,310)
Program Revenues:			
Charges for Services	8,393	3,360	-
Operating Grants and Contributions	138,267	113,868	73,526
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Instruction	<u>(744,618)</u>	<u>(544,155)</u>	<u>(150,784)</u>
SUPPORT SERVICES			
Expenses	(267,533)	(196,897)	(299,148)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	-	-
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	<u>(267,533)</u>	<u>(196,897)</u>	<u>(299,148)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(454,562)	(341,791)	(603,167)
Program Revenues:			
Charges for Services	-	2,627	-
Operating Grants and Contributions	-	35,606	-
Capital Grants and Contributions	635,329	53,016	131,413
Net (Expense) Over Revenue - Operation of Non-Instruction Services	<u>180,767</u>	<u>(250,542)</u>	<u>(471,754)</u>
Interest on Long-Term Debt	-	-	-
Total Net (Expense) Over Revenue - All Functions	<u>(831,384)</u>	<u>(991,594)</u>	<u>(921,686)</u>
GENERAL REVENUES			
State Equalization Guarantee	1,112,893	1,307,787	951,653
Property Taxes	137,953	-	-
Miscellaneous	-	-	-
Total General Revenues	<u>1,250,846</u>	<u>1,307,787</u>	<u>951,653</u>
Change in Net Position	<u>419,462</u>	<u>316,193</u>	<u>29,967</u>
Net Position, Beginning	(272,069)	39,396	431,125
Restatement	-	(186,063)	-
Net Position, Beginning as Restated	<u>(272,069)</u>	<u>(146,667)</u>	<u>431,125</u>
Net Position, Ending	<u>\$ 147,393</u>	<u>169,526</u>	<u>461,092</u>

See Independent Auditors Report and Notes to Financial Statements

The Learning Community Charter School	Tierra Adentro	Tierra Encantada Charter School	Turquoise Trail Charter School	Uplift Community School	Walatowa High Charter School
-	(1,715,680)	(1,410,672)	(2,727,409)	(771,741)	(641,159)
-	-	-	66,763	-	4,256
-	196,459	94,897	482,162	93,392	1,155,831
-	-	-	581,478	-	-
-	(1,519,221)	(1,315,775)	(1,597,006)	(678,349)	518,928
(16,757)	(697,996)	(773,598)	(723,233)	(274,328)	(254,287)
501	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(16,256)	(697,996)	(773,598)	(723,233)	(274,328)	(254,287)
(47,343)	(784,839)	(965,293)	(1,785,964)	(531,141)	(289,957)
-	24,437	47,677	-	3,503	-
-	68,417	50,295	-	23	-
-	311,839	376,979	355,766	111,000	53,037
(47,343)	(380,146)	(490,342)	(1,430,198)	(416,615)	(236,920)
-	-	-	-	-	-
(63,599)	(2,597,363)	(2,579,715)	(3,750,437)	(1,369,292)	27,721
-	2,589,240	2,590,138	3,245,249	1,251,999	700,163
-	-	294,348	597,427	-	-
2,181,325	-	-	-	-	-
2,181,325	2,589,240	2,884,486	3,842,676	1,251,999	700,163
2,117,726	(8,123)	304,771	92,239	(117,293)	727,884
(2,236,232)	(2,199,883)	(2,316,948)	(4,119,958)	(903,776)	99,623
-	-	-	-	(1,205)	-
(2,236,232)	(2,199,883)	(2,316,948)	(4,119,958)	(904,981)	99,623
(118,506)	(2,208,006)	(2,012,177)	(4,027,719)	(1,022,274)	827,507

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2016

	William W. & Josephine Dorn Charter Community School	Total Charter Schools
INSTRUCTION		
Expenses	\$ (338,964)	(85,691,545)
Program Revenues:		
Charges for Services	-	847,773
Operating Grants and Contributions	113,446	13,948,027
Capital Grants and Contributions	-	680,135
Net (Expense) Over Revenue - Instruction	<u>(225,518)</u>	<u>(70,215,610)</u>
SUPPORT SERVICES		
Expenses	(187,204)	(34,890,313)
Program Revenues:		
Charges for Services	-	501
Operating Grants and Contributions	-	302,918
Capital Grants and Contributions	-	-
Net (Expense) Over Revenue - Support Services	<u>(187,204)</u>	<u>(34,586,894)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES		
Expenses	(244,986)	(48,125,114)
Program Revenues:		
Charges for Services	-	402,066
Operating Grants and Contributions	32,842	4,534,126
Capital Grants and Contributions	35,340	12,770,392
Net (Expense) Over Revenue - Operation of Non-Instruction Services	<u>(176,804)</u>	<u>(30,418,530)</u>
Interest on Long-Term Debt	-	-
Total Net (Expense) Over Revenue - All Functions	<u>(589,526)</u>	<u>(135,221,034)</u>
GENERAL REVENUES		
State Equalization Guarantee	521,916	127,419,401
Property Taxes	-	5,378,301
Miscellaneous	-	5,062,294
Total General Revenues	<u>521,916</u>	<u>137,859,996</u>
Change in Net Position	<u>(67,610)</u>	<u>2,638,962</u>
Net Position, Beginning	(223,752)	(73,696,007)
Restatement		611,745
Net Position, Beginning as Restated	<u>(223,752)</u>	<u>(73,084,262)</u>
Net Position, Ending	<u>\$ (291,362)</u>	<u>(70,445,300)</u>

See Independent Auditors Report and Notes to Financial Statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND
 June 30, 2016

	<u>Academy of Trade and Technology</u>	<u>ACE Leadership High School</u>	<u>AIMS at UNM</u>	<u>Albuquerque School of Excellence</u>
ASSETS				
Cash in Bank	\$ 7,500	1,693	29,354	23,221
Accounts Receivable	-	-	-	-
Total Assets	<u>\$ 7,500</u>	<u>1,693</u>	<u>29,354</u>	<u>23,221</u>
LIABILITIES				
Accrued Liabilities	-	-	-	-
Deposits Held for Others	\$ 7,500	1,693	29,354	23,221
Total Liabilities	<u>\$ 7,500</u>	<u>1,693</u>	<u>29,354</u>	<u>23,221</u>

See Independent Auditors Report and Notes to Financial Statements

<u>Albuquerque Sign Language Academy</u>	<u>Aldo Leopold High School</u>	<u>Alma d'arte Charter High School</u>	<u>Amy Biehl Charter School</u>	<u>Anthony Charter School</u>	<u>ASK Academy</u>
15,593	12,673	5,777	14,302	890	3,247
-	-	-	-	-	-
<u>15,593</u>	<u>12,673</u>	<u>5,777</u>	<u>14,302</u>	<u>890</u>	<u>3,247</u>
-	-	-	-	-	-
15,593	12,673	5,777	14,302	890	3,247
<u>15,593</u>	<u>12,673</u>	<u>5,777</u>	<u>14,302</u>	<u>890</u>	<u>3,247</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
June 30, 2016

	Cesar Chavez Community School	Cien Aguas International School	Cottonwood Classical Preparatory School	Creative Education Preparatory Institute #1
ASSETS				
Cash in Bank	\$ 5,257	1,639	-	6,613
Accounts Receivable	-	-	-	-
Total Assets	\$ 5,257	1,639	-	6,613
LIABILITIES				
Accrued Liabilities	-	-	(8,936)	-
Deposits Held for Others	\$ 5,257	1,639	8,936	6,613
Total Liabilities	\$ 5,257	1,639	-	6,613

See Independent Auditors Report and Notes to Financial Statements

Estancia Valley Classical Academy	Gilbert L Sena Charter High School	Health Leadership High School	Health Sciences Academy	Horizon Academy West	International School at Mesa del Sol
11,770	16,827	786	437	31,078	8,098
-	-	-	-	-	-
<u>11,770</u>	<u>16,827</u>	<u>786</u>	<u>437</u>	<u>31,078</u>	<u>8,098</u>
-	-	-	-	-	-
11,770	16,827	786	437	31,078	8,098
<u>11,770</u>	<u>16,827</u>	<u>786</u>	<u>437</u>	<u>31,078</u>	<u>8,098</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
June 30, 2016

	<u>J. Paul Taylor Academy</u>	<u>La Academia Dolores Huerta</u>	<u>La Jicarita Community School</u>	<u>La Promesa Early Learning Center</u>
ASSETS				
Cash in Bank	\$ 15,487	7,484	365	3,607
Accounts Receivable	-	-	-	-
Total Assets	<u><u>15,487</u></u>	<u><u>7,484</u></u>	<u><u>365</u></u>	<u><u>3,607</u></u>
LIABILITIES				
Accrued Liabilities	-	-	-	-
Deposits Held for Others	\$ 15,487	7,484	365	3,607
Total Liabilities	<u><u>\$ 15,487</u></u>	<u><u>7,484</u></u>	<u><u>365</u></u>	<u><u>3,607</u></u>

See Independent Auditors Report and Notes to Financial Statements

La Resolana Leadership Academy	La Tierra Montessori School of the Arts and Sciences	Las Montanas Charter School	The Masters Program	McCurdy Charter School	Media Arts Collaborative Charter School
2,014	\$ 433	4,955	14,489	86,796	4,519
-	-	-	-	-	-
<u>2,014</u>	<u>\$ 433</u>	<u>4,955</u>	<u>14,489</u>	<u>86,796</u>	<u>4,519</u>
-	-	-	-	-	-
2,014	\$ 433	4,955	14,489	86,796	4,519
<u>2,014</u>	<u>\$ 433</u>	<u>4,955</u>	<u>14,489</u>	<u>86,796</u>	<u>4,519</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
June 30, 2016

	<u>Mission Achievement and Success</u>	<u>Monte Del Sol Charter School</u>	<u>Montessori Elementary School</u>	<u>New America School</u>
ASSETS				
Cash in Bank	\$ 2,850	27,119	30,206	1,231
Accounts Receivable	-	-	-	-
Total Assets	<u>2,850</u>	<u>27,119</u>	<u>30,206</u>	<u>1,231</u>
LIABILITIES				
Accrued Liabilities	-	-	-	-
Deposits Held for Others	\$ 2,850	27,119	30,206	1,231
Total Liabilities	<u>\$ 2,850</u>	<u>27,119</u>	<u>30,206</u>	<u>1,231</u>

See Independent Auditors Report and Notes to Financial Statements

New America School of Las Cruces	New Mexico Connections Academy	New Mexico International School	New Mexico School for the Arts	North Valley Academy	Sage Montessori Charter School
1,596	554	80,119	9,375	31,575	25,977
-	-	-	-	-	-
<u>1,596</u>	<u>554</u>	<u>80,119</u>	<u>9,375</u>	<u>31,575</u>	<u>25,977</u>
-	-	-	-	-	-
1,596	554	80,119	9,375	31,575	25,977
<u>1,596</u>	<u>554</u>	<u>80,119</u>	<u>9,375</u>	<u>31,575</u>	<u>25,977</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
June 30, 2016

	Sandoval Academy for Bilingual Education	School of Dreams Academy	South Valley Preparatory School	Southwest Aeronautics, Mathematics, and Science Academy
ASSETS				
Cash in Bank	\$ 1,464	16,426	22	-
Accounts Receivable	-	-	-	-
Total Assets	<u>1,464</u>	<u>16,426</u>	<u>22</u>	<u>-</u>
LIABILITIES				
Accrued Liabilities	-	-	-	(974)
Deposits Held for Others	\$ 1,464	16,426	22	974
Total Liabilities	<u>\$ 1,464</u>	<u>16,426</u>	<u>22</u>	<u>-</u>

See Independent Auditors Report and Notes to Financial Statements

<u>Southwest Intermediate Learning Center</u>	<u>Southwest Primary Learning Center</u>	<u>Southwest Secondary Learning Center</u>	<u>Taos Academy</u>	<u>Taos Integrated School of Arts</u>	<u>Taos International Charter</u>
10,060	9,377	22,881	10,040	11,858	6,128
-	-	-	-	-	-
<u>10,060</u>	<u>9,377</u>	<u>22,881</u>	<u>10,040</u>	<u>11,858</u>	<u>6,128</u>
-	-	-	-	-	-
10,060	9,377	22,881	10,040	11,858	6,128
<u>10,060</u>	<u>9,377</u>	<u>22,881</u>	<u>10,040</u>	<u>11,858</u>	<u>6,128</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
June 30, 2016

	<u>Tierra Adentro</u>	<u>Tierra Encantado Charter School</u>	<u>Turquoise Trail Charter School</u>	<u>Uplift Community School</u>
ASSETS				
Cash in Bank	\$ 77,372	16,836	14,317	1,071
Accounts Receivable	-	-	-	-
Total Assets	<u>77,372</u>	<u>16,836</u>	<u>14,317</u>	<u>1,071</u>
LIABILITIES				
Accrued Liabilities	-	114	181	-
Deposits Held for Others	\$ 77,372	16,722	14,136	1,071
Total Liabilities	<u>\$ 77,372</u>	<u>16,836</u>	<u>14,317</u>	<u>1,071</u>

See Independent Auditors Report and Notes to Financial Statements

<u>Walatowa High Charter School</u>	<u>Total Charter Schools</u>
19,787	765,145
-	-
<u>19,787</u>	<u>765,145</u>
-	<u>(9,615)</u>
<u>19,787</u>	<u>774,760</u>
<u>19,787</u>	<u>765,145</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NATURE OF ORGANIZATION

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

The elected 10-member Public Education Commission (Commission) serves in an advisory capacity in accordance with laws enacted by the New Mexico State Legislature during the 2004 Regular Session. The Commission has approved state-chartered status to 64 schools as reported in Volume III – XI of these financial statements.

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

The financial statements for the Department have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard – setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity. Certain GASB statements define the financial reporting entity as consisting of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such as exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Management has evaluated GASB Statement No. 14, *The Financial Reporting Entity*, GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, and has determined that the State Chartered Charter Schools (“Charter Schools”) meet the criteria to be presented as discretely presented component units of the State of New Mexico (the Primary Government). However, as the Department is responsible for providing regulatory oversight of the Charter Schools, including them as discretely presented component units in the financial statements of the Department is an acceptable financial statement presentation. In addition, the Department has concluded that a financial benefit or burden relationship exists as the Department is entitled to the Charter Schools resources and the Department is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the Charter Schools. In further support of the Department reporting the Charter Schools as discretely presented component units, a technical inquiry was submitted to the GASB which identified that, while the GASB standards do not address the accounting and financial reporting for separately issued GAAP-based departmental financial statements, consideration should be made in meeting the Departments reporting obligations and should consider long-established practice. In applying all relevant GAAP to the Departments financial statements, the Charter Schools were determined to be required for inclusion as discretely presented component units since the Charter Schools are fiscally dependent on the Department and the Department is the entity with the financial benefit or burden relationship with the Charter Schools. The following 64 Charter Schools are considered to be discretely presented component units of the Department:

- Academy of Trades and Technology
- ACE Leadership High School
- Albuquerque Institute for Math & Science
- Albuquerque School of Excellence
- Albuquerque Sign Language Academy
- Aldo Leopold High School
- Alma D’Arte Charter High School
- Amy Biehl Charter High School
- Anthony Charter School
- ASK Academy
- Cesar Chavez Community School
- Cien Aguas International School
- Coral Community Charter
- Cottonwood Classical Preparatory School
- Creative Education Preparatory Institute #1
- Dream Diné Charter School
- Dzit Dit Lool School of Empowerment, Action & Preservance (DEAP)
- Estancia Valley Classical Academy
- Explore Academy
- Gilbert L. Sena Charter High School
- Great Academy
- Health Leadership High School
- Health Science Academy
- Horizon Academy West

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- International School at Mesa Del Sol
- J. Paul Taylor
- La Academia Dolores Huerta
- La Jicarita Community School
- La Promesa Early Learning Center
- La Resolana Leadership Academy
- La Tierra Montessori School of the Arts and Sciences
- Las Montanas
- Masters Program
- McCurdy Charter School
- Media Arts Collaborative Charter School
- Mission Achievement and Success Charter School
- Monte del sol
- Montessori Elementary School
- New America School
- New America School of Las Cruces
- New Mexico Connections Academy
- New Mexico International School
- New Mexico School for the Arts
- North Valley Academy
- Red River Valley Charter School
- Sage Montessori Charter School
- Sandoval Academy of Bilingual Education
- School of Dreams Academy
- South Valley Preparatory School
- Southwest Aeronautics, Mathematics, and Science Academy
- Southwest Intermediate Learning Center
- Southwest Primary Learning Center
- Southwest Secondary Learning Center
- Taos Academy
- Taos Integrated School of the Arts
- Taos International
- Technology Leadership High School
- The Learning Center
- Tierra Adentro
- Tierra Encantada
- Turquoise Trail
- Uplift Community School
- Walatowa Charter High School
- William W. & Josephine Dorn Charter Community School

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

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

Basic Financial Statements. The basic financial statements include both governmental-wide (based on the Department as a whole) and fund financial statements. The reporting model focus is on either the Department as a whole, or its major individual funds (within the fund

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as governmental activities. The Department is a single purpose government entity and has no business-type activities. In the government-wide Statement of Net Position, the governmental activities are presented on a consolidated basis and are reflected on the full accrual, economic resources measurement focus, which incorporates long-term assets and receivables as well as long-term obligations.

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

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

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

Provided in the Combining and Individual Fund Statements and Schedules section of the financial statements is a breakdown of the government-wide financial statements showing the separately appropriated Division of Vocational Rehabilitation Statement of Net Position and Statement of Activities separate from the Department. These statements are for informational purposes only and are not presented in the basic financial statements.

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

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

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The governmental fund statements are presented on a current financial resource measurement focus and modified accrual basis of accounting. This presentation is deemed more appropriate to (a) demonstrate legal compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the Department's actual expenses conform to the budget or fiscal plan. Since the governmental fund statements are presented on different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each statement, which briefly explains the adjustment necessary to transform the fund-based financial statements into government-wide presentation.

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

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

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

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

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

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

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June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

General Funds

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

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

Special Revenue Funds

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

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Federal Department of Education Flowthrough (SHARE Fund #67300) - This fund is used to account for various grants from the United States Department of Education (USDE) to New Mexico Schools. The Department is responsible for the disbursement of such funds in accordance with USDE requirements (Title 34, Code of Federal Regulations). Appropriations to this fund do not revert to another fund at the end of the appropriation period.

Special Projects (SHARE Fund #79000) - This fund accounts for the receipts and disbursements of state special appropriations for a variety of projects, as appropriated by the State of New Mexico Legislature, and consists of reverting and non-reverting funds. The Special Projects Flowthrough fund was established by the Legislature (48th Legislature, 1st Session, Chapter 28) and amended by Senate Bill 165 of 2008.

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

STB Capital Outlay (SHARE Fund #89200). The Public School Capital Improvements fund accounts for the proceeds from bond sales issued under the provisions of the Public School Capital Improvements Act (NMSA 1978, § 22-25-1 and 22-25-10) and direct appropriations funded through Severance Tax Bonds. Funds remaining after the completion of capital projects are to be reverted.

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

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

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

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

In applying the “susceptible to accrual” concept to intergovernmental revenues pursuant to GASB No. 33 (as it relates to non-exchange and exchange transactions), the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and unearned revenue by the recipient.

Budgets and Budgetary Accounting. Per the General Appropriation Act, Laws for 2007, Chapter 28, Section 3, item N “For the purpose of administering the General Appropriation Act of 2007 and approving operating budgets, the State of New Mexico shall follow modified accrual basis

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June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

of accounting for governmental funds in accordance with the manual of model accounting practices issued by the Department of Finance and Administration.” The budget is adopted on the modified accrual basis of accounting except for accounts payable accrued at the end of the fiscal year that do not get paid by the statutory deadline per Section 6-10-4 NMSA 1978. Those accounts payable that do not get paid timely must be paid out of the next year’s budget. Encumbrances related to single year appropriations lapse at year end. Each year the Legislature approves multiple year appropriations, which the State considers as continuing appropriations. The Legislature authorizes these appropriations for two to five years; however, it does not identify the authorized amount by fiscal year. Consequently, the appropriation is budgeted in its entirety the first year the Legislature authorizes it. The unexpected portion of the budget is carried forward as the next year’s beginning budget balance until either the project period has expired or the appropriation has been fully expended. The budget presentations in these financial statements are consistent with this budgeting methodology.

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

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

- No later than September 1, the Department submits to the Budget Division of DFA and the Legislative Finance Committee (LFC) an appropriations request for the fiscal year commencing the following July 1. The appropriation request includes proposed expenditures and the means of financing them.
- Budget hearings are scheduled with DFA and LFC. Budget recommendations are prepared by the above agencies. The two budget recommendations are submitted for the upcoming legislative session.
- Budget hearings are scheduled before the Appropriations Committee of the New Mexico House of Representatives and Senate. The final outcome of these hearings is incorporated into the General Appropriations Act.
- The Governor of the State of New Mexico signs the General Appropriations Act into law within the legally prescribed time limit.
- Not later than May 1, the Department submits an annual operating budget request to the Budget Division of DFA, which reviews the request and subsequently approves the budget based upon the appropriation made by the Legislature. All subsequent budget transfers and increases must be authorized by the Director of the Budget Division. The budgets for the year ended June 30, 2016 have been so adjusted.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Legal budgetary control for expenditures and encumbrances is by category of the appropriation unit.
- Formal budgetary integration is employed as a management control device during the fiscal year for the General Fund and Special Revenue Funds.

The following funds were not budgeted in the fiscal year ended June 30, 2016 because there were no associated expenditures with them:

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

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

The language of a particular special appropriation determines when it lapses and whether or not expended and unencumbered balances revert to the State General Fund. See Note 16 for specific funds subject to annual reversion to State General Fund.

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

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

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Advances to Local Education Agencies. The Department passes through federal funding to the local school districts. The Department normally pays the school on a reimbursement basis, but the Department also advances funding to schools. Schools are required to spend the advanced funds in the school year budgeted. As the schools report their expenditures on a monthly basis, the Department relieves the receivable and records federal expenditures. Unspent funds are to be returned to the Department, which in turn are returned to the federal grantor by the Department. Because the Department has the ability to reduce funding in subsequent years to compensate for unspent funds that are returned, the advances are considered full collectible.

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

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

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

Computing Equipment and Software	3 years
Equipment	5 to 7 years

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

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences Payable. Accrued vacation up to 240 hours is recorded in the Statement of Net Position at 100% of the employee's hourly wage. In additions, accrued sick leave over 600 and up to 720 hours less the amount classified as current is recorded in the Statement of Net Position at 50% of the employee's hourly wage. Compensatory time is accrued at a rate of one and one-half hours for each hour of employment for which overtime compensation is required for those employees covered by the Fair Labor Standards Act (FLSA). Employees exempt from coverage by FLSA earn one hour of compensatory time for each over time hour. The accrual for compensated absences is calculated at pay rates in effect at June 30, 2016, and includes direct and incremental salary related payments, such as the employees' share of social security taxes.

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

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

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

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

Investment in Capital Assets - is intended to reflect the portion of net position which is associated with non-liquid, capital assets less outstanding capital asset related debt. The Department did not have any related debt during the year ended in June 30, 2016.

Restricted Net Position - are liquid assets (generated from revenues and not bond proceeds), which have third-party (statutory, bond covenant or granting agency) limitations (legally restricted) on their use. The Department reported restricted net position at June 30, 2016.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unrestricted Net Position - represents the excess of total assets over liabilities and investment in capital assets at June 30, 2016.

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

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

Uses of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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

Deferred Outflows/Inflows of Resources. In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Also, in addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At June 30, 2016, the Department reported no

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Severance Tax Bonds Proceeds. While the Department receives severance tax bond proceeds appropriated to the capital projects funds for projects specified by the legislature, it has no obligation for repayment of the bonds and reports not liability for severance tax bonds payable in its financial statements. These bonds are obligations of the State of New Mexico's Comprehensive Annual Financial Report, or CAFR, issued by the State of New Mexico's Controller's Office. The CAFR can be obtained by contacting the State Controller at the Bataan Memorial Building, Santa Fe, New Mexico 87501.

NOTE 2. STATE GENERAL FUND INVESTMENT POOL NOT RECONCILED

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

Agency claims against the SGFIP and fiduciary resources held at STO to fulfil those claims were not reconciled from the inception of SHARE (the State's centralized accounting system), in July 2006, through January 2013, which caused uncertainty as to the validity of the claims and the ability of fiduciary resources to fulfil those claims. As a result of business process and systems configuration changes made during the Cash Management Remediation Project Phase I the Department of Finance and Administration's Financial Control division began reconciling transactional activity reported by the State's fiscal agent bank to the SHARE general ledger on a point-forward basis beginning February 1, 2013. In fiscal year 2015, the Financial Control Division implemented a reconciliation process that compares statewide agency claims against the resources held in the SGFIP at STO. The claims to resources reconciliation process has been successfully applied to fiscal year-end 2016. The results are encouraging and the following assertions can be made:

1. The calculated difference between resource maintained by the State Treasurer's Office and the agency claims has remained stable and within a narrow and acceptable range (< \$200k standard deviation) over the last 12 months.

**STATE OF NEW MEXICO
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June 30, 2016**

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

2. Resources are sufficient to cover claims and there is no need to adjust any specific business unit claim on the SFGIP.
3. All claims will be honored at face value.

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

NOTE 3. INTEREST IN THE STATE GENERAL FUND INVESTMENT POOL

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

At June 30, 2016 the Department had the following interest in the State General Fund Investment Pool:

Investment in State General Fund Investment Pool - Primary Government	\$136,333,380
Investment in State General Fund Investment Pool - Agency Fund	\$ 3,774,339
Investment in State General Fund Investment Pool - Private Purpose Trust	\$ 45,289

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

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

Custodial Credit Risk. The cash on deposit with the New Mexico State Treasurer's State General Fund Investment Pool is monitored by the office for purposes of collateralization in compliance

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

with Section 6-10-17, NMSA 1978. The Department has been authorized by the NM State Treasurer’s Office to carry a negative cash balance (cash overdraft) due to the administration of the cost grants. Cash overdrafts listed as due to State General Fund Investment Pool are shown below.

Investment in State General Fund Investment Pool - Overdraft \$17,065

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

NOTE 4. CASH AND INVESTMENTS

The Eva Lou Kelly Scholarship trust fund has a certificate of deposit with a local bank. The certificate matures February 18, 2018. The interest rate is 0.85%, payable monthly. The certificate is fully insured by the FDIC and in the name of the trust fund. Market value approximates cost.

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

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

NOTE 5. DUE FROM STATE AGENCIES

Transactions that occur among state agencies under legislative mandate, exchange transactions and other situations are accounted for in the financial statements which make up the due from and due to (Note 6) other state agencies. The due from other governments as of June 30, 2016 consists of the following:

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PUBLIC EDUCATION DEPARTMENT
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NOTE 5. DUE FROM STATE AGENCIES (CONTINUED)

Share Fund No.	Agency	Other Agency No.	Amount
05700	Taxation and Revenue Department (TRD)	33300	\$ 909
05700	Secretary of State	37000	216
05700	Human Services Department (HSD)	63000	11,605
50000	Environment Department	66700	7,302
63400	Department of Finance and Administration (DFA)	34103	9,642
89200	Department of Finance and Administration (DFA)	34103	<u>25,781,313</u>
Total Due from Other State Agencies			\$ <u>25,810,987</u>

NOTE 6. DUE TO OTHER STATE AGENCIES

Total due to other state agencies at June 30, 2016 is as follows:

Share Fund No.	Agency	Other Agency No.	Amount
05700	Educational Retirement Board	35200	\$ 105,620
05700	Higher Education Department	95000	8,676
67200	Department of Military Affairs	70500	8,740
67200	Children, Youth and Families Department	69000	28,474
81600	Department of Finance and Administration	34103	24,347
81800	Department of Finance and Administration	34103	36,620
84400	Attorney General's Office	30500	9,359
84400	Children, Youth and Families Department	69000	1,806,641
84400	Department of Health	66500	639,531
93100	Department of Finance and Administration	34103	<u>34,680</u>
Total			\$ <u>2,702,688</u>

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NOTE 7. CAPITAL ASSETS

A summary of changes in capital assets at June 30, 2016 is as follows:

	Balance June 30, 2015	Adjustment Additions	Deletions	Balance June 30, 2016
PED:				
Equipment	\$ 1,389,748	9,206	-	1,398,954
Art Acquisitions	5,800	-	-	5,800
Total PED	<u>1,395,548</u>	<u>9,206</u>	<u>-</u>	<u>1,404,754</u>
DVR/DDS:				
Equipment	1,168,433	226,782	(252,943)	1,142,272
Total Department:				
Equipment	2,558,181	235,988	(252,943)	2,541,226
Art Acquisitions	5,800	-	-	5,800
Subtotal	<u>2,563,981</u>	<u>235,988</u>	<u>(252,943)</u>	<u>2,547,026</u>
Accumulated Depreciation:				
PED- Equipment	(1,082,293)	(143,083)	-	(1,225,376)
DVR/DDS- Equipment	(976,452)	(80,815)	247,949	(809,318)
Subtotal	<u>(2,058,745)</u>	<u>(223,898)</u>	<u>247,949</u>	<u>(2,034,694)</u>
Total	<u>\$ 505,236</u>	<u>12,090</u>	<u>(4,994)</u>	<u>512,332</u>

Depreciation expenses were charged to functions in the Department for the year ended June 30, 2016 are as follows:

Public Education Department	
Education	\$ 143,083
Division of Vocational Rehabilitation	
Health and Welfare	<u>80,815</u>
Total Department	<u>\$ 223,898</u>

NOTE 8. COMPENSATED ABSENCES

A summary of changes in compensated absences for the year ended June 30, 2016 is as follows:

	Balance June 30, 2015	Increase	Deletions	Balance June 30, 2016	Current Portion
PED	\$ 722,954	1,568,305	(1,543,432)	747,827	747,827
DVR/DDS	631,438	1,400,476	(1,449,094)	582,820	582,820
Total	<u>\$ 1,354,392</u>	<u>2,968,781</u>	<u>(2,992,526)</u>	<u>1,330,647</u>	<u>1,330,647</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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June 30, 2016**

NOTE 8. COMPENSATED ABSENCES (CONTINUED)

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

NOTE 9. SPECIAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATIONS

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

PED	Appropriation Period	Appropriation Amount	Expenditure to Date	Reserve Fund Balance	Remaining Balance to Revert
Laws 2014, Chapter 63, Sec. 5, Item 72	2014-2016	2,500,000	(2,500,000)	-	-
Laws 2014, Chapter 63, Sec. 5, Item 73	2014-2016	3,000,000	(3,000,000)	-	-
Laws 2014, Chapter 63, Sec. 5, Item 76	2014-2016	100,000	(100,000)	-	-
Laws 2015, Chapter 101, Sec. 5, Item 56	2015-2016	2,000,000	(2,000,000)	-	-
Laws 2015, Chapter 101, Sec. 5, Item 57	2015-2016	2,000,000	(2,000,000)	-	-
Laws 2015, Chapter 101, Sec. 5, Item 58	2015-2016	1,200,000	(1,200,000)	-	-
Laws 2015, Chapter 101, Sec. 5, Item 59	2015-2016	450,000	(342,036)	-	107,964
Laws 2015, Chapter 101, Sec. 5, Item 60	2015-2016	7,230,100	(7,230,100)	-	-
Laws 2015, Chapter 101, Sec. 5, Item 61	2015-2016	2,991,800	(2,991,800)	-	-
Laws 2015, Chapter 101, Sec. 5, Item 62	2015-2016	3,100,000	(3,100,000)	-	-
Total 2016 Prior to MOE		<u>24,571,900</u>	<u>(24,463,936)</u>	-	107,964
Special and Deficiency Appropriations - Maintenance of State Financial Support (MOE)					
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	20,000,000	(16,881,452)	(3,118,548)	-
Laws 2013, Chapter 227, Sec. 4 & 5	2013-2014	10,000,000	-	(10,000,000)	-
Laws 2014, Chapter 63, Sec. 5	2014-2015	3,000,000	-	(3,000,000)	-
Total 2016 MOE		<u>33,000,000</u>	<u>(16,881,452)</u>	<u>(16,118,548)</u>	-
Total 2016		<u>\$ 57,571,900</u>	<u>(41,345,388)</u>	<u>(16,118,548)</u>	<u>107,964</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
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**NOTE 9. SPECIAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATIONS
(CONTINUED)**

SPECIAL APPROPRIATIONS - HOUSE BILL 2

\$2,000,000 For distribution to classroom teachers to purchase classroom supplies. The appropriation is from the separate account of the appropriation contingency fund dedicated for the purpose of implementing and maintaining educational reforms created in Section 12 of Chapter 114 of Laws 2004.

\$2,000,000 For emergency support to school districts experiencing shortfalls. All requirements for distribution of funds shall be in accordance with Section 22-8-30 NMSA 1978.

\$1,200,000 For legal fees related to two education funding sufficiency lawsuits and reopening of the Zuni lawsuit.

\$450,000 For the fiscal year 2014 financial statement audit of the public education department and state-chartered charter schools.

\$7,230,100 The period of time for expending the seven million two hundred thirty thousand one hundred dollars (\$7,230,100) appropriated from the general fund to the public education department in Paragraph (v) of Subsection I of Section 4 of Chapter 63 of Laws 2014 for teacher and school leader programs and supports for training, preparation, recruitment and retention is extended through fiscal year 2016.

\$2,991,800 The period of time for expending the two million nine hundred ninety-one thousand eight hundred dollars (\$2,991,800) appropriated from the general fund to the public education department in Paragraph (o) of Subsection I of Section 4 of Chapter 63 of Laws 2014 for school leader preparation is extended through fiscal year 2016.

\$3,100,000 To the instructional material fund. The general fund appropriation includes one million one hundred thousand dollars (\$1,100,000) from the separate account of the appropriation contingency fund dedicated for the purpose of implementing and maintaining educational reforms created in Section 12 of Chapter 114 of Laws 2004.

NOTE 10. COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including accounts already collected, may constitute a liability of the applicable funds. The amount, if any, of

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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NOTE 10. COMMITMENTS AND CONTINGENCIES (CONTINUED)

expenditures which may be disallowed by the grantor cannot be determined at this time, although the Department expects such amounts, if any, to be immaterial.

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

The MOE shortfall for fiscal years 2011 is under appeal and is currently still undergoing final determination of MOE by the U.S. Department of Education at June 30, 2016. Concerning the potential shortfall of MOE the Department has booked \$16,118,548 or any potential liabilities.

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

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

Lease Commitments. The Department has commitments for office space and equipment under operating lease agreements. Lease terms for office space range from one to 11 years and generally contain renewal options. Lease terms for office equipment range from one to five years. Rental expenditures for the year ended June 30, 2016, totaled \$3,019,408. Future minimum lease payments are as follows and are based on the actual lease terms and have not been discounted:

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PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 10. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Year Ending June 30,	PED	DVR/DDS	Total
2017	315,892	2,421,082	2,736,974
2018	315,892	2,204,609	2,520,501
2019	315,892	1,267,342	1,583,234
2020	315,892	853,048	1,168,940
2021	315,892	167,916	483,808
2022-2026	1,101,236	366,316	1,467,552
Total	\$ 2,680,696	7,280,313	9,961,009

NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION AND EDUCATIONAL RETIREMENT BOARD

Compliant with the requirements of Government Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*, the State of New Mexico has implemented the standard for the fiscal year ending June 30, 2016.

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

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

NOTE 12. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (DISCRETELY PRESENTED COMPONENT UNITS)

Plan Description: ERB was created by the State’s Educational Retirement Act, Section 22-11-1 through 22-11-52, NMSA 1978, as amended, to administer the New Mexico Educational Employees’ Retirement Plan (Plan). The Plan is a cost-sharing, multiple employer plan

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PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE 12. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (DISCRETELY PRESENTED COMPONENT UNITS) (CONTINUED)

established to provide retirement and disability benefits for certified teachers and other employees of the state's public schools, institutions of higher learning, and agencies providing educational programs. The Plan is a pension trust fund of the State of New Mexico. The New Mexico legislature has the authority to set or amend contribution rates. NMERB issues a publicly available financial report and a comprehensive annual financial report that can be obtained at www.nmerb.org.

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

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

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

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

Retired members and surviving beneficiaries receiving benefits receive an automatic cost of living adjustment (COLA) to their benefit each July 1, beginning in the year the member attains or would have attained age 65 or on July 1 of the year following the member's retirement date, whichever is later. Prior to June 30, 2013 the COLA adjustment was equal to one-half the

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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June 30, 2016

NOTE 12. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (DISCRETELY PRESENTED COMPONENT UNITS) (CONTINUED)

change in the Consumer Price Index (CPI), except that the COLA shall not exceed 4% nor be less than 2%, unless the change in CPI is less than 2%, in which case, the Cola would equal the change in the CPI, but never less than zero. As of July 1, 2013, for current and future retirees the COLA was immediately reduced until the plan is 100% funded. The COLA reduction was based on the median retirement benefit of all retirees excluding disability retirements. Retirees with benefits at or below the median and with 25 or more years of service credit will have a 10% COLA reduction; their average COLA will be 1.8%. All other retirees will have a 20% COLA reduction; their average COLA will be 1.6%. Once the funding is greater than 90%, the COLA reductions will decrease. The retirees with benefits at or below the median and with 25 or more years of service credit will have a 5% COLA reduction; their average COLA will be 1.9%. All other retirees will have a 10% COLA reduction; their average will be 1.8%. Members on disability retirement are entitled to a COLA commencing on July 1 of the third full year following disability retirement. A member on regular retirement who can prove retirement because of a disability may qualify for a COLA beginning July 1 in the third full year of retirement.

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 12. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (DISCRETELY PRESENTED COMPONENT UNITS) (CONTINUED)

Actuarial Assumptions. As described above, the total ERB pension liability and net pension liability are based on an actuarial valuation performed as of June 30, 2015. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2015. Specifically, the liabilities measured as of June 30, 2015 incorporate the following assumptions:

1. All members with annual salary of more than \$20,000 will contribute 10.70% during the fiscal year ending June 30, 2015 and thereafter.
2. Members hired after June 30, 2013 will have an actuarially reduced retirement benefit if they retire before age 55 and their COLA will be deferred until age 67.
3. COLAs for most retirees are reduced until ERB attains a 100% funded status.
4. These assumptions were adopted by ERB on June 12, 2015 in conjunction with the six-year experience study period ending June 30, 2014.

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

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Remaining Period	Amortized - closed 30 years from June 30, 2012 to June 30, 2042
Asset Valuation Method	5 year smoothed market for funding valuation (fair value for financial valuation)
Inflation	3.00%
Salary Increases	Composition: 3% inflation, plus 1.25% productivity increase rate, plus step rate promotional increases for members with less than 10 years of service
Investment Rate of Return	7.75%
Retirement Age	Experience based table of age and service rates

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PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 12. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (DISCRETELY PRESENTED COMPONENT UNITS) (CONTINUED)

Mortality	90% of RP-2000 Combined Mortality Table with White Collar Adjustment projected to 2014 using Scale AA (one year setback for females)
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The long-term expected rate of return on pension plan investments is determined annually using a building-block approach that includes the following: 1) rate of return projections are the sum of current yield plus projected changes in price (valuation, defaults, etc.), 2) application of key economic projections (inflation, real growth, dividends, etc.), and 3) structural themes (supply and demand imbalances, capital flows, etc.).

Discount Rate: A single discount rate of 7.75% was used to measure the total ERB pension liability as of June 30, 2015 and June 30, 2014. This single discount rate was based on the expected rate of return on pension plan investments of 7.75%. Based on the stated assumptions and the projection of cash flows, the Plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current pension plan members. Therefore the long term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projection of cash flows used to determine this single discount rate assumed that Plan contributions will be made at the current statutory levels. Additionally, contributions received through the Alternative Retirement Plan (ARP), ERB's defined contribution plan, are included in the projection of cash flows. ARP contributions are assumed to remain at a level percentage of ERB payroll, where the percentage of payroll is based on the most recent five year contribution history.

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

Pension plan fiduciary net position. Detailed information about the ERB's fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2015 and 2014 which are publicly available at www.nmerb.org.

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

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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NOTE 13. OTHER POST-EMPLOYEMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN

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

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

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

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

The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can

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NOTE 13. OTHER POST-EMPLOYEMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. In the fiscal year ending June 30, 2016, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary each participating employee was required to contribute 1.25% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The Department's contributions to the RHCA for the years ended June 30, 2016, 2015 and 2014 were \$519,348, \$489,772, and \$437,947, respectively, which equal the required contributions for each year.

NOTE 14. RISK MANAGEMENT

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

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

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

At June 30, 2016, the Department had no claims that Risk Management Division returned as not covered, which would become the responsibility of the Department. To obtain the separately issued financial statements, contact General Services Department, PO Box 26110, Santa Fe, New Mexico 87502-6110.

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June 30, 2016**

NOTE 15. REVERSIONS

The following activity for reversions to the State General Fund occurred during fiscal year ended June 30, 2016:

Fund	Revisions Payable June 30, 2015	Paid to State General Fund During FY 16	FY 16 Additions to Reversions Payable	Reversions Payable June 30, 2016	Paid to State General Fund During FY 17*
05700	\$ 40,380	23,043	63,126	63,126	63,126
79000	6,343,811	6,234,708	176,646	176,646	176,646
85800	14,259,323	14,259,323	7,186,573	7,417,960	7,186,573
Total	\$ <u>20,643,514</u>	<u>20,517,074</u>	<u>7,426,345</u>	<u>7,657,732</u>	<u>7,426,345</u>

In accordance with statute Section 6-5-10(A) NMSA 1978, all unreserved, undesignated fund balances in reverting funds and accounts as reflected in the central accounting system as of June 30 shall revert. A total of \$20,517,074 was paid to the State General Fund during the year. \$7,657,732 is payable at June 30, 2016 and due by September 30, 2016; this payable may be adjusted within 45 days of the release of this audit by the New Mexico Office of the State Auditor.

*The amount not reverted of \$231,387 in fund 85800 was the amount transferred from the Learning Community Charter School (TLC) to PED during the close out of the school. Close out procedures were being performed in FY16 and expenditures were incurred in FY17 related to the FY 16 audit. Once all expenditures incurred by TLC have been paid and the school has been completely closed, PED will revert the remaining balance to the General Fund.

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NOTE 16. NON-MAJOR SPECIAL REVENUE AND CAPITAL PROJECT FUNDS

SHARE

Fund #

SPECIAL REVENUE FUNDS

- 00500 Schools in Need of Improvement. This fund is used to make school improvements to school districts in need of upgrades. This fund was created by New Mexico Legislature 22-2-C NMSA 1978. Appropriations to this fund do not revert back to another fund at the end of their appropriation period.
- 11420 K-3 Plus. The purpose of this fund is to provide funding for additional educational time for students in the kindergarten through third grade. K-3 plus shall be administered by the department and shall provide the funding for approved full-day kindergarten and grades 1-3 to be extended by at least 25 instructional days beginning up to two months earlier than the regular school year (22-13-28 NMSA 1978). Appropriations to this fund do not revert at the end of the appropriation period.
- 20160 Educational Technology Deficiency Correction. Money in the fund is appropriated for the purpose of implementing the provisions of the Technology for Education Act (NMSA 1978 § 22-15A-1). This is a state funded project (NMSA 1978 § 22-15A-8 and NMSA 1978 § 22-15A11). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 20550 School Transportation Training. The “school transportation training fund” is created in the state treasury. The fund consists of payments from school districts and charter schools for school transportation training workshops and other school transportation training described in rule provided by the public education department, income from investment of the fund and money otherwise accruing to the fund. Money in the fund shall not revert to any other fund at the end of a fiscal year (22-2-22 NMSA 1978).
- 20570 Independent Living Services. This fund was created under Section 6-3-23 through 6-3-25 NMSA 1978 to build FY15 agency budget in SHARE to mirror revenue appropriated by other acts of legislature. In previous fiscal years, Independent Living Services was combined within the Rehabilitation Services Program (Fund 50000) and in order for transparency purposes NMDVR separated it and created the new fund 20570.

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NOTE 16. NON-MAJOR SPECIAL REVENUE AND CAPITAL PROJECT FUNDS
(CONTINUED)

SHARE
Fund #

SPECIAL REVENUE FUNDS (CONTINUED)

- 30800 Private Grants. This fund was created to receive private education grants to enhance skills of educators and to support education initiatives to benefit students and innovation in the classroom.
- 33400 Family Youth. The purpose of this fund is to provide an intermediary for students and their families at public schools to access social and health care services (NMSA 1978, 22-2D-3). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 39700 Educator Certification. Educator Certification funds are collected from application fees for certification or for renewal of certification by the Public Education Department of New Mexico. Monies in the fund are for the purpose of funding the educator background check program (NMSA 1978, § 22-10-4.1). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 45800 Adult Basic Education. The Adult Basic Education fund is used to account for all financial activities of the adult basic education program. The fund was established by an act of the New Mexico State Legislature (NMSA 1978, 22-8-30.1). Appropriations to this fund do not revert to another fund at the end of the appropriation period. Amounts were transferred to New Mexico Higher Education Department.
- 47000 Charter School Stimulus. To account for state general fund appropriations to be used to stimulate charter schools (NMSA 1978, 22-8B-14). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 51300 Pre-Kindergarten. The purpose of this fund is to address the total developmental needs of preschool children, including physical, cognitive, social and emotional needs, and shall include healthcare, nutrition, safety and multicultural sensitivity (NMSA 1978, 32A-23-4). Appropriations to this fund do not revert to another fund at the end of the appropriation period.

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PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 16. NON-MAJOR SPECIAL REVENUE AND CAPITAL PROJECT FUNDS
(CONTINUED)

SHARE
Fund #

SPECIAL REVENUE FUNDS (CONTINUED)

- 56200 Professional Development. The Teacher Professional Development Fund is to provide professional development programs and projects for public school teachers (NMSA 1978, 228-45). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 56800 Incentive for School Improvement. Incentives for School Improvement are funds from the State General Fund appropriated to the Department. The fund is used to account for financial incentives to individual schools that exceed expected academic performance (NMSA 22-2C10). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 58600 Reading Materials. This fund accounts for monies for the purchase of textbooks and reading materials as appropriated by New Mexico Legislature NMSA 22-15-8.2. Appropriations to this fund do not revert to another fund at the end of their appropriation period.
- 63300 Indian Education Act. To gain tribal involvement and to ensure the maintenance of native languages (NMSA 22-23A-8). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 63900 Kindergarten Plus. The purpose of the fund is to deposit grants and donations for the "Kindergarten Plus" pilot project. Money shall be expended in accordance with the terms of the grants and donations. Unless otherwise specified by the terms of the grant or donation, money in the fund at the end of the pilot project shall revert to the general fund. There have not been any grants and donations and in FY 07 appropriations have been returned to the Special Appropriations Fund 79000. 22-2-20 created a three-year study which was extended into a six-year study during the 2006 Legislative Session (HB 43).
- 66000 Instructional Materials Adoption. The purpose of this fund is to provide for the review and adoption of instructional materials from the collection of publishers fees (NMSA 22-15-8-1). Appropriations to this fund do not revert to another fund at the end of the appropriation period.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE 16. NON-MAJOR SPECIAL REVENUE AND CAPITAL PROJECT FUNDS
(CONTINUED)

SHARE
Fund #

SPECIAL REVENUE FUNDS (CONTINUED)

- 66200 Education Technology. Education Technology are funds from the State General Fund appropriated to the Department. The fund is used to account for all financial resources of the 1994 Education Technology program. This is a state funded project (NMSA 1978, § 22-15A-1 to 22-15A-10). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 66900 School Library. To account for the replacement and purchase of new library materials (NMSA 22-15C-3). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 67200 Federal Food Services. The Federal School Food Services Flowthrough fund is used to account for federal grants to New Mexico schools for food services. The Department, as fiscal agent for the United States Department of Agriculture, is responsible for disbursing funds for such services in accordance with individual grant requirements (Title 7, Code of Federal Regulations Parts 210 and 245). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 67400 Vocational Education Flowthrough. This fund accounts for federal grant funds for vocational education. This is a non-reverting fund.
- 72500 Public Building Energy Efficiency Act. Public Building Energy Efficiency Act is funds from the State General Fund appropriated from the State Equalization Guarantee Fund that are distributed by the Department to participating school districts (NMSA 1978, § 6-23 and § 22-8-25). This is a reverting fund.
- 84400 Federal Department of Education Administration. The Federal Department Administration Flowthrough fund accounts for administrative expenses except those required to be accounted for in another fund. It is funded primarily from appropriations from grant funds. This is a non-reverting fund.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE 16. NON-MAJOR SPECIAL REVENUE AND CAPITAL PROJECT FUNDS
(CONTINUED)

SHARE
Fund #

SPECIAL REVENUE FUNDS (CONTINUED)

- 85600 Instructional Materials Flowthrough. The Instructional Material Flowthrough fund accounts for monies for the purchase of textbooks and instructional materials, as appropriated by the New Mexico Legislature, and consists of monies from receipts of the Federal Mineral Lands Leasing Act. Revenues are received in this fund by the Department, as fiscal agent, and are subsequently disbursed for the benefit of the individual schools in New Mexico (NMSA 1978, § 22-15-1 to 22-15-25). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 85700 State Support Reserve. The State Support Reserve fund is used to augment the appropriations for the State Equalization Guarantee distribution in order to ensure to the extent of the amount undistributed in the fund that the maximum figures for such distribution established by law shall not be reduced. (NMSA 1978, § 22-8-31). Appropriations to this fund do not revert to another fund at the end of the appropriation period. State General Fund appropriations (NMSA 1978, § 22-8-14). This is a reverting fund.
- 88900 Transportation Emergency. This fund is used to make distributions of state funds to districts experiencing transportation emergencies (NMSA 1978, 28-8-29.6). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 89000 PED American Recovery and Reinvestment Act (ARRA). The American Recovery and Reinvestment Act (ARRA) Fund was established in 2009, and is funded by the Federal government. This is a non-reverting fund.
- 89000 DVR American Recovery and Reinvestment Act (ARRA). The American Recovery and Reinvestment Act (ARRA) Fund was established in 2009, and is funded by the Federal government. This is a non-reverting fund.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE 16. NON-MAJOR SPECIAL REVENUE AND CAPITAL PROJECT FUNDS
(CONTINUED)

SHARE
Fund #

CAPITAL PROJECTS FUNDS

63400	<u>Public School Capital Improvements.</u> The Public School Capital Improvements fund accounts for the proceeds from bond sales issued under the provisions of the Public School Capital Improvements Act (NMSA 1978, § 22-25-1 and 22-25-10). Funds remaining after the completion of capital projects are to be reverted.
63500	<u>Public School Capital Outlay.</u> The Public School Capital Outlay fund accounts for the proceeds from bond sales issued under the provisions of the Public School Capital Improvements Act (NMSA 1978, 5 22-24-1 and 22-254-6). Funds remaining after the completion of capital projects are to be reverted.
81300	<u>Special Capital Outlay — Severance Tax Bonds (2000).</u> The fund, established in 2000, accounts for severance tax bond proceeds appropriated for special capital outlay projects (Laws of 2000, Chapter 23, Section 16). Funds remaining after the completion of capital projects are to be reverted.
81600	<u>Special Capital Outlay — Severance Tax Bonds (2004).</u> The fund, established in 2004, accounts for severance tax bond proceeds appropriated to the Public Education Department. Funds remaining after the completion of capital projects are to be reverted.
81800	<u>Special Capital Outlay — General Fund.</u> The fund, established in 2000, accounts for general fund appropriations for special capital outlay projects (Laws of 2000, Chapter 23, Section 45). Funds remaining after the completion of capital projects are to be reverted.
93100	<u>General Fund Capital Outlay.</u> The fund accounts for direct general fund appropriations for special capital outlay projects. Funds remaining after the completion of capital projects are to be reverted.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE 17. TRANSFERS IN AND TRANSFERS OUT

Interagency Transfers

From (Agency)	To (Fund)	Description	Amount
	PED		
60900	(63300)	Indian Affairs Department	\$ 25,000
	DVR		
60400	(50000)	Commission for the Deaf & Hard of Hearing	305,504
Total Interagency Transfer In			\$ 330,504

From (Fund)	To (Agency)	Description	Amount
PED (63300)	NMHED (95000)	Higher Education Department	\$ 408,387
PED (84400)	CYFD (69000)	Children Youth & Families Department	7,437,710
PED (85600)	NMDOH (66500)	New Mexico Department of Health	1,615,343
Total Interagency Transfers Out			\$ 9,461,440

Interfund Transfers

From Fund	To Fund	Description	Amount
50100	50000	Reclassify indirect costs	\$ 6,295
Total Interfund Transfers			\$ 6,295

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016

NOTE 18. GOVERNMENTAL FUND BALANCES - RESTRICTED AND COMMITTED

The Department's fund balances represent: (1) Restricted Purposes which include balances that are legally restricted for specific purposes due to constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; (2) Committed Purposes, which include balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches. A summary of the nature and purpose of these reserves by fund type at June 30, 2016, follows:

<u>Fund/ Program</u>	<u>Laws</u>	<u>Committed Purpose</u>	<u>Restricted Purpose</u>
General Fund:			
PED General Fund	Administratively Created	\$ 701,925	-
DVR General Fund	Administratively Created	-	1,312,424
Total General Fund:		701,925	1,312,424

<u>Fund/ Program</u>	<u>Laws</u>	<u>Committed Purpose</u>	<u>Restricted Purpose</u>
Capital Improvement Projects:			
Public School Capital Improvement	NMSA 22-25-10, 1978	\$ -	65,211
Public School Capital Outlay	NMSA 22-24-1, 1978	1,103,044	-
Special Capital Outlay Severance	Law of 2000, Chapter 23, Section 16	-	37,097
Tax Bonds 2000			
Special Capital Outlay Severance	NMSA 7-27-12, 1978	-	157,620
Tax Bonds 2004			
Total Capital Improvement Projects		1,103,044	259,928

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

**NOTE 18. GOVERNMENTAL FUND BALANCES - RESTRICTED AND COMMITTED
(CONTINUED)**

<u>Fund/ Program</u>	<u>Laws</u>	<u>Committed Purpose</u>	<u>Restricted Purpose</u>
Special Revenue:			
Federal Department of Education Flowthrough	Title 34, Code of Federal Regulations	-	5,253,296
Special Projects	48 th Legislature, 1 st Session, Ch 28 and amended by Senate Bill 165 of 2008	-	34,002,631
Schools in Need of Improvement K-3 Plus	NMSA 22-2-10C 1978 2012, Chapter 19, Sec. 4 item 1	464	-
Ed Tech Deficiency Correction Fund	NMSA 22-15A-1 1978, NMSA 22-15A-8 1978, and NMSA 22-15A-11 1978	60	-
School Transportation Training	NMSA 22-2-22	-	35,775
Independent Living Services	NMSA 6-3-23 through 6-3-25	-	471,627
Private Grants	N/A - Donor Restricted	-	258,006
Family Youth	NMSA 22-2D-3	1,178	-
Educator Certification	NMSA 22-10-4.1 1978	-	763,015
Charter School Stimulus	NMSA 22-8B-14 1978	14,292	-
Pre-Kindergarten	GF Appropriation Laws of 2009, Ch. 124 Section 4; HSD/PED agreement GSA #11-630-9000-0014	5,444,101	-
Professional Development	NMSA 22-8-45 1978	80,145	-
Incentive for School Improvement	NMSA 22-2C-10 1978	81,717	-
Reading Materials	NMSA 22-15-8.2 1978	-	-
Indian Education Act	NMSA 22-23A-8 1978	2,529,240	-
Kindergarten Plus	NMSA 22-20 1978	-	89,212
Instructional Materials Adoption	NMSA 22-15-8.1 1978	-	275,448
Education Technology	NMSA 22-15A-1 to 22-15A-10 1978	14,263	-
School Library	NMSA 22-15c-3 1978	-	-
Public Building Energy Efficient Act	NMSA 6-23-10 1978	-	48
Public School Support Flowthrough	NMSA 22-8-14 1978	-	4,093,302
Instructional Materials Flowthrough	NMSA 22-15-1 to 22-15-25 1978	-	5,165,289
State Support Reserve	NMSA 28-8-31 1978	1,000,000	-
Transportation Emergency	NMSA 28-8-29.6 1978	507,526	-
Recovery Act Funds	Administratively Created	-	184
Total Special Revenue		<u>9,672,986</u>	<u>52,292,803</u>
		<u>\$ 11,477,955</u>	<u>53,865,155</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 19. DEFICIENT FUND BALANCE

The following funds had deficient fund balances at June 30, 2016:

Disability Determination Services	DVR (50100)	\$ (104,422)
Public School Support Flowthrough	PED (85800)	\$ (867,009)
STB Capital Outlay	PED (892000)	\$ (147,690)
Adult Basic Education	PED (45800)	\$ (25,733)
Federal Food Services	PED (67200)	\$ (3,225)
Vocational Education Flowthrough	PED (67400)	\$ (708,303)
PED ARRA Fund	PED (89000)	\$ (292)
Special Capital Outlay - General Fund	PED (81800)	\$ (158,686)
General Fund Capital Outlay	PED (93100)	\$ (6,551)

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

NOTE 20. SUBSEQUENT EVENTS

On October 19, 2016, Senate Bill 2 was signed by the Governor of the State of New Mexico. The legislation requires, "The following appropriations to the public education department to meet special education maintenance of effort requirements pursuant to the federal Individuals with Disabilities Education Act shall be disencumbered and transferred to the fiscal year 2017 appropriation account of the general fund:

(1) the total general fund appropriation of ten million dollars (\$10,000,000) in Laws 2013, Chapter 227, Section 4;

(2) three million one hundred thousand dollars (\$3,100,000) of the total general fund appropriation in Item (73) of Section 5 of Chapter 227 of Laws 2013; and

(3) the total general fund appropriation of three million dollars (\$3,000,000) in Item (75) of Section 5 of Chapter 63 of Laws 2014."

As of the date of our report the funds still had not been transferred to the general fund of the State of New Mexico. However, we anticipate the Department will transfer these funds prior to the end of fiscal year 2017.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 21. RECENT ACCOUNTING PRONOUNCEMENTS

In February 2015, the GASB issued statement No. 72, *Fair Value Measurement and Application*. This Statement provides guidance for determining the fair value and applying the fair value to certain investments and note disclosures. GASB Statement No. 72 was effective for periods ending after June 15, 2016. The adoption of GASB Statement No. 72 did not have any effect on the Department's Financial Statements.

In June 2015, the GASB issued statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements No. 67 and 68*. This Statement establishes requirements for defined benefit pension plans and other pension plans not addressed under GASB Statement No. 68. This Statement also amends some requirements of GASB Statement No. 67 and GASB Statement No. 68. GASB Statement No. 73 clarifies requirements of GASB Statements No. 67 and 68 regarding the information that must be presented as notes to the required supplemental 10 year schedules, accounting and financial reporting for certain liabilities for individual employers and non-employer contributing entities, and the revenue recognition for non-employer contributing entities that are not in a special funding situation.

This statement requires that all pensions under GASB Statement No. 68 that are not administered through trusts and meet the requirements of GASB Statement No. 68 not be classified as pension plan assets. The implementation of GASB No. 73 did not have an impact on the Department's Financial Statements.

In June 2015, the GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. Statement No. 76, which supersedes Statement No. 55, aims to identify, in the context of the current governmental financial reporting environment, the hierarchy of U.S. GAAP, which consists of the sources of accounting principles used to prepare the financial statements of state and local governments entities in conformity with U.S. GAAP, as well as the framework for selecting those principles. The Department adopted GASB Statement No. 76 during fiscal year 2016, with no significant impact to the Department's financial statements.

In December 2015, the GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement establishes criteria that must be met for an external investment pool to be permitted to measure its investments at the amortized cost for financial reporting purposes. This Statement also requires that the pool participants of external investment pools that meet the criteria also report their investments at the amortized cost for financial reporting purposes. External Investment Pools that not meet the requirement are required to follow paragraph 16 of GASB Statement No. 31. GASB Statement No. 79 requires

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2016**

NOTE 21. RECENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

additional note disclosures to be made in qualifying external investment pools financial statements. The additional note disclosures are also required to be made in the pool participants financial statements. The adoption of GASB Statement No. 79 did not have a significant impact on the Department's financial statements.

NOTE 22. NEW ACCOUNTING PRONOUNCEMENTS

The following GASB pronouncements have been issued, but are not yet effective at June 30, 2016.

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

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

GASB Statement No. 77, *Tax Abatement Disclosures*

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*

GASB Statement No. 80, *Blending Requirements for Certain Units – an amendment to GASB Statement No. 14*

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*

GASB Statement No. 82, *Pension Issues (an Amendment of GASB Statements No. 67, No. 68, and No. 73)*

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

SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 STB Capital Outlay 89200
 Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Financing Sources	\$ 87,446,017	87,446,017	36,550,922	(50,895,095)
Total Revenues	87,446,017	87,446,017	36,550,922	(50,895,095)
Expenditures:				
Education:				
Other	87,446,017	87,446,017	37,186,757	50,259,260
Other Financing Uses	-	-	-	-
Total Expenditures	87,446,017	87,446,017	37,186,757	50,259,260
NET CHANGE IN FUND BALANCE	\$ -	-	(635,835)	(635,835)

NON-MAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS
NON MAJOR GOVERNMENTAL FUNDS
June 30, 2016

	Schools in Need of Improvement 00500	K-3 Plus 11420	Ed Tech Deficiency Correction Fund 20160
ASSETS			
Interest in State General Fund			
Investment Pool	\$ 464	8,567,703	60
Due from Federal Government	-	-	-
Due from Other State Agencies	-	-	-
Due from External Miscellaneous Parties	-	-	-
Due from Other Funds	-	-	-
Other Assets	-	-	-
Total Assets	\$ 464	8,567,703	60
LIABILITIES AND FUND BALANCES (DEFICIT)			
Accounts Payable	\$ -	6,675,934	-
Accrued Payroll and Taxes	-	6,799	-
Interest in State General Fund			
Investment Pool-Overdraft	-	-	-
Due to State General Fund	-	-	-
Due to Other State Agencies	-	-	-
Due to Federal Government	-	-	-
Due to Local Education Authorities	-	-	-
Unearned Revenue	-	-	-
Due to Other Funds	-	-	-
Other Liabilities	-	-	-
Total Liabilities	-	6,682,733	-
FUND BALANCES (Deficit)			
Restricted	-	1,884,970	-
Committed	464	-	60
Unassigned (Deficit)	-	-	-
Total Fund Balances (Deficit)	464	1,884,970	60
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	\$ 464	8,567,703	60

School Transportation Training 20550	Independent Living Services 20570	Private Grants 30800	Family Youth 33400	Educator Certification 39700	Adult Basic Education 45800
36,630	546,871	306,530	1,178	776,740	122,565
-	76,209	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	16,902	-
36,630	623,080	306,530	1,178	793,642	122,565
855	150,243	44,638	-	-	-
-	1,210	49	-	30,627	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	148,298
-	-	-	-	-	-
-	-	3,837	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
855	151,453	48,524	-	30,627	148,298
35,775	471,627	258,006	-	763,015	-
-	-	-	1,178	-	-
-	-	-	-	-	(25,733)
35,775	471,627	258,006	1,178	763,015	(25,733)
36,630	623,080	306,530	1,178	793,642	122,565

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS
NON MAJOR GOVERNMENTAL FUNDS (CONTINUED)
June 30, 2016

	Charter School Stimulus 47000	Pre- Kindergarten 51300	Professional Development 56200
ASSETS			
Interest in State General Fund			
Investment Pool	\$ 14,292	11,376,913	80,422
Due from Federal Government	-	-	-
Due from Other State Agencies	-	-	-
Due from External Miscellaneous Parties	-	-	-
Due from Other Funds	-	-	-
Other Assets	-	-	-
Total Assets	\$ 14,292	11,376,913	80,422
LIABILITIES AND FUND BALANCES (DEFICIT)			
Accounts Payable	\$ -	5,537,209	277
Accrued Payroll and Taxes	-	7,938	-
Interest in State General Fund			
Investment Pool-overdraft	-	-	-
Due to State General Fund	-	-	-
Due to Other State Agencies	-	-	-
Due to Federal Government	-	-	-
Due to Local Education Authorities	-	-	-
Unearned Revenue	-	-	-
Due to Other Funds	-	-	-
Other Liabilities	-	387,665	-
Total Liabilities	-	5,932,812	277
FUND BALANCES (Deficit)			
Restricted	-	-	-
Committed	14,292	5,444,101	80,145
Unassigned (Deficit)	-	-	-
Total Fund Balances (Deficit)	14,292	5,444,101	80,145
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	\$ 14,292	11,376,913	80,422

Incentive for School Improvement 56800	Reading Materials 58600	Indian Education Act 63300	Kindergarten Plus 63900	Instructional Materials Adoption 66000	Education Technology 66200
81,717	-	3,492,424	89,212	275,448	14,314
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
81,717	-	3,492,424	89,212	275,448	14,314
-	-	861,718	-	-	-
-	-	7,228	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	94,238	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	51
-	-	963,184	-	-	51
-	-	-	89,212	275,448	-
81,717	-	2,529,240	-	-	14,263
-	-	-	-	-	-
81,717	-	2,529,240	89,212	275,448	14,263
81,717	-	3,492,424	89,212	275,448	14,314

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS
NON MAJOR GOVERNMENTAL FUNDS (CONTINUED)
June 30, 2016

	School Library 66900	Federal Food Services 67200	Vocational Education Flow Through 67400
ASSETS			
Interest in State General Fund			
Investment Pool	\$ -	-	925,380
Due from Federal Government	-	2,342,868	2,363,047
Due from Other State Agencies	-	-	-
Due from External Miscellaneous Parties	-	36,445	146
Due from Other Funds	-	-	-
Other Assets	-	-	-
Total Assets	\$ -	2,379,313	3,288,573
LIABILITIES AND FUND BALANCES (DEFICIT)			
Accounts Payable	\$ -	2,065,864	2,640,783
Accrued Payroll and Taxes	-	-	-
Interest in State General Fund			
Investment Pool-Overdraft	-	17,065	-
Due to State General Fund	-	-	-
Due to Other State Agencies	-	37,214	-
Due to Federal Government	-	142,720	952,833
Due to Local Education Authorities	-	-	-
Unearned Revenue	-	78,636	381,685
Due to Other Funds	-	-	-
Other Liabilities	-	41,039	21,575
Total Liabilities	-	2,382,538	3,996,876
FUND BALANCES (Deficit)			
Restricted	-	-	-
Committed	-	-	-
Unassigned (Deficit)	-	(3,225)	(708,303)
Total Fund Balances (Deficit)	-	(3,225)	(708,303)
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ -	2,379,313	3,288,573

Public Building Energy Efficiency Act 72500	Federal Department of Education Admin 84400	Instructional Materials Flow Through 85600	State Support Reserve 85700	Transportation Emergency 88900	PED ARRA Fund 89000
48	5,092,571	5,473,941	1,000,000	508,842	7,486
-	9,018,725	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	9,176	-	-	-	-
48	14,120,472	5,473,941	1,000,000	508,842	7,486
-	6,357,525	308,652	-	-	4,432
-	202,422	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	2,455,531	-	-	-	-
-	41,017	-	-	-	1,797
-	192,505	-	-	-	1,549
-	267,758	-	-	1,316	-
-	-	-	-	-	-
-	510,412	-	-	-	-
-	10,027,170	308,652	-	1,316	7,778
48	4,093,302	5,165,289	-	-	-
-	-	-	1,000,000	507,526	-
-	-	-	-	-	(292)
48	4,093,302	5,165,289	1,000,000	507,526	(292)
48	14,120,472	5,473,941	1,000,000	508,842	7,486

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS
NON MAJOR GOVERNMENTAL FUNDS (CONTINUED)
June 30, 2016

	DVR ARRA Fund 89000	Public School Capital Improvements 63400	Public School Capital Outlay 63500
ASSETS			
Interest in State General Fund			
Investment Pool	\$ 874	4,432,950	1,103,044
Due from Federal Government	-	-	-
Due from Other State Agencies	-	9,642	-
Due from External Miscellaneous Parties	-	-	-
Due from Other Funds	-	-	-
Other Assets	-	-	-
Total Assets	\$ 874	4,442,592	1,103,044
LIABILITIES AND FUND BALANCES (DEFICIT)			
Accounts Payable	\$ -	9,642	-
Accrued Payroll and Taxes	-	-	-
Interest in State General Fund			
Investment Pool-Overdraft	-	-	-
Due to State General Fund	-	-	-
Due to Other State Agencies	-	-	-
Due to Federal Government	690	-	-
Due to Local Education Authorities	-	5,406	-
Unearned Revenue	-	-	-
Due to Other Funds	-	-	-
Other Liabilities	-	4,362,333	-
Total Liabilities	690	4,377,381	-
FUND BALANCES (Deficit)			
Restricted	184	65,211	-
Committed	-	-	1,103,044
Unassigned (Deficit)	-	-	-
Total Fund Balances (Deficit)	184	65,211	1,103,044
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ 874	4,442,592	1,103,044

Special Capital Outlay Severance Tax Bonds 2000 81300	Special Capital Outlay Severance Tax Bonds 2004 81600	Special Capital Outlay - General Fund 81800	GF Capital Outlay 93100	Total Governmental Funds
37,097	143,781	54,542	28,129	44,592,168
-	-	-	-	13,800,849
-	-	-	-	9,642
-	-	-	-	36,591
-	-	-	-	-
-	38,186	-	-	64,264
<u>37,097</u>	<u>181,967</u>	<u>54,542</u>	<u>28,129</u>	<u>58,503,514</u>
-	-	706	-	24,658,478
-	-	-	-	256,273
-	-	-	-	17,065
-	-	-	-	-
-	24,347	36,620	34,680	2,588,392
-	-	-	-	1,287,355
-	-	-	-	293,698
-	-	175,902	-	909,134
-	-	-	-	-
-	-	-	-	5,323,075
-	24,347	213,228	34,680	35,333,470
37,097	157,620	-	-	13,296,804
-	-	-	-	10,776,030
-	-	(158,686)	(6,551)	(902,790)
<u>37,097</u>	<u>157,620</u>	<u>(158,686)</u>	<u>(6,551)</u>	<u>23,170,044</u>
<u>37,097</u>	<u>181,967</u>	<u>54,542</u>	<u>28,129</u>	<u>58,503,514</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (DEFICIT) - NON MAJOR GOVERNMENTAL FUNDS
Fiscal Year Ended June 30, 2016

	Schools in Need of Improvement 00500	K-3 Plus 11420	Ed Tech Deficiency Correction Fund 20160
REVENUES:			
Federal Grants	\$ -	-	-
Other Revenue	209	22,088	-
Total Revenues	<u>209</u>	<u>22,088</u>	<u>-</u>
EXPENDITURES:			
Current:			
Education	-	23,171,258	-
Health and Welfare	-	-	-
Total Expenditures	<u>-</u>	<u>23,171,258</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>209</u>	<u>(23,149,170)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	-	23,700,000	-
Appropriations Funded with State Severance Bond Proceeds	-	-	-
Transfers in:			
Interfund	-	-	-
Other	-	-	-
Transfers out:			
Reversions	-	-	-
Interfund	(113,019)	-	(64,287)
Other	-	-	-
Total other Financing Sources (uses):	<u>(113,019)</u>	<u>23,700,000</u>	<u>(64,287)</u>
NET CHANGES IN FUND BALANCES	<u>(112,810)</u>	<u>550,830</u>	<u>(64,287)</u>
FUND BALANCES (DEFICIT)- BEGINNING OF YEAR	<u>113,274</u>	<u>1,334,140</u>	<u>64,347</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 464</u>	<u>1,884,970</u>	<u>60</u>

School Transportation Training 20550	Independent Living Services 20570	Private Grants 30800	Family Youth 33400	Educator Certification 39700	Adult Basic Education 45800
-	253,798	-	-	-	-
7,675	-	426,137	752	1,401,296	-
<u>7,675</u>	<u>253,798</u>	<u>426,137</u>	<u>752</u>	<u>1,401,296</u>	<u>-</u>
2,905	-	587,242	-	1,381,787	-
-	1,643,541	-	-	-	-
<u>2,905</u>	<u>1,643,541</u>	<u>587,242</u>	<u>-</u>	<u>1,381,787</u>	<u>-</u>
<u>4,770</u>	<u>(1,389,743)</u>	<u>(161,105)</u>	<u>752</u>	<u>19,509</u>	<u>-</u>
-	1,284,100	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(556,766)	(3,000,000)	-
-	-	-	-	-	-
<u>-</u>	<u>1,284,100</u>	<u>-</u>	<u>(556,766)</u>	<u>(3,000,000)</u>	<u>-</u>
<u>4,770</u>	<u>(105,643)</u>	<u>(161,105)</u>	<u>(556,014)</u>	<u>(2,980,491)</u>	<u>-</u>
<u>31,005</u>	<u>577,270</u>	<u>419,111</u>	<u>557,192</u>	<u>3,743,506</u>	<u>(25,733)</u>
<u>35,775</u>	<u>471,627</u>	<u>258,006</u>	<u>1,178</u>	<u>763,015</u>	<u>(25,733)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (DEFICIT) - NON MAJOR GOVERNMENTAL FUNDS (CONTINUED)
Fiscal Year Ended June 30, 2016

	Charter School Stimulus 47000	Pre-Kindergarten 51300	Professional Development 56200
REVENUES:			
Federal Grants	\$ -	-	-
Other Revenue	-	3,527,739	1,241
Total Revenues	<u>-</u>	<u>3,527,739</u>	<u>1,241</u>
EXPENDITURES:			
Current:			
Education	-	22,285,347	-
Health and Welfare	-	-	-
Total expenditures	<u>-</u>	<u>22,285,347</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(18,757,608)</u>	<u>1,241</u>
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	-	21,000,001	-
Appropriations Funded with State Severance Bond Proceeds	-	-	-
Transfers in:			
Interfund	-	-	-
Other	-	-	-
Transfers out:			
Reversions	-	-	-
Interfund	-	-	(506,633)
Other	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>21,000,001</u>	<u>(506,633)</u>
NET CHANGES IN FUND BALANCES	<u>-</u>	<u>2,242,393</u>	<u>(505,392)</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	<u>14,292</u>	<u>3,201,708</u>	<u>585,537</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 14,292</u>	<u>5,444,101</u>	<u>80,145</u>

Incentive for School Improvement 56800	Reading Materials 58600	Indian Education Act 63300	Kindergarten Plus 63900	Instructional Materials Adoption 66000	Education Technology 66200
-	-	-	-	-	-
35,384	-	4,751	210	83,992	-
35,384	-	4,751	210	83,992	-
-	-	2,169,004	-	134,667	-
-	-	-	-	-	-
-	-	2,169,004	-	134,667	-
35,384	-	(2,164,253)	210	(50,675)	-
-	-	1,824,602	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	25,000	-	-	-
-	-	-	-	-	-
(66,865)	(155,564)	-	-	-	-
-	-	(408,387)	-	-	-
(66,865)	(155,564)	1,441,215	-	-	-
(31,481)	(155,564)	(723,038)	210	(50,675)	-
113,198	155,564	3,252,278	89,002	326,123	14,263
81,717	-	2,529,240	89,212	275,448	14,263

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (DEFICIT) - NON MAJOR GOVERNMENTAL FUNDS (CONTINUED)
Fiscal Year Ended June 30, 2016

	School Library 66900	Federal Food Services 67200	Vocational Education Flow Through 67400
REVENUES:			
Federal Grants	\$ -	148,362,398	8,714,740
Other Revenue	-	-	-
Total Revenues	<u>-</u>	<u>148,362,398</u>	<u>8,714,740</u>
EXPENDITURES:			
Current:			
Education	-	148,371,314	8,714,537
Health and Welfare	-	-	-
Total expenditures	<u>-</u>	<u>148,371,314</u>	<u>8,714,537</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(8,916)</u>	<u>203</u>
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	-	-	-
Appropriations Funded with State Severance Bond Proceeds	-	-	-
Transfers in:			
Interfund	-	-	-
Other	-	-	-
Transfers out:			
Reversions	-	-	-
Interfund	(125,207)	-	-
Other	-	-	-
Total other financing sources (uses):	<u>(125,207)</u>	<u>-</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>(125,207)</u>	<u>(8,916)</u>	<u>203</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	<u>125,207</u>	<u>5,691</u>	<u>(708,506)</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ -</u>	<u>(3,225)</u>	<u>(708,303)</u>

Public Building Energy Efficiency Act 72500	Federal Department of Education Admin 84400	Instructional Materials Flow Through 85600	State Support Reserve 85700	Transportation Emergency 88900	PED ARRA Fund 89000
-	36,557,285	-	-	-	-
-	160	34,021	-	761,829	-
-	36,557,445	34,021	-	761,829	-
48,894	28,332,351	20,438,990	-	1,393,697	-
-	-	-	-	-	-
48,894	28,332,351	20,438,990	-	1,393,697	-
(48,894)	8,225,094	(20,404,969)	-	(631,868)	-
48,894	-	21,900,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(1,162,453)	-	-	-
-	(9,053,053)	-	-	-	-
48,894	(9,053,053)	20,737,547	-	-	-
-	(827,959)	332,578	-	(631,868)	-
48	4,921,261	4,832,711	1,000,000	1,139,394	(292)
48	4,093,302	5,165,289	1,000,000	507,526	(292)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (DEFICIT) - NON MAJOR GOVERNMENTAL FUNDS (CONTINUED)
Fiscal Year Ended June 30, 2016

	DVR ARRA Fund 89000	Public School Capital Improvements 63400	Public School Capital Outlay 63500
REVENUES:			
Federal Grants	\$ -	-	-
Other Revenue	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:			
Current:			
Education	-	28,094	-
Health and Welfare	-	-	-
Total expenditures	<u>-</u>	<u>28,094</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(28,094)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	-	-	-
Appropriations Funded with State Severance Bond Proceeds	-	28,094	-
Transfers in:			
Interfund	-	-	-
Other	-	-	-
Transfers out:			
Reversions	-	-	-
Interfund	-	-	-
Other	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>28,094</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	<u>184</u>	<u>65,211</u>	<u>1,103,044</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 184</u>	<u>65,211</u>	<u>1,103,044</u>

Special Capital Outlay Severance Tax Bonds 2000 81300	Special Capital Outlay Severance Tax Bonds 2004 81600	Special Capital Outlay-General Fund 81800	GF Capital Outlay 93100	Total Governmental Funds
-	-	-	-	193,888,221
-	-	-	-	6,307,484
-	-	-	-	200,195,705
-	-	-	-	257,060,087
-	-	-	-	1,643,541
-	-	-	-	258,703,628
-	-	-	-	(58,507,923)
-	-	-	-	69,757,597
-	-	-	-	28,094
-	-	-	-	-
-	-	-	-	25,000
-	-	-	-	-
-	-	-	-	(5,750,794)
-	-	-	-	(9,461,440)
-	-	-	-	54,598,457
-	-	-	-	(3,909,466)
37,097	157,620	(158,686)	(6,551)	27,079,510
37,097	157,620	(158,686)	(6,551)	23,170,044

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Schools in Need of Improvement 00500
 Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Budgeted Fund Balance	\$ 113,019	113,019	-	(113,019)
Total Revenues	113,019	113,019	209	(112,810)
Expenditures:				
Education:				
Other Financing Uses	113,019	113,019	113,019	-
Total Expenditures	113,019	113,019	113,019	-
NET CHANGE IN FUND BALANCE	\$ -	-	(112,810)	(112,810)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
K-3 Plus 11420
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 23,700,000	23,700,000	23,700,000	-
Other Revenue	-	-	22,088	22,088
Budgeted Fund Balance	-	-	-	-
Total Revenues	<u>23,700,000</u>	<u>23,700,000</u>	<u>23,722,088</u>	<u>22,088</u>
Expenditures:				
Education:				
Personal Services & Employee				
Benefits	190,000	210,000	209,164	836
Contractual Services	758,000	758,000	618,006	139,994
Other	22,752,000	22,732,000	22,344,088	387,912
Total Expenditures	<u>23,700,000</u>	<u>23,700,000</u>	<u>23,171,258</u>	<u>528,742</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>550,830</u>	<u>550,830</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Ed Tech Deficiency Correction Fund 20160
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ -	-	-	-
Budgeted Fund Balance	64,287	64,287	-	(64,287)
Total Revenues	64,287	64,287	-	(64,287)
Expenditures:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	64,287	64,287	64,287	-
Total Expenditures	64,287	64,287	64,287	-
NET CHANGE IN FUND BALANCE	\$ -	-	(64,287)	(64,287)

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 School Transportation Training 20550
 Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>		
Revenues:				
Other Revenue	\$ -	20,000	7,675	(12,325)
Total Revenues	-	20,000	7,675	(12,325)
Expenditures:				
Education:				
Other	-	20,000	2,905	17,095
Total Expenditures	-	20,000	2,905	17,095
NET CHANGE IN FUND BALANCE	\$ -	-	4,770	4,770

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Independent Living Services 20570
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ 256,100	256,100	253,798	(2,302)
State General Fund Appropriations	1,284,100	1,484,100	1,284,100	(200,000)
Other Revenue				
Other Financing Sources	-	-	-	-
Inter-Agency Transfers	-	-	-	-
Total Revenues	<u>1,540,200</u>	<u>1,740,200</u>	<u>1,537,898</u>	<u>(202,302)</u>
Expenditures:				
Health and Welfare:				
Personal Services & Employee				
Benefits	44,400	44,400	31,250	13,150
Other	1,495,800	1,695,800	1,612,291	83,509
Total Expenditures	<u>1,540,200</u>	<u>1,740,200</u>	<u>1,643,541</u>	<u>96,659</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(105,643)</u>	<u>(105,643)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Private Grants 30800
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ 614,568	654,790	426,137	(228,653)
Total Revenues	614,568	654,790	426,137	(228,653)
Expenditures:				
Education:				
Personal Services & Employee Benefits	154,266	54,633	19,526	35,107
Contractual Services	405,738	577,990	551,783	26,207
Other	54,564	22,167	15,933	6,234
Total Expenditures	614,568	654,790	587,242	67,548
NET CHANGE IN FUND BALANCE	\$ -	-	(161,105)	(161,105)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Family Youth 33400
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Budgeted Fund Balance	\$ 556,772	556,772	752	(556,020)
Total Revenues	<u>556,772</u>	<u>556,772</u>	<u>752</u>	<u>(556,020)</u>
Expenditures:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	556,772	556,772	556,766	6
Total Expenditures	<u>556,772</u>	<u>556,772</u>	<u>556,766</u>	<u>6</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(556,014)</u>	<u>(556,014)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Educator Certification 39700
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ 1,908,000	1,908,000	1,401,296	(506,704)
Budgeted Fund Balance	3,000,000	3,000,000	-	(3,000,000)
Total Revenues	<u>4,908,000</u>	<u>4,908,000</u>	<u>1,401,296</u>	<u>(3,506,704)</u>
Expenditures:				
Education:				
Personal Services & Employee				
Benefits	928,400	928,400	879,682	48,718
Contractual Services	728,300	728,300	398,963	329,337
Other	3,251,300	3,251,300	3,103,142	148,158
Total Expenditures	<u>4,908,000</u>	<u>4,908,000</u>	<u>4,381,787</u>	<u>526,213</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(2,980,491)</u>	<u>(2,980,491)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Pre-Kindergarten 51300
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 21,000,000	21,000,000	21,000,001	1
Budgeted Fund Balance	3,500,000	3,900,000	3,527,739	(372,261)
Total Revenues	<u>24,500,000</u>	<u>24,900,000</u>	<u>24,527,740</u>	<u>(372,260)</u>
Expenditures:				
Education:				
Personal Services & Employee				
Benefits	243,000	243,000	191,722	51,278
Contractual Services	24,242,000	24,642,000	22,084,988	2,557,012
Other	15,000	15,000	8,637	6,363
Total Expenditures	<u>24,500,000</u>	<u>24,900,000</u>	<u>22,285,347</u>	<u>2,614,653</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>2,242,393</u>	<u>2,242,393</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Professional Development 56200
 Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ -	-	-	-
Budgeted Fund Balance	506,635	506,635	1,241	(505,394)
Total Revenues	<u>506,635</u>	<u>506,635</u>	<u>1,241</u>	<u>(505,394)</u>
Expenditures:				
Education:				
Contractual Services	-	-	-	-
Other	506,635	506,635	506,633	2
Total Expenditures	<u>506,635</u>	<u>506,635</u>	<u>506,633</u>	<u>2</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(505,392)</u>	<u>(505,392)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Incentive for School Improvement 56800
 Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ 66,865	66,865	35,384	(31,481)
Total Revenues	<u>66,865</u>	<u>66,865</u>	<u>35,384</u>	<u>(31,481)</u>
Expenditures:				
Education:				
Other	66,865	66,865	66,865	-
Total Expenditures	<u>66,865</u>	<u>66,865</u>	<u>66,865</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(31,481)</u>	<u>(31,481)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Indian Education Act 63300
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ -	-	-	-
State General Fund Appropriations	\$ 1,824,600	1,824,600	1,824,602	2
Other Revenue	-	-	4,751	4,751
Budgeted Fund Balance	1,025,400	1,432,040	25,000	(1,407,040)
Total Revenues	2,850,000	3,256,640	1,854,353	(1,402,287)
Expenditures:				
Education:				
Personal Services & Employee Benefits	200,000	284,800	176,296	108,504
Contractual Services	2,150,000	2,427,190	1,925,518	501,672
Other	500,000	544,650	475,577	69,073
Total Expenditures	2,850,000	3,256,640	2,577,391	679,249
NET CHANGE IN FUND BALANCE	\$ -	-	(723,038)	(723,038)

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Kindergarten Plus 63900
 Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ -	-	210	210
Total Revenues	-	-	210	210
Expenditures:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Total Expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>210</u>	<u>210</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Instructional Materials Adoption 66000
 Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ -	-	83,992	83,992
Budgeted Fund Balance	-	157,077	-	(157,077)
Total Revenues	-	157,077	83,992	(73,085)
Expenditures:				
Education:				
Contractual Services	-	154,077	134,667	19,410
Other	-	3,000	-	3,000
Total Expenditures	-	157,077	134,667	22,410
NET CHANGE IN FUND BALANCE	\$ -	-	(50,675)	(50,675)

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Education Technology Fund 66200
 Fiscal Year Ended June 30, 2016

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Federal Food Services 67200
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ 210,231,129	210,231,129	148,362,398	(61,868,731)
Other Revenue	-	-	-	-
Total Revenues	<u>210,231,129</u>	<u>210,231,129</u>	<u>148,362,398</u>	<u>(61,868,731)</u>
Expenditures:				
Education:				
Other	<u>210,231,129</u>	<u>210,231,129</u>	<u>148,371,314</u>	<u>61,859,815</u>
Total Expenditures	<u>210,231,129</u>	<u>210,231,129</u>	<u>148,371,314</u>	<u>61,859,815</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(8,916)</u>	<u>(8,916)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Vocational Education Flowthrough 67400
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ 11,966,206	11,966,206	8,714,740	(3,251,466)
Other Revenue	-	-	-	-
Total Revenues	<u>11,966,206</u>	<u>11,966,206</u>	<u>8,714,740</u>	<u>(3,251,466)</u>
Expenditures:				
Education:				
Contractual Services	-	-	-	-
Other	11,966,206	11,966,206	8,714,537	3,251,669
Total Expenditures	<u>11,966,206</u>	<u>11,966,206</u>	<u>8,714,537</u>	<u>3,251,669</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>203</u>	<u>203</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Public Building Energy Efficiency Act 72500
 Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 48,894	48,894	48,894	-
Total Revenues	<u>48,894</u>	<u>48,894</u>	<u>48,894</u>	<u>-</u>
Expenditures:				
Education:				
Other	48,894	48,894	48,894	-
Total Expenditures	<u>48,894</u>	<u>48,894</u>	<u>48,894</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Federal Department of Education Administration 84400
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ 77,593,596	77,593,596	36,557,285	(41,036,311)
Other Revenue	-	-	160	160
Total Revenues	<u>77,593,596</u>	<u>77,593,596</u>	<u>36,557,445</u>	<u>(41,036,151)</u>
Expenditures:				
Education:				
Personal Services & Employee				
Benefits	18,104,684	17,590,684	6,566,216	11,024,468
Contractual Services	33,322,961	35,436,269	19,035,194	16,401,075
Other	5,162,868	5,003,440	2,730,941	2,272,499
Other Financing Uses	21,003,083	19,563,203	9,053,053	10,510,150
Total Expenditures	<u>77,593,596</u>	<u>77,593,596</u>	<u>37,385,404</u>	<u>40,208,192</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(827,959)</u>	<u>(827,959)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Instructional Materials Flowthrough 85600
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 21,900,000	21,900,000	21,900,000	-
Other Revenue	-	-	34,021	34,021
Budgeted Fund Balance	-	-	-	-
Total Revenues	<u>21,900,000</u>	<u>21,900,000</u>	<u>21,934,021</u>	<u>34,021</u>
Expenditures:				
Education:				
Other	21,641,613	21,641,613	21,601,443	40,170
Other Financing Uses	258,387	258,387	-	258,387
Total Expenditures	<u>21,900,000</u>	<u>21,900,000</u>	<u>21,601,443</u>	<u>298,557</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>332,578</u>	<u>332,578</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Transportation Emergency Fund 88900
 Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Budgeted Fund Balance	\$ 1,162,455	1,662,455	761,829	(900,626)
Total Revenues	1,162,455	1,662,455	761,829	(900,626)
Expenditures:				
Education:				
Other	1,162,455	1,662,455	1,393,697	268,758
Total Expenditures	1,162,455	1,662,455	1,393,697	268,758
NET CHANGE IN FUND BALANCE	\$ -	-	(631,868)	(631,868)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Public School Capital Improvements 63400
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ -	-	-	-
Other Financing Sources	4,395,831	4,395,831	28,094	(4,367,737)
Total Revenues	4,395,831	4,395,831	28,094	(4,367,737)
Expenditures:				
Education:				
Other	4,395,831	4,395,831	28,094	4,367,737
Total Expenditures	4,395,831	4,395,831	28,094	4,367,737
NET CHANGE IN FUND BALANCE	\$ -	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Special Capital Outlay Severance Tax Bonds 2004 81600
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ 24,347	24,347	-	(24,347)
Other Financing Sources	-	-	-	-
Total Revenues	<u>24,347</u>	<u>24,347</u>	<u>-</u>	<u>(24,347)</u>
Expenditures:				
Education:				
Other	24,347	24,347	-	24,347
Total Expenditures	<u>24,347</u>	<u>24,347</u>	<u>-</u>	<u>24,347</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Special Capital Outlay-General Fund 81800
 Fiscal Year Ended June 30, 2016

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
GF Capital Outlay 93100
Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ -	-	-	-
State General Fund Appropriations	34,680	34,680	-	(34,680)
Other Revenue	-	-	-	-
Other Financing Sources	-	-	-	-
Total Revenues	<u>34,680</u>	<u>34,680</u>	<u>-</u>	<u>(34,680)</u>
Expenditures:				
Education:				
Other	<u>34,680</u>	<u>34,680</u>	<u>-</u>	<u>34,680</u>
Total Expenditures	<u>34,680</u>	<u>34,680</u>	<u>-</u>	<u>34,680</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF NET POSITION
PUBLIC EDUCATION DEPARTMENT ONLY
(Without the Division of Vocational Rehabilitation)
June 30, 2016

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS:	
Investment in State General Fund Investment Pool	\$ 126,976,126
Due from Federal Government	106,686,345
Due from State General Fund	-
Due from Other State Agencies	25,803,685
Due from External Miscellaneous Parties	590,913
Due from Agency Fund	-
Other Assets	74,145
Total Current Assets	<u>260,131,214</u>
NON-CURRENT ASSETS:	
Capital Assets	1,404,754
Accumulated Depreciation	(1,225,376)
Total Non-Current Assets	<u>179,378</u>
Total Assets	<u>260,310,592</u>
LIABILITIES	
CURRENT LIABILITIES:	
Accounts Payable	159,294,616
Accrued Payroll and Taxes	680,159
Interest in State General Fund	
Investment Pool-Overdraft	17,065
Due to State General Fund	7,657,732
Due to Other State Agencies	2,702,688
Due to Federal Government	3,100,950
Due to Local Education Authorities	2,439,565
Unearned Revenue	915,509
Compensated Absences - Due Within One Year	747,826
Other Current Liabilities	5,585,544
TOTAL CURRENT LIABILITIES	<u>183,141,654</u>
NON-CURRENT LIABILITIES:	
Contingency Payable - Maintenance of State	
Financial Support	16,096,000
TOTAL NON- CURRENT LIABILITIES	<u>16,096,000</u>
Total Liabilites	<u>199,237,654</u>
NET POSITION	
Investment in Capital Assets	179,378
Restricted	52,080,920
Unrestricted	8,812,640
TOTAL NET POSITION	<u>\$ 61,072,938</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF ACTIVITIES
PUBLIC EDUCATION DEPARTMENT ONLY
(Without the Division of Vocational Rehabilitation)
For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
PRIMARY GOVERNMENT					
GOVERNMENTAL ACTIVITIES:					
Education	\$ 3,195,603,042	8,939,318	436,165,419	-	(2,750,498,305)
Total Primary Government	\$ 3,195,603,042	8,939,318	436,165,419	-	(2,750,498,305)
GENERAL REVENUES AND TRANSFERS:					
					\$ 2,629,144,808
State general fund - general appropriations					110,273,500
State general fund - special appropriations					36,579,016
Bond proceeds appropriations					25,000
Transfers in - other					(9,461,440)
Transfers out - other					(8,031,342)
Transfers out - State General fund reversions - FY16					
TOTAL GENERAL REVENUES AND TRANSFERS					2,758,529,542
CHANGE IN NET POSTION					8,031,237
NET POSITION, BEGINNING					53,041,701
NET POSTION, ENDING					\$ 61,072,938

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF NET POSITION
DIVISION OF VOCATIONAL REHABILITATION ONLY
June 30, 2016

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS:	
Investment in State General Fund Investment Pool	\$ 9,357,254
Due from Federal Government	2,278,369
Due from Other State Agencies	7,302
Other Assets	7,453
Total Current Assets	<u>11,650,378</u>
NON-CURRENT ASSETS:	
Capital Assets	1,142,272
Accumulated Depreciation	(809,318)
Total Non-Current Assets	<u>332,954</u>
Total Assets	<u>11,983,332</u>
LIABILITIES	
CURRENT LIABILITIES:	
Accounts Payable	2,149,032
Accrued Payroll and Taxes	550,129
Interest in State General Fund	
Investment Pool-Overdraft	-
Due to Other State Agencies	-
Due to Federal Government	3,681,677
Unearned Revenue	3,589,727
Compensated Absences - Due Within One Year	582,821
TOTAL CURRENT LIABILITIES	<u>10,553,386</u>
NET POSITION	
Investment in Capital Assets	332,954
Restricted	1,784,235
Unrestricted (Deficit)	(687,243)
TOTAL NET POSITION	<u>\$ 1,429,946</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF ACTIVITIES
DIVISION OF VOCATIONAL REHABILITATION ONLY
For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
PRIMARY GOVERNMENT					
GOVERNMENTAL ACTIVITIES:					
Health and Welfare	\$ 38,154,268	62,896	31,944,997	-	(6,146,375)
Total Primary Government	\$ 38,154,268	62,896	31,944,997	-	(6,146,375)
GENERAL REVENUES AND TRANSFERS:					
				\$ 5,658,900	
				305,504	
				(4,994)	
					5,959,410
					CHANGE IN NET POSTION
					(186,965)
					NET POSITION, BEGINNING
					1,616,911
					NET POSTION, ENDING
					\$ 1,429,946

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS - GOVERNMENTAL FUNDS
DIVISION OF VOCATIONAL REHABILITATION ONLY
June 30, 2016

	Independent Living Services 20570	DVR General Fund 50000	Disability Determination Services 50100	DVR Recovery Act 89000	Total Governmental Funds
ASSETS					
Interest in State General Fund					
Investment Pool	\$ 546,871	8,715,651	93,858	874	9,357,254
Due From Federal Government	76,209	1,910,422	291,738	-	2,278,369
Due From Other State Agencies	-	7,302	-	-	7,302
Other Assets	-	7,453	-	-	7,453
Total Assets	\$ 623,080	10,640,828	385,596	874	11,650,378
LIABILITIES					
Accounts Payable	\$ 150,243	1,688,735	310,054	-	2,149,032
Accrued Payroll and Taxes	1,210	378,006	170,913	-	550,129
Interest in State General Fund					
Investment Pool-overdraft	-	-	-	-	-
Due to Other State Agencies	-	-	-	-	-
Due to Federal Government	-	3,671,936	9,051	690	3,681,677
Unearned Revenue	-	3,589,727	-	-	3,589,727
Total Liabilities	151,453	9,328,404	490,018	690	9,970,565
FUND BALANCES (DEFICIT)					
Restricted	471,627	1,312,424	-	184	1,784,235
Unassigned (Deficit)	-	-	(104,422)	-	(104,422)
Total Fund Balances (Deficit)	471,627	1,312,424	(104,422)	184	1,679,813
Total Liabilities and Fund Balances (Deficit)	\$ 623,080	10,640,828	385,596	874	11,650,378

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 RECONCILIATION OF THE COMBINING BALANCE SHEETS -
 GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
 DIVISION OF VOCATIONAL REHABILITATION ONLY
 June 30, 2016

	<u>Governmental Activities</u>
Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet - Division of Vocational Rehabilitation Only)	\$ 1,679,813
 Amounts reported for governmental activities in the Statement of Net Position are different because:	
 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital Assets	1,142,272
Accumulated Depreciation	<u>(809,318)</u>
Total Capital Assets	332,954
 Some liabilities are not due and payable in the current period and, therefore, are not reported in the fund:	
Compensated absences - due within one year	<u>(582,821)</u>
Net Position of Governmental Activities (Statement of Net Position - Division of Vocational Rehabilitation Only)	<u><u>\$ 1,429,946</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICIT)
GOVERNMENTAL FUNDS
DIVISION OF VOCATIONAL REHABILITATION ONLY
For the Year Ended June 30, 2016

	Independent Living Services 20570	DVR General Fund 50000	Disability Determination Services 50100	DVR Recovery Act Funds 89000	Total Governmental Funds
REVENUES:					
Federal Grants	\$ 253,798	20,497,779	11,193,420	-	31,944,997
Other Revenue	-	62,896	-	-	62,896
Total Revenues	<u>253,798</u>	<u>20,560,675</u>	<u>11,193,420</u>	<u>-</u>	<u>32,007,893</u>
EXPENDITURES:					
Current:					
Health and Welfare	1,643,541	25,291,404	11,187,125	-	38,122,070
Capital outlay	-	226,782	-	-	226,782
Total Expenditures	<u>1,643,541</u>	<u>25,518,186</u>	<u>11,187,125</u>	<u>-</u>	<u>38,348,852</u>
(DEFICIENCY) EXCESS OF REVENUES (UNDER) OVER EXPENDITURES	<u>(1,389,743)</u>	<u>(4,957,511)</u>	<u>6,295</u>	<u>-</u>	<u>(6,340,959)</u>
OTHER FINANCING SOURCES (USES):					
State general fund appropriations	1,284,100	4,374,800	-	-	5,658,900
Transfers in:					
Interfund	-	6,295	-	-	6,295
Other	-	305,504	-	-	305,504
Transfers out:					
Reversions	-	-	-	-	-
Interfund	-	-	(6,295)	-	(6,295)
Other	-	-	-	-	-
Total other Financing Sources (uses):	<u>1,284,100</u>	<u>4,686,599</u>	<u>(6,295)</u>	<u>-</u>	<u>5,964,404</u>
NET CHANGES IN FUND BALANCES	<u>(105,643)</u>	<u>(270,912)</u>	<u>-</u>	<u>-</u>	<u>(376,555)</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	<u>577,270</u>	<u>1,583,336</u>	<u>(104,422)</u>	<u>184</u>	<u>2,056,368</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 471,627</u>	<u>1,312,424</u>	<u>(104,422)</u>	<u>184</u>	<u>1,679,813</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 RECONCILIATION OF COMBINING STATEMENTS OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)
 OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 DIVISION OF VOCATIONAL REHABILITATION ONLY
 For the Year Ended June 30, 2016

	<u>Governmental Activities</u>
Net Change in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances/Deficit - Division of Vocational Rehabilitation Only)	\$ (376,555)

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

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

Change in compensated absences payable	48,617
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Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlay	226,782
Depreciation expense	<u>(80,815)</u>
Excess of capital outlay over depreciation expense	145,967
Loss on disposition of assets	<u>(4,994)</u>

Change in Net Position of Governmental Activities (Statement of Activities - Division of Vocational Rehabilitation Only)	<u><u>\$ (186,965)</u></u>
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AGENCY AND FIDUCIARY FUNDS

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND
Agency Fund - 57300
For the Year Ended June 30, 2016

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Interest in State General				
Fund Investment Pool	\$ 7,379,919	1,369,980	(4,975,560)	3,774,339
Due from Other State Agencies	126,194	130,584	(126,194)	130,584
	<u>126,194</u>	<u>130,584</u>	<u>(126,194)</u>	<u>130,584</u>
Total Assets	<u>\$ 7,506,113</u>	<u>1,500,564</u>	<u>(5,101,754)</u>	<u>3,904,923</u>
LIABILITIES				
Due to Other Funds	\$ 5,118,458	-	(5,118,458)	-
Due to External Parties	2,387,655	1,517,268	-	3,904,923
	<u>2,387,655</u>	<u>1,517,268</u>	<u>-</u>	<u>3,904,923</u>
Total Liabilities	<u>\$ 7,506,113</u>	<u>1,517,268</u>	<u>(5,118,458)</u>	<u>3,904,923</u>

See Independent Auditors Report

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 June 30, 2016

	Eva Lou Kelly Scholarship 61600	Tutor-Scholars Program 99300	Total Private Purpose Trusts
ASSETS			
Interest in State General Fund Investment Pool	\$ 40,413	4,876	45,289
Certificate of Deposit	20,000	-	20,000
Total Assets	60,413	4,876	65,289
LIABILITIES			
Due to External Parties	-	-	-
Total Liabilities	-	-	-
NET POSITION			
Reserved for Scholarships	<u>\$ 60,413</u>	<u>4,876</u>	<u>65,289</u>

See Independent Auditors Report

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2016

	Eva Lou Kelly Scholarship 61600	Tutor-Scholars Program 99300	Total Private Purpose Trusts
ADDITIONS			
Investment Earnings - Interest	\$ 243	-	243
DEDUCTIONS			
Scholarship Expense	-	-	-
CHANGE IN NET POSITION	243	-	243
NET POSITION, BEGINNING	60,170	4,876	65,046
NET POSITION, ENDING	<u>\$ 60,413</u>	<u>4,876</u>	<u>65,289</u>

See Independent Auditors Report

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO TRUST AND AGENCY FUNDS
For the Year Ended June 30, 2016**

Trust Funds

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

Eva Lou Kelly Scholarship Fund (SHARE Fund 61600)

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

Tutor-Scholars Program Fund (SHARE Fund 99300)

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

Agency Fund

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

Driver Safety Fees (SHARE Fund 57300)

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

See Independent Auditors Report

OTHER SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUPPLEMENTAL SCHEDULE OF CASH AND CASH EQUIVALENTS
For the Year Ended June 30, 2016

Agency/Fund	Account Name	General Ledger Balance
General Funds:		
924-05700	Public Education Department (PED)	\$ 1,535,981
644-50000	Division of Vocational Rehabilitation (DVR)	8,715,651
Total General Funds		10,251,632
Special Revenue and Capital Outlay Funds:		
924-00500	Schools in Need in Improvement	464
924-11420	K-3 Plus	8,567,703
924-20160	Ed Tech Deficiency Correction Fund	60
924-20550	School Transportation Training	36,630
644-20570	Independent Living Services	546,871
924-30800	Private Grants	306,530
924-33400	Family Youth	1,178
924-39700	Educator Certification	776,740
924-45800	Adult Basic Education	122,565
924-47000	Charter School Stimulus	14,292
644-50100	Disability Determination Services	93,858
924-51300	Pre-Kindergarten	11,376,913
924-56200	Professional Development	80,422
924-56800	Incentive for School Improvement	81,717
924-58600	Reading Materials	-
924-63300	Indian Education Act	3,492,424
924-63400	Public School Capital Improvements	4,432,950
924-63500	Public School Capital Outlay	1,103,044
924-63900	Kindergarten Plus	89,212
924-66000	Instructional Materials Adoption	275,448
924-66200	Education Technology	14,314
924-66900	School Library	-
924-67200	Federal Food Services	(17,065)
924-67300	Federal Department of Education Flowthrough	2,822,967
924-67400	Federal Vocational Education Flowthrough	925,380
924-72500	Public Building Energy Efficiency Act	48
924-79000	Special Projects	68,680,551
924-81300	Special Capital Outlay Severance Tax Bonds 2000	37,097
924-81600	Special Capital Outlay Severance Tax Bonds 2004	143,781
924-81800	Special Capital Outlay - General Fund	54,542
924-84400	Federal Department of Education Admin	5,092,571
924-85600	Instructional Materials Flowthrough	5,473,941
924-85700	State Support Reserve	1,000,000
924-85800	Public School Support Flowthrough	6,636,456
924-88900	Transportation Emergency	508,842
924-89000	PED ARRA Fund	7,486
644-89000	DVR ARRA Fund	874
924-89200	STB Capital Outlay	3,255,748
924-93100	GF Capital Outlay	28,129
Total Special Revenue and Capital Outlay Funds		126,064,683
Total General Fund, Special Revenue and Capital Outlay Funds		136,316,315
Trust and Agency Funds:		
924-57300	Driver Safety Fees	3,774,339
924-61600	Eva Lou Kelly Scholarship	40,413
924-61600	Eva Lou Kelly Scholarship - CD with Washington Federal	20,000
924-99300	Tutor Scholars Program	4,876
Total Trust and Agency Funds		3,839,628
Total Cash and Investments, Net of Overdrafts		\$ 140,155,943

See Independent Auditors Report

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
JOINT POWERS AGREEMENTS, MEMORANDA OF UNDERSTANDING
AND INTER-GOVERNMENTAL AGREEMENTS
June 30, 2016

Contractor	Scope of Work	Responsible					Agency Reporting Revenue/Expense
		Party	Amount	Beginning Date	Ending Date	Responsibility	
ACOMA, PUEBLO OF	Indian Education	PED	30,000	7/1/2015	6/30/2016	PED	PED/ACOMA, PUEBLO OF
ALAMOGORDO PUBLIC SCHOOLS	Youth Resiliency	PED	7,500	7/1/2015	6/30/2016	PED	PED/ALAMOGORDO PUBLIC SCHOOLS
ALAMOGORDO PUBLIC SCHOOLS	GRADS	PED	15,150	7/1/2015	6/30/2016	PED	PED/ALAMOGORDO PUBLIC SCHOOLS
ALBUQUERQUE PUBLIC SCHOOLS	Pre K	PED	3,539,496	7/1/2015	6/30/2016	PED	PED/ALBUQUERQUE PUBLIC SCHOOLS
ALBUQUERQUE PUBLIC SCHOOLS	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/ALBUQUERQUE PUBLIC SCHOOLS
ALBUQUERQUE PUBLIC SCHOOLS	21st Century	PED	227,832	7/1/2015	6/30/2016	PED	PED/ALBUQUERQUE PUBLIC SCHOOLS
ALBUQUERQUE PUBLIC SCHOOLS	MOTT	PED	15,986	7/1/2015	6/30/2016	PED	PED/ALBUQUERQUE PUBLIC SCHOOLS
ALBUQUERQUE PUBLIC SCHOOLS	Youth Resiliency	PED	15,000	7/1/2015	6/30/2016	PED	PED/ALBUQUERQUE PUBLIC SCHOOLS
AZTEC MUNICIPAL SCHOOLS DISTRICT #2	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/AZTEC MUNICIPAL SCHOOLS DISTRICT #2
AZTEC MUNICIPAL SCHOOLS DISTRICT #2	ASD	PED	154,077	7/1/2015	6/30/2016	PED	PED/AZTEC MUNICIPAL SCHOOLS DISTRICT #2
BELEN CONSOLIDATED SCHOOLS	Pre K	PED	103,386	7/1/2015	6/30/2016	PED	PED/BELEN CONSOLIDATED SCHOOLS
BERNALILLO MUNICIPAL SCHOOL	Pre K	PED	669,178	7/1/2015	6/30/2016	PED	PED/BERNALILLO MUNICIPAL SCHOOL
BERNALILLO MUNICIPAL SCHOOL	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/BERNALILLO MUNICIPAL SCHOOL
BERNALILLO MUNICIPAL SCHOOL	21st Century	PED	312,563	7/1/2015	6/30/2016	PED	PED/BERNALILLO MUNICIPAL SCHOOL
BERNALILLO MUNICIPAL SCHOOL	Youth Resiliency	PED	7,500	7/1/2015	6/30/2016	PED	PED/BERNALILLO MUNICIPAL SCHOOL
BLOOMFIELD SCHOOLS	Pre K	PED	462,837	7/1/2015	6/30/2016	PED	PED/BLOOMFIELD SCHOOLS
BLOOMFIELD SCHOOLS	Reading Initiatives	PED	92,009	7/1/2015	6/30/2016	PED	PED/BLOOMFIELD SCHOOLS
BLOOMFIELD SCHOOLS	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/BLOOMFIELD SCHOOLS
CENTRAL CONSOLIDATED SCHOOLS #22	Pre K	PED	1,302,933	7/1/2015	6/30/2016	PED	PED/CENTRAL CONSOLIDATED SCHOOLS #22
CENTRAL CONSOLIDATED SCHOOLS #22	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/CENTRAL CONSOLIDATED SCHOOLS #22
CENTRAL CONSOLIDATED SCHOOLS #22	21st Century	PED	357,131	7/1/2015	6/30/2016	PED	PED/CENTRAL CONSOLIDATED SCHOOLS #22
CENTRAL CONSOLIDATED SCHOOLS #22	21st Century	PED	79,687	7/1/2015	6/30/2016	PED	PED/CENTRAL CONSOLIDATED SCHOOLS #22
CENTRAL CONSOLIDATED SCHOOLS #22	Youth Resiliency	PED	7,500	7/1/2015	6/30/2016	PED	PED/CENTRAL CONSOLIDATED SCHOOLS #22
CENTRAL REGION EDUCATIONAL COOPERATIVE	Reading Initiatives	PED	207,244	7/1/2015	6/30/2016	PED	PED/CENTRAL REGION EDUCATIONAL COOPERATIVE
CENTRAL REGION EDUCATIONAL COOPERATIVE	Kindergarten	PED	399,889	7/1/2015	6/30/2016	PED	PED/CENTRAL REGION EDUCATIONAL COOPERATIVE
CENTRAL REGION EDUCATIONAL COOPERATIVE	Leadership Training	PED	7,775	7/1/2015	6/30/2016	PED	PED/CENTRAL REGION EDUCATIONAL COOPERATIVE
CENTRAL REGION EDUCATIONAL COOPERATIVE	Leadership Training	PED	281,047	7/1/2015	6/30/2016	PED	PED/CENTRAL REGION EDUCATIONAL COOPERATIVE
CENTRAL REGION EDUCATIONAL COOPERATIVE	Leadership Training	PED	265,712	7/1/2015	6/30/2016	PED	PED/CENTRAL REGION EDUCATIONAL COOPERATIVE
CENTRAL REGION EDUCATIONAL COOPERATIVE	Truancy Coaching	PED	63,970	7/1/2015	6/30/2016	PED	PED/CENTRAL REGION EDUCATIONAL COOPERATIVE
CENTRAL REGION EDUCATIONAL COOPERATIVE	21st Century	PED	1,646,975	7/1/2015	6/30/2016	PED	PED/CENTRAL REGION EDUCATIONAL COOPERATIVE
CENTRAL REGION EDUCATIONAL COOPERATIVE	Ed Quality	PED	8,641	7/1/2015	6/30/2016	PED	PED/CENTRAL REGION EDUCATIONAL COOPERATIVE
CENTRAL REGION EDUCATIONAL COOPERATIVE	Charter School development	PED	15,178	7/1/2015	6/30/2016	PED	PED/CENTRAL REGION EDUCATIONAL COOPERATIVE
CENTRAL REGION EDUCATIONAL COOPERATIVE	Strategic Outreach	PED	30,036	7/1/2015	6/30/2016	PED	PED/CENTRAL REGION EDUCATIONAL COOPERATIVE
CHAMA VALLEY INDEPENDENT	Pre K	PED	64,124	7/1/2015	6/30/2016	PED	PED/CHAMA VALLEY INDEPENDENT
CIMARRON MUNICIPAL SCHOOLS	Pre K	PED	32,062	7/1/2015	6/30/2016	PED	PED/CIMARRON MUNICIPAL SCHOOLS
CLOVIS MUNICIPAL SCHOOLS	Migrant	PED	41,375	7/1/2015	6/30/2016	PED	PED/CLOVIS MUNICIPAL SCHOOLS
COBRE CONSOLIDATED SCHOOLS	Pre K	PED	533,868	7/1/2015	6/30/2016	PED	PED/COBRE CONSOLIDATED SCHOOLS
COBRE CONSOLIDATED SCHOOLS	Pre K	PED	64,124	7/1/2015	6/30/2016	PED	PED/COBRE CONSOLIDATED SCHOOLS
COOPERATIVE EDUCATION SERVICES	Ed Quality	PED	65,520	7/1/2015	6/30/2016	PED	PED/COOPERATIVE EDUCATION SERVICES
COOPERATIVE EDUCATION SERVICES	Drop Out Prevention	PED	55,000	7/1/2015	6/30/2016	PED	PED/COOPERATIVE EDUCATION SERVICES
CORAL COMMUNITY CHARTER	Pre K	PED	83,362	7/1/2015	6/30/2016	PED	PED/CORAL COMMUNITY CHARTER
COTTONWOOD CLASSICAL PREPARATORY SCHOOL	Youth Resiliency	PED	5,000	7/1/2015	6/30/2016	PED	PED/COTTONWOOD CLASSICAL PREPARATORY SCHOOL
CUBA INDEPENDENT SCHOOLS	Pre K	PED	64,124	7/1/2015	6/30/2016	PED	PED/CUBA INDEPENDENT SCHOOLS
CUBA INDEPENDENT SCHOOLS	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/CUBA INDEPENDENT SCHOOLS
DEMING PUBLIC SCHOOLS	Pre K	PED	785,364	7/1/2015	6/30/2016	PED	PED/DEMING PUBLIC SCHOOLS
DEMING PUBLIC SCHOOLS	Pre K	PED	218,022	7/1/2015	6/30/2016	PED	PED/DEMING PUBLIC SCHOOLS
DEMING PUBLIC SCHOOLS	Youth Resilience	PED	983	7/1/2015	6/30/2016	PED	PED/DEMING PUBLIC SCHOOLS
DEXTER CONSOLIDATED SCHOOLS	Pre K	PED	134,598	7/1/2015	6/30/2016	PED	PED/DEXTER CONSOLIDATED SCHOOLS
DREAM DINE' CHARTER SCHOOL	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/DREAM DINE' CHARTER SCHOOL
DULCE INDEPENDENT SCHOOLS #21	21st Century	PED	331,476	7/1/2015	6/30/2016	PED	PED/DULCE INDEPENDENT SCHOOLS #21
DULCE INDEPENDENT SCHOOLS #21	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/DULCE INDEPENDENT SCHOOLS #21
EASTERN NEW MEXICO UNIVERSITY	School Leader	PED	410,957	7/1/2015	6/30/2016	PED	PED/EASTERN NEW MEXICO UNIVERSITY
EASTERN NEW MEXICO UNIVERSITY	CTSO	PED	429,974	7/1/2015	6/30/2016	PED	PED/EASTERN NEW MEXICO UNIVERSITY
EASTERN NEW MEXICO UNIVERSITY	Ed Quality	PED	18,386	7/1/2015	6/30/2016	PED	PED/EASTERN NEW MEXICO UNIVERSITY
EASTERN NEW MEXICO UNIVERSITY-ROSWELL	Ed Quality	PED	70,000	7/1/2015	6/30/2016	PED	PED/EASTERN NEW MEXICO UNIVERSITY-ROSWELL
ESPANOLA PUBLIC SCHOOL DISTRICT #55	Pre K	PED	518,868	7/1/2015	6/30/2016	PED	PED/ESPANOLA PUBLIC SCHOOL DISTRICT #55
ESPANOLA PUBLIC SCHOOL DISTRICT #55	Youth Resiliency	PED	4,940	7/1/2015	6/30/2016	PED	PED/ESPANOLA PUBLIC SCHOOL DISTRICT #55
ESPANOLA PUBLIC SCHOOL DISTRICT #55	Indian Education	PED	12,000	7/1/2015	6/30/2016	PED	PED/ESPANOLA PUBLIC SCHOOL DISTRICT #55
EXPLORA SCIENCE CENTER	MOTT	PED	29,702	7/1/2015	6/30/2016	PED	PED/EXPLORA SCIENCE CENTER
FARMINGTON MUNICIPAL SCHOOLS	Pre K	PED	691,240	7/1/2015	6/30/2016	PED	PED/FARMINGTON MUNICIPAL SCHOOLS
FARMINGTON MUNICIPAL SCHOOLS	Pre K	PED	32,062	7/1/2015	6/30/2016	PED	PED/FARMINGTON MUNICIPAL SCHOOLS
FARMINGTON MUNICIPAL SCHOOLS	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/FARMINGTON MUNICIPAL SCHOOLS
FARMINGTON MUNICIPAL SCHOOLS	21st Century	PED	88,487	7/1/2015	6/30/2016	PED	PED/FARMINGTON MUNICIPAL SCHOOLS
GADSDEN INDEPENDENT SCHOOL DISTRICT	Pre K	PED	1,999,179	7/1/2015	6/30/2016	PED	PED/GADSDEN INDEPENDENT SCHOOL DISTRICT
GADSDEN INDEPENDENT SCHOOL DISTRICT	Migrant	PED	5,776	7/1/2015	6/30/2016	PED	PED/GADSDEN INDEPENDENT SCHOOL DISTRICT
GADSDEN INDEPENDENT SCHOOL DISTRICT	21st Century	PED	780,674	7/1/2015	6/30/2016	PED	PED/GADSDEN INDEPENDENT SCHOOL DISTRICT
GALLUP-MCKINLEY COUNTY SCHOOL	Pre K	PED	866,550	7/1/2015	6/30/2016	PED	PED/GALLUP-MCKINLEY COUNTY SCHOOL
GALLUP-MCKINLEY COUNTY SCHOOL	Pre K	PED	22,443	7/1/2015	6/30/2016	PED	PED/GALLUP-MCKINLEY COUNTY SCHOOL
GALLUP-MCKINLEY COUNTY SCHOOL	21st Century	PED	1,305,018	7/1/2015	6/30/2016	PED	PED/GALLUP-MCKINLEY COUNTY SCHOOL
GALLUP-MCKINLEY COUNTY SCHOOL	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/GALLUP-MCKINLEY COUNTY SCHOOL
GALLUP-MCKINLEY COUNTY SCHOOL	Youth Resiliency	PED	7,500	7/1/2015	6/30/2016	PED	PED/GALLUP-MCKINLEY COUNTY SCHOOL
GRANTS/CIBOLA COUNTY SCHOOL	Pre K	PED	512,992	7/1/2015	6/30/2016	PED	PED/GRANTS/CIBOLA COUNTY SCHOOL
GRANTS/CIBOLA COUNTY SCHOOL	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/GRANTS/CIBOLA COUNTY SCHOOL
HATCH VALLEY PUBLIC SCHOOLS	Pre K	PED	368,558	7/1/2015	6/30/2016	PED	PED/HATCH VALLEY PUBLIC SCHOOLS
HIGH PLAINS REGIONAL EDUCATION	Reading Initiatives	PED	109,571	7/1/2015	6/30/2016	PED	PED/HIGH PLAINS REGIONAL EDUCATION
HIGH PLAINS REGIONAL EDUCATION	Charter School	PED	32,172	7/1/2015	6/30/2016	PED	PED/HIGH PLAINS REGIONAL EDUCATION
HIGH PLAINS REGIONAL EDUCATION	ASD	PED	1,009,800	7/1/2015	6/30/2016	PED	PED/HIGH PLAINS REGIONAL EDUCATION
HIGH PLAINS REGIONAL EDUCATION	Early Warning System	PED	350,000	7/1/2015	6/30/2016	PED	PED/HIGH PLAINS REGIONAL EDUCATION

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
JOINT POWERS AGREEMENTS, MEMORANDA OF UNDERSTANDING
AND INTER-GOVERNMENTAL AGREEMENTS (Continued)
June 30, 2016

Contractor	Scope of Work	Responsible		Beginning Date	Ending Date	Audit Responsibility	Agency Reporting Revenue/Expense
		Party	Amount				
HIGH PLAINS REGIONAL EDUCATION	Early Warning System	PED	149,999	7/1/2015	6/30/2016	PED	PED/HIGH PLAINS REGIONAL EDUCATION
HOBBS MUNICIPAL SCHOOLS	Ed Quality	PED	16,350	7/1/2015	6/30/2016	PED	PED/HOBBS MUNICIPAL SCHOOLS
HORIZON ACADEMY WEST	Pre K	PED	128,248	7/1/2015	6/30/2016	PED	PED/HORIZON ACADEMY WEST
JEMEZ MTN SCHOOL DIST NO 53	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/JEMEZ MTN SCHOOL DIST NO 53
JEMEZ VALLEY PUBLIC SCHOOLS	Pre K	PED	101,186	7/1/2015	6/30/2016	PED	PED/JEMEZ VALLEY PUBLIC SCHOOLS
JEMEZ VALLEY PUBLIC SCHOOLS	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/JEMEZ VALLEY PUBLIC SCHOOLS
JEMEZ, PUEBLO OF	Indian Education	PED	30,000	7/1/2015	6/30/2016	PED	PED/JEMEZ, PUEBLO OF
LA PROMESA EARLY LEARNING CENTER	Pre K	PED	320,620	7/1/2015	6/30/2016	PED	PED/LA PROMESA EARLY LEARNING CENTER
LAS CRUCES PUBLIC SCHOOLS	Migrant	PED	80,465	7/1/2015	6/30/2016	PED	PED/LAS CRUCES PUBLIC SCHOOLS
LAS CRUCES PUBLIC SCHOOLS	Migrant	PED	12,737	7/1/2015	6/30/2016	PED	PED/LAS CRUCES PUBLIC SCHOOLS
LAS CRUCES PUBLIC SCHOOLS	21st Century	PED	265,330	7/1/2015	6/30/2016	PED	PED/LAS CRUCES PUBLIC SCHOOLS
LAS VEGAS CITY SCHOOLS	21st Century	PED	159,362	7/1/2015	6/30/2016	PED	PED/LAS VEGAS CITY SCHOOLS
LORDSBURG MUNICIPAL SCHOOLS	Pre K	PED	71,924	7/1/2015	6/30/2016	PED	PED/LORDSBURG MUNICIPAL SCHOOLS
LORDSBURG MUNICIPAL SCHOOLS	Youth Resiliency	PED	5,000	7/1/2015	6/30/2016	PED	PED/LORDSBURG MUNICIPAL SCHOOLS
LOS LUNAS SCHOOLS	Pre K	PED	1,077,736	7/1/2015	6/30/2016	PED	PED/LOS LUNAS SCHOOLS
LOS LUNAS SCHOOLS	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/LOS LUNAS SCHOOLS
LOS LUNAS SCHOOLS	Expectant and Parenting Teens	PED	16,350	7/1/2015	6/30/2016	PED	PED/LOS LUNAS SCHOOLS
MAGDALENA MUNICIPAL SCHOOLS	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/MAGDALENA MUNICIPAL SCHOOLS
MESA VISTA CONSOLIDATED SCHOOL	Pre K	PED	106,186	7/1/2015	6/30/2016	PED	PED/MESA VISTA CONSOLIDATED SCHOOL
MESCALERO APACHE TRIBE	Indian Education	PED	30,000	7/1/2015	6/30/2016	PED	PED/MESCALERO APACHE TRIBE
META ASSOCIATES	Migrant	PED	53,661	7/1/2015	6/30/2016	PED	PED/META ASSOCIATES
MOUNTAINAIR PUBLIC SCHOOLS	Pre K	PED	48,093	7/1/2015	6/30/2016	PED	PED/MOUNTAINAIR PUBLIC SCHOOLS
NATIVE AMERICAN COMMUNITY ACADEMY	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/NATIVE AMERICAN COMMUNITY ACADEMY
NATIVE AMERICAN COMMUNITY ACADEMY	Indian Education	PED	488,556	7/1/2015	6/30/2016	PED	PED/NATIVE AMERICAN COMMUNITY ACADEMY
NAVAJO NATION	Indian Education	PED	30,000	7/1/2015	6/30/2016	PED	PED/NAVAJO NATION
NEW MEXICO ALLIANCE ON SCHOOL-BASED	GRADS	PED	30,000	7/1/2015	6/30/2016	PED	PED/NEW MEXICO ALLIANCE ON SCHOOL-BASED
NEW MEXICO HIGHLANDS UNIVERSITY	Ed Quality	PED	261,928	7/1/2015	6/30/2016	PED	PED/NEW MEXICO HIGHLANDS UNIVERSITY
NEW MEXICO HIGHLANDS UNIVERSITY	AP	PED	270,000	7/1/2015	6/30/2016	PED	PED/NEW MEXICO HIGHLANDS UNIVERSITY
NEW MEXICO INSTITUTE OF MINING & TECH	STEM	PED	50,000	7/1/2015	6/30/2016	PED	PED/NEW MEXICO INSTITUTE OF MINING & TECH
NEW MEXICO SCHOOL FOR THE DEAF	Ed Quality	PED	10,000	7/1/2015	6/30/2016	PED	PED/NEW MEXICO SCHOOL FOR THE DEAF
NM SCHL FOR THE BLIND & VISUALLY IMPAIRED	Braille Transcription	PED	5,706	7/1/2015	6/30/2016	PED	PED/NM SCHL FOR THE BLIND & VISUALLY IMPAIRED
NORTH VALLEY ACADEMY	Pre K	PED	128,248	7/1/2015	6/30/2016	PED	PED/NORTH VALLEY ACADEMY
NORTHEAST REGIONAL EDUCATION	Reading Initiatives	PED	200,589	7/1/2015	6/30/2016	PED	PED/NORTHEAST REGIONAL EDUCATION
NORTHEAST REGIONAL EDUCATION	BMEA and Title III	PED	24,760	7/1/2015	6/30/2016	PED	PED/NORTHEAST REGIONAL EDUCATION
NORTHEAST REGIONAL EDUCATION	Ed Quality	PED	9,300	7/1/2015	6/30/2016	PED	PED/NORTHEAST REGIONAL EDUCATION
NORTHEAST REGIONAL EDUCATION	ALD4ALL	PED	342,360	7/1/2015	6/30/2016	PED	PED/NORTHEAST REGIONAL EDUCATION
NORTHEAST REGIONAL EDUCATION	ALD4ALL	PED	132,608	7/1/2015	6/30/2016	PED	PED/NORTHEAST REGIONAL EDUCATION
NORTHEAST REGIONAL EDUCATION	ALD4ALL	PED	16,743	7/1/2015	6/30/2016	PED	PED/NORTHEAST REGIONAL EDUCATION
NORTHERN NEW MEXICO COLLEGE	Indian Education	PED	400,000	7/1/2015	6/30/2016	PED	PED/NORTHERN NEW MEXICO COLLEGE
NORTHERN REGIONAL EDUCATION CO-OP#2	Reading Initiatives	PED	38,818	7/1/2015	6/30/2016	PED	PED/NORTHERN REGIONAL EDUCATION CO-OP#2
NORTHERN REGIONAL EDUCATION CO-OP#2	Reading Initiatives	PED	95,184	7/1/2015	6/30/2016	PED	PED/NORTHERN REGIONAL EDUCATION CO-OP#2
NORTHERN REGIONAL EDUCATION CO-OP#2	Ed Quality	PED	2,370,027	7/1/2015	6/30/2016	PED	PED/NORTHERN REGIONAL EDUCATION CO-OP#2
NORTHERN REGIONAL EDUCATION CO-OP#2	Licensure	PED	6,448	7/1/2015	6/30/2016	PED	PED/NORTHERN REGIONAL EDUCATION CO-OP#2
OHKAY OWINGEH TRIBAL COUNCIL	Indian Education	PED	18,647	7/1/2015	6/30/2016	PED	PED/OHKAY OWINGEH TRIBAL COUNCIL
OKLAHOMA, UNIVERSITY OF	Turnaround	PED	551,579	7/1/2015	6/30/2016	PED	PED/OKLAHOMA, UNIVERSITY OF
PECOS INDEPENDENT SCHOOLS	Pre K	PED	262,496	7/1/2015	6/30/2016	PED	PED/PECOS INDEPENDENT SCHOOLS
PECOS VALLEY REGIONAL EDU CTR8	Reading Initiatives	PED	186,242	7/1/2015	6/30/2016	PED	PED/PECOS VALLEY REGIONAL EDU CTR8
PENASCO INDEPENDENT SCHOOL DISTRICT	Pre K	PED	111,186	7/1/2015	6/30/2016	PED	PED/PENASCO INDEPENDENT SCHOOL DISTRICT
PICURIS, PUEBLO OF	Indian Education	PED	30,000	7/1/2015	6/30/2016	PED	PED/PICURIS, PUEBLO OF
POJOAQUE VALLEY SCHOOLS	Pre K	PED	288,558	7/1/2015	6/30/2016	PED	PED/POJOAQUE VALLEY SCHOOLS
POJOAQUE VALLEY SCHOOLS	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/POJOAQUE VALLEY SCHOOLS
PORTALES MUNICIPAL SCHOOLS	Pre K	PED	234,815	7/1/2015	6/30/2016	PED	PED/PORTALES MUNICIPAL SCHOOLS
PORTALES MUNICIPAL SCHOOLS	Pre K	PED	64,124	7/1/2015	6/30/2016	PED	PED/PORTALES MUNICIPAL SCHOOLS
PORTALES MUNICIPAL SCHOOLS	Youth Resiliency	PED	5,000	7/1/2015	6/30/2016	PED	PED/PORTALES MUNICIPAL SCHOOLS
PUEBLO DE COCHITI	Indian Education	PED	4,503	7/1/2015	6/30/2016	PED	PED/PUEBLO DE COCHITI
PUEBLO DE SAN FELIPE,	Indian Education	PED	29,600	7/1/2015	6/30/2016	PED	PED/PUEBLO DE SAN FELIPE,
PUEBLO LAGUNA	Indian Education	PED	30,000	7/1/2015	6/30/2016	PED	PED/PUEBLO LAGUNA
PUEBLO OF ISLETA	Indian Education	PED	30,000	7/1/2015	6/30/2016	PED	PED/PUEBLO OF ISLETA
PUEBLO OF LAGUNA DEPARTMENT OF EDUCATION	21st Century	PED	76,764	7/1/2015	6/30/2016	PED	PED/PUEBLO OF LAGUNA DEPARTMENT OF EDUCATION
PUEBLO OF NAMBE	Indian Education	PED	30,000	7/1/2015	6/30/2016	PED	PED/PUEBLO OF NAMBE
PUEBLO OF POJOAQUE	Indian Education	PED	27,943	7/1/2015	6/30/2016	PED	PED/PUEBLO OF POJOAQUE
PUEBLO OF SANTA ANA	Indian Education	PED	30,000	7/1/2015	6/30/2016	PED	PED/PUEBLO OF SANTA ANA
PUEBLO OF ZIA	Indian Education	PED	30,000	7/1/2015	6/30/2016	PED	PED/PUEBLO OF ZIA
QUESTA INDEPENDENT SCHOOLS	Pre K	PED	98,980	7/1/2015	6/30/2016	PED	PED/QUESTA INDEPENDENT SCHOOLS
RED RIVER VALLEY CHARTER SCHOO	Pre K	PED	37,062	7/1/2015	6/30/2016	PED	PED/RED RIVER VALLEY CHARTER SCHOO
RED RIVER VALLEY CHARTER SCHOO	Pre K	PED	32,062	7/1/2015	6/30/2016	PED	PED/RED RIVER VALLEY CHARTER SCHOO
REGENTS OF NEW MEXICO STATE	Teacher Prep	PED	216,107	7/1/2015	6/30/2016	PED	PED/REGENTS OF NEW MEXICO STATE
REGENTS OF NEW MEXICO STATE	Mathematics	PED	1,215,695	7/1/2015	6/30/2016	PED	PED/REGENTS OF NEW MEXICO STATE
REGENTS OF NEW MEXICO STATE	GRADS	PED	69,103	7/1/2015	6/30/2016	PED	PED/REGENTS OF NEW MEXICO STATE
REGENTS OF NEW MEXICO STATE	Mathematics	PED	300,000	7/1/2015	6/30/2016	PED	PED/REGENTS OF NEW MEXICO STATE
REGENTS OF NEW MEXICO STATE	K-3 Plus	PED	300,000	7/1/2015	6/30/2016	PED	PED/REGENTS OF NEW MEXICO STATE
REGENTS OF NEW MEXICO STATE	CTE Integration	PED	89,250	7/1/2015	6/30/2016	PED	PED/REGENTS OF NEW MEXICO STATE
REGION IX EDUCATION COOPERATIVE	Advanced Placement Initiative	PED	663,807	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Reading Initiatives	PED	103,342	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Charter schools	PED	16,355	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	NMTEACH	PED	1,860,021	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	School Leaders	PED	573,115	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Support for Dossiers	PED	276,372	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE

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June 30, 2016

Contractor	Scope of Work	Responsible		Beginning Date	Ending Date	Audit Responsibility	Agency Reporting Revenue/Expense
		Party	Amount				
REGION IX EDUCATION COOPERATIVE	Ed Quality	PED	51,684	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Turnaround grant	PED	74,769	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Ed Quality	PED	718,200	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Ed Quality	PED	299,585	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Ed Quality	PED	19,323	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Indian Education	PED	86,940	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Indian Education	PED	393,900	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Indian Education	PED	46,440	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Technical Assistance	PED	25,000	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Career Tech ed	PED	119,656	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Reading Initiatives	PED	811,106	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
	Culturally & Linguistically Responsive Instruction						
REGION IX EDUCATION COOPERATIVE	Instruction	PED	130,240	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	K-3 Plus	PED	457,680	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Charter Schools	PED	21,000	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Early Learning Childhood	PED	8,324	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Behavior Project	PED	277,560	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGION IX EDUCATION COOPERATIVE	Pre K	PED	280,673	7/1/2015	6/30/2016	PED	PED/REGION IX EDUCATION COOPERATIVE
REGIONAL EDUCATION CENTER #6	Regional Reading Coach	PED	206,126	7/1/2015	6/30/2016	PED	PED/REGIONAL EDUCATION CENTER #6
REGIONAL EDUCATION CENTER #6	Pre K	PED	513,249	7/1/2015	6/30/2016	PED	PED/REGIONAL EDUCATION CENTER #6
REGIONAL EDUCATION CENTER #6	ASSETS	PED	261,811	7/1/2015	6/30/2016	PED	PED/REGIONAL EDUCATION CENTER #6
REGIONAL EDUCATION CENTER #6	21st Century	PED	513,548	7/1/2015	6/30/2016	PED	PED/REGIONAL EDUCATION CENTER #6
REGIONAL EDUCATION CENTER #6	IEP training	PED	233,172	7/1/2015	6/30/2016	PED	PED/REGIONAL EDUCATION CENTER #6
REGIONAL EDUCATIONAL CENTER #7	Reading Initiatives	PED	102,439	7/1/2015	6/30/2016	PED	PED/REGIONAL EDUCATIONAL CENTER #7
REGIONAL EDUCATIONAL CENTER #7	Pre K	PED	596,353	7/1/2015	6/30/2016	PED	PED/REGIONAL EDUCATIONAL CENTER #7
REGIONAL EDUCATIONAL CENTER #7	Pre K	PED	32,062	7/1/2015	6/30/2016	PED	PED/REGIONAL EDUCATIONAL CENTER #7
REGIONAL EDUCATIONAL CENTER #7	Pre K	PED	19,237	7/1/2015	6/30/2016	PED	PED/REGIONAL EDUCATIONAL CENTER #7
REGIONAL EDUCATIONAL CENTER #7	ASSETS	PED	1,602,856	7/1/2015	6/30/2016	PED	PED/REGIONAL EDUCATIONAL CENTER #7
REGIONAL EDUCATIONAL CENTER #7	Indirect Costs	PED	325,447	7/1/2015	6/30/2016	PED	PED/REGIONAL EDUCATIONAL CENTER #7
RESERVE SCHOOL DISTRICT	Pre K	PED	72,124	7/1/2015	6/30/2016	PED	PED/RESERVE SCHOOL DISTRICT
RIO RANCHO PUBLIC SCHOOLS	NM JAG Framework.	PED	54,425	7/1/2015	6/30/2016	PED	PED/RIO RANCHO PUBLIC SCHOOLS
RIO RANCHO PUBLIC SCHOOLS	Pre K	PED	1,379,716	7/1/2015	6/30/2016	PED	PED/RIO RANCHO PUBLIC SCHOOLS
RIO RANCHO PUBLIC SCHOOLS	Pre K	PED	96,186	7/1/2015	6/30/2016	PED	PED/RIO RANCHO PUBLIC SCHOOLS
RIO RANCHO PUBLIC SCHOOLS	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/RIO RANCHO PUBLIC SCHOOLS
ROSWELL INDEPENDENT SCHOOL DISTRICT	Pre K	PED	330,620	7/1/2015	6/30/2016	PED	PED/ROSWELL INDEPENDENT SCHOOL DISTRICT
ROSWELL INDEPENDENT SCHOOL DISTRICT	Pre K	PED	64,124	7/1/2015	6/30/2016	PED	PED/ROSWELL INDEPENDENT SCHOOL DISTRICT
RUIDOSO MUNICIPAL SCHOOLS	Pre K	PED	126,186	7/1/2015	6/30/2016	PED	PED/RUIDOSO MUNICIPAL SCHOOLS
RUIDOSO MUNICIPAL SCHOOLS	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/RUIDOSO MUNICIPAL SCHOOLS
SANDIA, PUEBLO OF	Indian Education	PED	30,000	7/1/2015	6/30/2016	PED	PED/SANDIA, PUEBLO OF
SANTA CLARA PUEBLO	Indian Education	PED	30,000	7/1/2015	6/30/2016	PED	PED/SANTA CLARA PUEBLO
SANTA FE PUBLIC SCHOOLS	Pre K	PED	1,571,342	7/1/2015	6/30/2016	PED	PED/SANTA FE PUBLIC SCHOOLS
SANTA FE PUBLIC SCHOOLS	Pre K	PED	89,774	7/1/2015	6/30/2016	PED	PED/SANTA FE PUBLIC SCHOOLS
SANTA FE PUBLIC SCHOOLS	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/SANTA FE PUBLIC SCHOOLS
SANTA FE PUBLIC SCHOOLS	21st Century	PED	526,510	7/1/2015	6/30/2016	PED	PED/SANTA FE PUBLIC SCHOOLS
SANTA FE PUBLIC SCHOOLS	Youth	PED	10,000	7/1/2015	6/30/2016	PED	PED/SANTA FE PUBLIC SCHOOLS
SANTA ROSA CONSOLIDATED SCHOOLS	Pre K	PED	115,423	7/1/2015	6/30/2016	PED	PED/SANTA ROSA CONSOLIDATED SCHOOLS
SOCORRO CONSOLIDATED SCHOOLS	Expectant and Parenting Teens	PED	855,170	7/1/2015	6/30/2016	PED	PED/SOCORRO CONSOLIDATED SCHOOLS
SOCORRO CONSOLIDATED SCHOOLS	Pre K	PED	228,765	7/1/2015	6/30/2016	PED	PED/SOCORRO CONSOLIDATED SCHOOLS
SOCORRO CONSOLIDATED SCHOOLS	21st Century	PED	129,825	7/1/2015	6/30/2016	PED	PED/SOCORRO CONSOLIDATED SCHOOLS
SOCORRO CONSOLIDATED SCHOOLS	GRADS	PED	200,000	7/1/2015	6/30/2016	PED	PED/SOCORRO CONSOLIDATED SCHOOLS
SOCORRO CONSOLIDATED SCHOOLS	Expectant and Parenting Teens	PED	20,182	7/1/2015	6/30/2016	PED	PED/SOCORRO CONSOLIDATED SCHOOLS
SOCORRO CONSOLIDATED SCHOOLS	Expectant and Parenting Teens	PED	15,150	7/1/2015	6/30/2016	PED	PED/SOCORRO CONSOLIDATED SCHOOLS
SOUTHWEST REGIONAL EDUCATION COOPERATIVE	Reading Initiatives	PED	150,300	7/1/2015	6/30/2016	PED	PED/SOUTHWEST REGIONAL EDUCATION COOPERATIVE
SOUTHWEST REGIONAL EDUCATION COOPERATIVE	ASD	PED	164,583	7/1/2015	6/30/2016	PED	PED/SOUTHWEST REGIONAL EDUCATION COOPERATIVE
SOUTHWEST REGIONAL EDUCATION COOPERATIVE	Mathematics	PED	490,274	7/1/2015	6/30/2016	PED	PED/SOUTHWEST REGIONAL EDUCATION COOPERATIVE
SOUTHWEST REGIONAL EDUCATION COOPERATIVE	Mathematics	PED	497,123	7/1/2015	6/30/2016	PED	PED/SOUTHWEST REGIONAL EDUCATION COOPERATIVE
SOUTHWEST REGIONAL EDUCATION COOPERATIVE	STEM	PED	50,000	7/1/2015	6/30/2016	PED	PED/SOUTHWEST REGIONAL EDUCATION COOPERATIVE
SOUTHWEST REGIONAL EDUCATION COOPERATIVE	Migrant	PED	49,139	7/1/2015	6/30/2016	PED	PED/SOUTHWEST REGIONAL EDUCATION COOPERATIVE
T OR C MUNICIPAL SCHOOLS	Pre K	PED	353,445	7/1/2015	6/30/2016	PED	PED/T OR C MUNICIPAL SCHOOLS
TAOS MUNICIPAL SCHOOLS	Pre K	PED	230,310	7/1/2015	6/30/2016	PED	PED/TAOS MUNICIPAL SCHOOLS
TAOS MUNICIPAL SCHOOLS	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/TAOS MUNICIPAL SCHOOLS
TAOS PUEBLO CMS ADMINISTRATION	Indian Education	PED	30,000	7/1/2015	6/30/2016	PED	PED/TAOS PUEBLO CMS ADMINISTRATION
TESUQUE, PUEBLO OF	Indian Education	PED	18,571	7/1/2015	6/30/2016	PED	PED/TESUQUE, PUEBLO OF
TURQUOISE TRAIL CHARTER SCHOOL	Pre K	PED	168,898	7/1/2015	6/30/2016	PED	PED/TURQUOISE TRAIL CHARTER SCHOOL
UNIVERSITY OF NEW MEXICO, THE	Ed Quality	PED	165,681	7/1/2015	6/30/2016	PED	PED/UNIVERSITY OF NEW MEXICO, THE
UNIVERSITY OF NEW MEXICO, THE	Pre K	PED	220,000	7/1/2015	6/30/2016	PED	PED/UNIVERSITY OF NEW MEXICO, THE
UNIVERSITY OF NEW MEXICO, THE	Pre K	PED	1,216,578	7/1/2015	6/30/2016	PED	PED/UNIVERSITY OF NEW MEXICO, THE
UNIVERSITY OF NEW MEXICO, THE	Ed Quality	PED	18,093	7/1/2015	6/30/2016	PED	PED/UNIVERSITY OF NEW MEXICO, THE
UNIVERSITY OF NEW MEXICO, THE	Ed Quality	PED	77,900	7/1/2015	6/30/2016	PED	PED/UNIVERSITY OF NEW MEXICO, THE
UNIVERSITY OF NEW MEXICO, THE	Ed Quality	PED	62,975	7/1/2015	6/30/2016	PED	PED/UNIVERSITY OF NEW MEXICO, THE
UNIVERSITY OF NEW MEXICO, THE	Pre K	PED	1,001,076	7/1/2015	6/30/2016	PED	PED/UNIVERSITY OF NEW MEXICO, THE
UNIVERSITY OF NEW MEXICO, THE	GRADS	PED	50,000	7/1/2015	6/30/2016	PED	PED/UNIVERSITY OF NEW MEXICO, THE
UNIVERSITY OF NEW MEXICO, THE	Ed Quality	PED	4,000	7/1/2015	6/30/2016	PED	PED/UNIVERSITY OF NEW MEXICO, THE
UTAH STATE UNIVERSITY	Ed Quality	PED	10,800	7/1/2015	6/30/2016	PED	PED/UTAH STATE UNIVERSITY
VAUGHN MUNICIPAL SCHOOLS	Pre K	PED	64,124	7/1/2015	6/30/2016	PED	PED/VAUGHN MUNICIPAL SCHOOLS
WAGON MOUND PUBLIC SCHOOLS	Pre K	PED	32,062	7/1/2015	6/30/2016	PED	PED/WAGON MOUND PUBLIC SCHOOLS
WALATOWA CHARTER HIGH SCHOOL	Indian Education	PED	25,000	7/1/2015	6/30/2016	PED	PED/WALATOWA CHARTER HIGH SCHOOL
WALATOWA CHARTER HIGH SCHOOL	Youth Resiliency	PED	5,000	7/1/2015	6/30/2016	PED	PED/WALATOWA CHARTER HIGH SCHOOL

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Contractor	Scope of Work	Responsible		Amount	Beginning Date	Ending Date	Audit	Agency Reporting Revenue/Expense
		Party					Responsibility	
WEST LAS VEGAS SCHOOL DISTRICT	Pre K	PED		256,496	7/1/2015	6/30/2016	PED	PED/WEST LAS VEGAS SCHOOL DISTRICT
WEST LAS VEGAS SCHOOL DISTRICT	Pre K	PED		64,124	7/1/2015	6/30/2016	PED	PED/WEST LAS VEGAS SCHOOL DISTRICT
WEST LAS VEGAS SCHOOL DISTRICT	Youth Resiliency	PED		5,000	7/1/2015	6/30/2016	PED	PED/WEST LAS VEGAS SCHOOL DISTRICT
WISCONSIN CENTER FOR EDUCATION RESEARCH	Ed Quality	PED		1,147,088	7/1/2015	6/30/2016	PED	PED/WISCONSIN CENTER FOR EDUCATION RESEARCH
ZUNI PUBLIC SCHOOL DIST	Pre K	PED		266,496	7/1/2015	6/30/2016	PED	PED/ZUNI PUBLIC SCHOOL DIST
ZUNI PUBLIC SCHOOL DIST	Indian Education	PED		25,000	7/1/2015	6/30/2016	PED	PED/ZUNI PUBLIC SCHOOL DIST
University of New Mexico	Project Search (School to Work Work Transition)	DVR		325,000	7/1/2015	6/30/2016	DVR	DVR/UNM Health Science Center/School of Medicine, Dept of Pediatric, Center for Development and Disability
University of New Mexico	Partners for Employment	DVR		410,000	7/1/2015	6/30/2016	DVR	DVR/UNM Health Science Center/School of Medicine, Dept of Pediatric, Center for Development and Disability
NM Dept of Workforce Solutions	Exchange information between Unemployment Insurance Bureau of NMDWS and DVR	NMDWS		-		no term	DVR	DVR/NMDWS
PED	HR FTE	DVR		25,000		no term	DVR	Human Services Support
Commission for Deaf and Hard of Hearing	Support and Enhance rehabilitation services for individuals who are hard of hearing and deaf	DVR		466,000	7/1/2015	6/30/2016	DVR	Allocation of Title I Funds per House Bill 2
Jemez Vocational Rehabilitation Program	Services to eligible American Indians with disabilities residing in Pueblo of Jemez, Zia and Santa Ana	DVR		-	7/1/2015	9/30/2021	DVR	The Rehabilitation Act of 1973

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
PUBLIC SCHOOL CAPITAL IMPROVEMENTS - FUND 63400
For the Year Ended June 30, 2016

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS				
Laws of 2001, CH 338 (SSTB 2009-2010)	\$ 18,500,000	18,479,862	-	18,479,862
Laws of 2001, CH 338 (SSTB 2008-2009)	20,000,000	18,024,085	28,093	18,052,178
Laws of 2001, CH 338 (SSTB 2007-2008)	20,500,000	18,978,783	-	18,978,783
Laws of 2001, CH 338 (SSTB 2006-2007)	18,500,000	18,001,324	-	18,001,324
Laws of 2001, CH 338 (SSTB 2005-2006)	20,001,934	17,981,305	-	17,981,305
Laws of 2001, CH 338 (SSTB 2004-2005)	13,200,000	13,037,930	-	13,037,930
Laws of 2001, CH 338 (SSTB 2003-2004)	14,200,000	13,398,000	-	13,398,000
Laws of 2001, CH 338 (SSTB 2001-2002)	8,500,000	7,741,009	-	7,741,009
Laws of 2000, CH 15 General Fund 2000-2001	5,732,800	5,732,800	-	5,732,800
Laws of 1999, CH 3 General Fund 1999-2000	6,595,500	6,595,500	-	6,595,500
Refund		34,415	-	34,415
Laws of 1998, CH 116 General Fund 1998-1999	7,200,000	7,200,000	-	7,200,000
Laws of 1996, CH 13 GO Bonds 1996-1997	5,000,000	4,995,360	-	4,995,360
Laws of 1995, CH 13 General Fund, 1995-1996, p182	7,000,000	7,000,000	-	7,000,000
Laws of 1994, CH 148 General Fund, 1994-1995 s.53 p.1489	9,600,000	9,600,000	-	9,600,000
Adjustments		442,770		442,770
TOTAL CASH RECEIPTS	174,530,234	167,243,143	28,093	167,271,236
CASH OUTLAYS				
Laws of 2001, CH 338 (SSTB 2009-2010)	18,500,000	19,030,997	-	19,030,997
Laws of 2001, CH 338 (SSTB 2008-2009)	20,000,000	17,955,886	28,093	17,983,979
Laws of 2001, CH 338 (SSTB 2007-2008)	20,500,000	18,760,602		18,760,602
Laws of 2001, CH 338 (SSTB 2006-2007)	18,500,000	17,932,990		17,932,990
Laws of 2001, CH 338 (SSTB 2005-2006)	20,001,934	18,035,011		18,035,011
Laws of 2001, CH 338 (SSTB 2004-2005)	13,200,000	13,037,930		13,037,930
Laws of 2001, CH 338 (SSTB 2003-2004)	14,200,000	13,398,000		13,398,000
Laws of 2001, CH 338 (SSTB 2001-2002)	8,500,000	7,863,033		7,863,033
Laws of 2000, CH 15 General Fund 2000-2001	5,732,800	3,648,024		3,648,024
Laws of 1999, CH 3 General Fund 1999-2000	6,595,500	5,411,351		5,411,351
Laws of 1998, CH 116 General Fund 1998-1999	7,200,000	6,061,387		6,061,387
Laws of 1996, CH 13 GO Bonds 1996-1997	5,000,000	5,000,000		5,000,000
Laws of 1995, CH 13 General Fund, 1995-1996, p182	7,000,000	7,374,812		7,374,812
Laws of 1994, CH 148 General Fund, 1994-1995 s.53 p.1489	9,600,000	9,300,170		9,300,170
Adjustments				
TOTAL CASH OUTLAYS	174,530,234	162,810,193	28,093	162,838,286
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	4,432,950	-	4,432,950
RECEIVABLES, June 30, 2016				\$ -
LIABILITIES, June 30, 2016				(4,367,738)
FUND BALANCE (DEFICIT), June 30, 2016				\$ 65,212

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
PUBLIC SCHOOL CAPITAL OUTLAY - FUND 63500
For the Year Ended June 30, 2016

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS				
Laws of 2001, Ch 338 (STB04-05)	\$ 16,969,586	13,323,620		13,323,620
2003-04 Severance Tax Bonds	86,087,753	84,855,225		84,855,225
2002-03 Severance Tax Bonds	95,676,311	95,634,965		95,634,965
Laws of 2002, Ch 44 (General Fund-1420)	1,000,000	1,000,000		1,000,000
2001-02 Severance Tax Bonds	99,140,730	99,129,670		99,129,670
Lottery 2001-02	3,859,271	423,790		423,790
2000-01, General Obligation Bonds	5,000,000	4,839,047		4,839,047
Lottery allocation 00-01	15,000,000	14,005,489		14,005,489
Lottery 99-00 allocation (9904)	10,000,000	10,000,000		10,000,000
Lottery 99-00 allocation	-	4,883,802		4,883,802
Laws of 1998, Ch 7 and 118 (STBs 9803 & 9804)	6,400,000	6,385,949		6,385,949
Lottery 98-99 allocation (9806)	13,000,000	11,908,015		11,908,015
Laws of 1998, Ch 5 (General Fund 9805)	5,000,000	5,000,000		5,000,000
Laws of 1998, Ch 87 (GOB 9807)	10,000,000	9,883,957		9,883,957
Lottery 97-98 allocation (9802)	17,500,000	10,154,830		10,154,830
Lottery 96-97 allocation	7,194,579	7,194,579		7,194,579
Lottery 96-97 allocation	-	7,983,327		7,983,327
Transfers	-	268,441		268,441
Reversion	(1,427,409)	-		-
TOTAL CASH RECEIPTS	390,400,821	386,874,706	-	386,874,706
CASH OUTLAYS				
Laws of 2001, Ch 338 (STB04-05)	16,969,586	10,844,357		10,844,357
2003-04 Severance Tax Bonds	86,087,753	7,968		7,968
2002-03 Severance Tax Bonds	95,676,311	78,116,453		78,116,453
Laws of 2002, Ch 44 (General Fund-1420)	1,000,000	102,374,067		102,374,067
2001-02 Severance Tax Bonds	99,140,730	19,041		19,041
Lottery 2001-02	3,859,271	914,800		914,800
2000-01, General Obligation Bonds	5,000,000	99,476,105		99,476,105
Lottery allocation 00-01	15,000,000	4,008,200		4,008,200
Lottery 99-00 allocation (9904)	10,000,000	5,026,023		5,026,023
Lottery 99-00 allocation	-	14,233,863		14,233,863
Laws of 1998, Ch 7 and 118 (STBs 9803 & 9804)	6,400,000	9,997,194		9,997,194
Lottery 98-99 allocation (9806)	13,000,000	6,310,471		6,310,471
Laws of 1998, Ch 5 (General Fund 9805)	5,000,000	13,036,343		13,036,343
Laws of 1998, Ch 87 (GOB 9807)	10,000,000	5,047,630		5,047,630
Lottery 97-98 allocation (9802)	17,500,000	10,003,582		10,003,582
Lottery 96-97 allocation	7,194,579	17,497,199		17,497,199
Lottery 96-97 allocation	-	7,145,925		7,145,925

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY 2000 - FUND 813
For the Year Ended June 30, 2016

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS				
Laws of 2003, CH 429 (STB)	\$ 20,000	20,000		20,000
Laws of 2002, CH 110 Sec 23 (STB)	15,332,920	13,211,294		13,211,294
Reversions	(721,570)			
Laws of 2000, CH 23, Sec. 16 (STB)	10,720,080	10,144,393		10,144,393
Reversions	(50,000)			
		109,356		109,356
TOTAL CASH RECEIPTS	25,301,430	23,485,043	-	23,485,043
CASH OUTLAYS				
Laws of 2003, CH 429 (STB)	20,000	40,000		40,000
Laws of 2002, CH 110 Sec 23 (STB)	15,332,920	13,247,902		13,247,902
Reversions	(721,570)			
Laws of 2000, CH 23, Sec. 16 (STB)	10,720,080	10,251,458		10,251,458
Reversions	(50,000)	0		-
Adjustment		(244,073.00)		(244,073)
Transfer		152,659		152,659
TOTAL CASH OUTLAYS	\$ 25,301,430	23,447,946	-	23,447,946
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	37,097		37,097
RECEIVABLES, June 30, 2016				\$ -
PAYABLES, June 30, 2016				-
FUND BALANCE (DEFICIT), June 30, 2016				\$ (37,097)

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY SEVERENCE TAX BONDS 2004 - FUND 81600
For the Year Ended June 30, 2016

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS				
Laws of 2010, CH3, Sec 10 C 3 (GOB)	\$ 500,000	499,998		499,998
Laws of 2010, CH3, Sec 10 C 2 (GOB)	2,000,000	1,890,415		1,890,415
Laws of 2010, CH3, Sec 10 C 1 (GOB)	2,000,000	1,731,199		1,731,199
Laws of 2010, CH3, Sec 10 B (GOB)	2,000,000	1,847,041		1,847,041
Laws of 2010, CH7, Sec 3 (STB)	2,873,589	371,794		371,794
Laws of 2009, CH7 (STB)	2,873,516	1,947,709		1,947,709
Laws of 2010, CH 4, Sec 34 (STB)	100,000	100,000		100,000
BOF Reversions	(100,000)	-		-
Laws of 2008, Ch 80 (GOB)	3,000,000	2,938,932		2,938,932
Laws of 2009, CH 125 Sec 16 (STB)	7,000,000	4,999,999		4,999,999
BOF Reversions	(2,000,000)	-		-
Laws of 2008 CH 92 (STB)	12,828,469	11,816,087		11,816,087
Change in authorization FY 2010	700,000	-		-
Change in authorization FY 2010	(320,469)	-		-
BOF Reversions	(700,000)	-		-
Art in Public Places	(64,630)	-		-
Transfers	-	-		-
Laws of 2007, CH 42, Sec 12 (STB)	300,000	297,000		297,000
Art in Public Places	(3,000)	-		-
Laws of 2006, CH 108 (GOB)	3,000,000	2,577,855		2,577,855
BOF Reversions	(422,145)	-		-
Laws of 2006 CH 111 (STB)	19,247,200	17,626,928		17,626,928
Change in authorization FY 2010	(235,000)	-		-
Change in authorization FY 2010	(364,607)	-		-
Change in authorization FY 2010	112,377	-		-
Art in Public Places	(72,500)	-		-
BOF Reversions	(41,243)	-		-
Laws of 2005, CH 347 (STB)	12,678,400	12,160,756		12,160,756
Change in authorization FY 2010	150,000	-		-
Change in authorization FY 2010	(402,809)	-		-
Art in Public Places	(10,400)	-		-
BOF Reversions	(210,752)	-		-
Laws of 2004, CH 117 (GOB)	11,156,000	10,992,308		10,992,308
Transfers	(4,619,877)	-		-
Other	(6,935)	-		-
BOF Reversions	(90,373)	-		-
BOF Reversions	(73,318)	-		-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY SEVERENCE TAX BONDS 2004 - FUND 81600 (CONTINUED)
For the Year Ended June 30, 2016

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS CONTINUED				
Laws of 2004, CH 126 (STB)	\$ 10,963,000	10,530,802		10,530,802
Change in authorization FY 2010	(150,000)	-		-
Change in authorization FY 2010	(686)	-		-
Art in Public Places	(14,700)	-		-
BOF Reversions	(257,155)	-		-
Laws of 2003, CH 429 (STB)	8,975,613	8,729,660		8,729,660
Change in authorization FY 2010	24,453	-		-
BOF/PED adjustment	20,000	(35,000)		(35,000)
Change in authorization FY 2010	(996)	-		-
BOF Reversions	(275,547)	-		-
Art in Public Places	(1,050)	-		-
Laws of 2002, CH 110 (STB)	309,034	322,522		322,522
BOF/PED adjustment	-	45,749		45,749
BOF Reversions	(2,544)	-		-
TOTAL CASH RECEIPTS	92,370,915	91,391,754		91,391,754
CASH OUTLAYS				
Laws of 2010, CH3, Sec 10 C 3 (GOB)	\$ 500,000	499,998		499,998
Laws of 2010, CH3, Sec 10 C 2 (GOB)	2,000,000	2,000,000		2,000,000
Laws of 2010, CH3, Sec 10 C 1 (GOB)	2,000,000	1,872,676		1,872,676
Laws of 2010, CH3, Sec 10 B (GOB)	2,000,000	2,000,000		2,000,000
Laws of 2010, CH7, Sec 3 (STB)	2,873,589	862,940		862,940
Laws of 2009, CH7 (STB)	2,873,516	1,947,709		1,947,709
Laws of 2010, CH 4, Sec 34 (STB)	100,000	100,000		100,000
BOF Reversions	(100,000)	-		-
Laws of 2008, Ch 80 (GOB)	3,000,000	3,000,000		3,000,000
Laws of 2009, CH 125 Sec 16 (STB)	7,000,000	4,999,999		4,999,999
BOF Reversions	(2,000,000)	-		-
Laws of 2008 CH 92 (STB)	12,828,469	11,801,140		11,801,140
Change in authorization FY 2010	700,000	-		-
Change in authorization FY 2010	(320,469)	-		-
BOF Reversions	(700,000)	-		-
Art in Public Places	(64,630)	5,880		5,880
Transfers	-	-		-
Laws of 2007, CH 42, Sec 12 (STB)	300,000	297,000		297,000
Art in Public Places	(3,000)	-		-
Laws of 2006, CH 108 (GOB)	3,000,000	2,432,794		2,432,794
BOF Reversions	(422,145)	-		-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY SEVERENCE TAX BONDS 2004 - FUND 81600 (CONTINUED)
For the Year Ended June 30, 2016

	Project Authorization	Prior Years	Current Year	Total to Date
CASH OUTLAYS CONTINUED				
Laws of 2006 CH 111 (STB)	\$ 19,247,200	17,522,160		17,522,160
Change in authorization FY 2010	(235,000)	-		-
Change in authorization FY 2010	(364,607)	-		-
Change in authorization FY 2010	112,377	-		-
Art in Public Places	(72,500)	-		-
BOF Reversions	(41,243)	-		-
Laws of 2005, CH 347 (STB)	12,678,400	12,258,185		12,258,185
Change in authorization FY 2010	150,000	-		-
Change in authorization FY 2010	(402,809)	-		-
Art in Public Places	(10,400)	-		-
BOF Reversions	(210,752)	-		-
Laws of 2004, CH 117 (GOB)	11,156,000	10,953,095		10,953,095
Transfers	(4,619,877)	-		-
Other	(6,935)	-		-
BOF Reversions	(90,373)	-		-
BOF Reversions	(73,318)	-		-
Laws of 2004, CH 126 (STB)	10,963,000	10,099,687		10,099,687
Change in authorization FY 2010	(150,000)	-		-
Change in authorization FY 2010	(686)	-		-
Art in Public Places	(14,700)	-		-
BOF Reversions	(257,155)	-		-
Laws of 2003, CH 429 (STB)	8,975,613	9,088,354		9,088,354
Change in authorization FY 2010	24,453	-		-
BOF/PED adjustment	20,000	-		-
Change in authorization FY 2010	(996)	-		-
BOF Reversions	(275,547)	-		-
Art in Public Places	(1,050)	-		-
Laws of 2002, CH 110 (STB)	309,034	218,145		218,145
BOF/PED adjustment	-	(477,079)		(477,079)
BOF Reversions	(2,544)	-		-
Transfers	-	(234,709)		(234,709)
TOTAL CASH OUTLAYS	<u>92,370,915</u>	<u>91,247,974</u>		<u>91,247,974</u>
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	<u>\$ -</u>	<u>143,780</u>		<u>143,780</u>
OTHER ASSETS, June 30, 2016				\$ 38,186
PAYABLES, June 30, 2016				<u>(24,347)</u>
FUND BALANCE (DEFICIT), June 30, 2016				<u>\$ 157,619</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY 2000 - FUND 81800
For the Year Ended June 30, 2016

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS				
Laws of 2002, CH 23	\$ 2,178,000	2,178,000	-	2,178,000
Increase in Authorization, Laws of 2002, CH 23	85,000	-	-	-
Laws of 2001	1,200,000	1,200,000	-	1,200,000
Reversions 2010	(53,408)	-	-	-
Laws of 2002 CH 110 (STB)	373,750	250,360	-	250,360
Reversions--Reduction in Auth, Laws of 2002, CH 110	(33,755)	-	-	-
Laws of 2003 CH 429 (STB)	85,000	17,257	-	17,257
Laws of 2003 CH 429	3,280,800	3,280,800	-	3,280,800
Reversions 2010	(151,803)	-	-	-
Reauthorization, Laws of 2006, Ch. 107, Sec 147	(100,000)	-	-	-
Laws of 2003 CH 385	880,300	880,300	-	880,300
Reversion-Reduction in Auth, Laws of 2003, Ch. 385 (HB9)	(75,000)	(75,000)	-	(75,000)
Laws of 2004 CH 126 Sec 145	500,000	500,000	-	500,000
Laws of 2004 CH 126 Sec 136 & 137	21,330,831	21,330,831	-	21,330,831
Reversion- Reduction in Auth, Laws of 2004, Ch. 126 HB9 (04-2557 \$25K/04-2472 \$20K)	(45,000)	(45,000)	-	(45,000)
Reversions 2010	(636,869)	-	-	-
Laws of 2005 CH 347 Sec 48	20,060,590	20,060,590	-	20,060,590
Reversions 2010	(715,395)	-	-	-
Reauthorization, Laws of 2005, CH 347 (05-1969)	(56,147)	-	-	-
Reauthorization, Laws of 2007, Ch 341	(376,477)	-	-	-
Laws of 2005 CH 347 Sec 256	50,000	50,000	-	50,000
Laws of 2006, CH 111, Sec 39	25,826,000	25,626,000	-	25,626,000
Reauthorization, Laws of 2007, Ch 341, item 328	(200,000)	-	-	-
Reversions 2010	(1,047,787)	-	-	-
Reauthorization Laws 2007, Ch 341	(740,000)	-	-	-
Reauthorization (08-5285)	(30,000)	-	-	-
Laws of 2006, Ch. 107, Sec. 175, 64, 87, 32, 142	256,400	220,000	-	220,000
Laws of 2007, Ch. 2, Sec. 16	11,302,100	11,302,100	-	11,302,100
Reversions 2012	-	-	-	-
Laws of 2007, Ch. 42, Sec. 55	52,305,034	52,397,149	-	52,397,149
Laws of 2007, Ch 42, Sec 99	50,000	50,000	-	50,000
Reauthorization, Laws of 2007, Ch 42, Sec 99	(130,000)	-	-	-
Laws of 2007, Ch 334, Sec 5K	100,000	100,000	-	100,000
Reversions 2010	(6,521,951)	-	-	-
Reauthorization, Laws of 2007, Ch 42, Sec 55	(2,640,000)	-	-	-
Laws of 2007, Ch 341, Sec 232, 204, 205, 207, 209, 232, 333	2,421,000	2,421,000	-	2,421,000
Laws of 2008, Ch. 92, Sec. 44	18,980,000	19,008,465	-	19,008,465
Reversions 2010	(3,213,650)	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY 2000 - FUND 81800 (CONTINUED)
For the Year Ended June 30, 2016

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS (CONTINUED)				
Reauthorization, Laws of 2008, Ch 92	\$ (79,000)	-	-	-
Laws of 2008, Ch. 83, Sec. 108, 173, 312, 102, 84, 115, 232, 351	405,000	405,000	-	405,000
Reauthorization (08-5074)	(25,000)	-	-	-
Laws of 2009, Ch. 128, various secs.	1,528,426	1,453,425	-	1,453,425
Refunds/cancelled warrants		31,140	-	31,140
Reversions of 2012	(6,536)	6,921	-	6,921
Transfers		313,255	-	313,255
Adjustments		24,872	-	24,872
TOTAL CASH RECEIPTS	146,320,451	162,987,465	-	162,987,465
CASH OUTLAYS				
Laws of 2002, CH 23	2,178,000	2,855,622	-	2,855,622
Increase in Authorization, Laws of 2002, CH 23	85,000	-	-	-
Laws of 2001	1,200,000	453,968	-	453,968
Reversions 2010	(53,408)	53,408	-	53,408
Laws of 2002 CH 110 (STB)	373,750	283,522	-	283,522
Reversions--Reduction in Auth, Laws of 2002, CH 110	(33,755)	-	-	-
Laws of 2003 CH 429 (STB)	85,000	85,000	-	85,000
Laws of 2003 CH 429	3,280,800	3,401,611	-	3,401,611
Reversions 2010	(151,803)	151,803	-	151,803
Reauthorization, Laws of 2006, Ch. 107, Sec 147	(100,000)	100,000	-	100,000
Laws of 2003 CH 385	880,300	531,009	-	531,009
Reversion-Reduction in Auth, Laws of 2003, Ch. 385	(75,000)	-	-	-
Laws of 2004 CH 126 Sec 145	500,000	126,074	-	126,074
Laws of 2004 CH 126 Sec 136 & 137	21,330,831	20,583,475	-	20,583,475
Reversion- Reduction in Auth, Laws of 2004, Ch. 126	(45,000)	-	-	-
Reversions 2010	(636,869)	636,869	-	636,869
Laws of 2005 CH 347 Sec 48	20,060,590	19,554,219	-	19,554,219
Reversions 2010	(715,395)	715,395	-	715,395
Reauthorization, Laws of 2005, CH 347	(56,147)	-	-	-
Reauthorization, Laws of 2007, Ch 341	(376,477)	1,100	-	1,100
Laws of 2005 CH 347 Sec 48 - reauthorization	50,000	50,000	-	50,000
Laws of 2005 CH 347 Sec 48 - reauthorization		230,150	-	230,150
Laws of 2006, CH 111, Sec 39	25,826,000	24,750,338	-	24,750,338
Reauthorization, Laws of 2007, Ch 341, item 328	(200,000)	-	-	-
Reversions 2010	(1,047,787)	1,047,787	-	1,047,787
Reauthorization Laws 2007, Ch 341	(740,000)	-	-	-
Reauthorization (08-5285)	(30,000)	-	-	-
Laws of 2006, Ch. 107, Sec. 175, 64, 87, 32, 142	256,400	216,512	-	216,512

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY 2000 - FUND 81800 (CONTINUED)
For the Year Ended June 30, 2016

	Project Authorization	Prior Years	Current Year	Total to Date
CASH OUTLAYS (CONTINUED)				
Laws of 2007, Ch. 2, Sec. 16	\$ 11,302,100	9,931,610	-	9,931,610
Reversions 2012		6,536	-	6,536
Laws of 2007, Ch. 42, Sec. 55	52,305,034	45,301,151	-	45,301,151
Reversions 2010	(6,521,951)	6,521,951	-	6,521,951
Reauthorization, Laws of 2007, Ch 42, Sec 55	(2,640,000)	1,790,000	-	1,790,000
Reversions 2012		231,374	-	231,374
Laws of 2007, Ch 341, Sec 104, 204, 207, 209, 232, 333	2,421,000	2,013,633	-	2,013,633
Reversions 2012		945	-	945
Laws of 2008, Ch. 92, Sec. 44	18,980,000	14,815,628	-	14,815,628
Reversions 2010	(3,213,650)	3,213,650	-	3,213,650
Reversions 2012		36,649	-	36,649
Reauthorization, Laws of 2008, Ch 92	(79,000)	40,000	-	40,000
Laws of 2008, Ch. 83, Sec. 108, 173, 312, 102, 84, 115, 232, 351	405,000	891,162	-	891,162
Reauthorization Laws 2006, Ch 111., Sec. 52	(25,000)	25,000	-	25,000
AIPP Transfer		1,200	-	1,200
Laws of 2009, Ch. 128, various sections	1,528,425	1,187,972	-	1,187,972
Reversions		-	-	-
Reversions 2013		39,394	-	39,394
Adjustment		315,724	-	315,724
Transfers		741,480	-	741,480
TOTAL CASH OUTLAYS	146,306,986	162,932,923	-	162,932,923
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	54,543	-	54,543
OTHER ASSETS, June 30, 2016				\$ 7,350
LIABILITIES, June 30, 2016				(220,578)
FUND BALANCE (DEFICIT), June 30, 2016				\$ (158,685)

See Independent Auditors Report

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
STB CAPITAL OUTLAY - FUND 89200
For the Year Ended June 30, 2016

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS				
Laws of 2001, CH 338 SB9 (SSTB 2011-2012)	\$ 19,200,000	13,953,065	2,763,390	16,716,455
Laws of 2001, CH 338 SB9 (SSTB 2010-2011)	18,800,000	18,341,989	339,640	18,681,629
Laws 2001 CH 338 SB9 (SSTB 2012-2013)	19,600,000	7,864,936	1,333,023	9,197,959
Laws 2001 CH 338 SB9 (SSTB 2012-2013) Reauthorization	20,200,000	-	9,120,174	9,120,174
Laws of 2012, CH 63 (STB 2012-2013)	708,067	707,776	-	707,776
Laws of 2012, CH 64 (STB 2012-2013)	7,157,500	5,090,059	38,268	5,128,327
Laws of 2012, CH 64 (STB 2012-2013) Reauthorization	200,167	-	87,379	87,379
Laws of 2013, CH 226 (STB 2012-2013)	26,701,102	9,088,684	6,404,128	15,492,812
Laws of 2013, CH 226 & 338 (SSTB 2012-2013)	15,500,000	9,633,075	579,336	10,212,411
Laws of 2013, CH 226 & 338 (SSTB 2012-2013) Reauthorization	50,000	-	-	-
Laws of 2013, CH 226 & 338 (SSTB 2012-2013)	39,800,000	7,083,043	19,566,405	26,649,448
Laws of 2012, CH 54 (GOB 2012-2013)	3,000,000	1,560,059	903,248	2,463,307
Laws of 2014, CH 66 (2013-2014)	14,895,000	13,590,491	3,701,863	17,292,354
Laws of 2014, CH 66 (2013-2014) Reauthorization	982,000	-	565,623	565,623
Laws of 2015, CH 3 (STB 2014-2015)	13,322,036	-	9,101,299	9,101,299
Laws of 2014, CH 65 (GOB 2014-2015)	3,500,000	-	1,525,381	1,525,381
Laws of 2015, CH 3 (SSTB 2014-2015)	5,000,000	-	3,839,706	3,839,706
TOTAL CASH RECEIPTS	208,615,872	86,913,177	59,868,863	146,782,040
CASH OUTLAYS				
Laws of 2001, CH 338 SB9 (SSTB 2011-2012)	19,200,000	13,691,410	2,771,454	16,462,864
Laws of 2001, CH 338 SB9 (SSTB 2010-2011)	18,800,000	16,353,165	300,812	16,653,977
Laws 2001 CH 338 SB9 (SSTB 2012-2013)	19,600,000	8,411,420	1,333,023	9,744,443
Laws 2001 CH 338 SB9 (SSTB 2012-2013) Reauthorization	20,200,000	-	9,120,174	9,120,174
Laws of 2012, CH 63 (STB 2012-2013)	708,067	199,709	-	199,709
Laws of 2012, CH 64 (STB 2012-2013)	7,157,500	5,277,537	38,268	5,315,805
Laws of 2012, CH 64 (STB 2012-2013) Reauthorization	200,167	-	87,379	87,379
Laws of 2013, CH 226 (STB 2012-2013)	26,701,102	9,389,938	4,654,484	14,044,422
Laws of 2013, CH 226 & 338 (SSTB 2012-2013)	15,500,000	10,416,471	579,336	10,995,807
Laws of 2013, CH 226 & 338 (SSTB 2012-2013) Reauthorization	50,000	-	-	-
Laws of 2013, CH 226 & 338 (SSTB 2012-2013)	39,800,000	7,336,321	19,566,405	26,902,726
Laws of 2012, CH 54 (GOB 2012-2013)	3,000,000	100,224	903,248	1,003,472
Laws of 2014, CH 66 (2013-2014)	14,895,000	13,688,727	3,657,301	17,346,028
Laws of 2014, CH 66 (2013-2014) Reauthorization	982,000	-	627,334	627,334
Laws of 2015, CH 3 (STB 2014-2015)	13,322,036	-	9,257,696	9,257,696
Laws of 2014, CH 65 (GOB 2014-2015)	3,500,000	-	1,524,646	1,524,646
Laws of 2015, CH 3 (SSTB 2014-2015)	5,000,000	-	3,839,706	3,839,706
Adjustment	-	400,105	-	400,105
TOTAL CASH OUTLAYS	208,615,872	85,265,027	58,261,266	143,526,293
EXCESS OF CASH REVESIVED OVER CASH OUTLAYS	\$ -	1,648,150	1,607,597	3,255,747
RECEIVABLES, June 30, 2016				\$ 25,781,313
PAYABLES, June 30, 2016				(29,184,751)
FUND BALANCE (DEFICIT), June 30, 2016				\$ (147,691)

See Independent Auditors Report

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
GENERAL FUND - FUND 93100
For the Year Ended June 30, 2016

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
CASH RECEIPTS				
Laws of 2011, Senate Bill 373				
Account 101900	\$ 689,258	680,641		680,641
Less return of funds to DFA	-	(48,790)		(48,790)
Transfers	-	(54,858)		(54,858)
TOTAL CASH RECEIPTS	<u>689,258</u>	<u>576,993</u>	-	<u>576,993</u>
CASH OUTLAYS				
Laws of 2011, Senate Bill 373				
Account 101900	689,258	548,864		548,864
TOTAL CASH OUTLAY	<u>689,258</u>	<u>548,864</u>		<u>548,864</u>
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	<u>\$ 689,258</u>	<u>28,129</u>	<u>-</u>	<u>28,129</u>
RECEIVABLES, June 30, 2016				\$ -
PAYABLES, June 30, 2016				<u>(34,680)</u>
FUND BALANCE (DEFICIT), June 30, 2016				<u>\$ (6,551)</u>

See Independent Auditors Report

OTHER INFORMATION

Agency Number	Agency Name	State Agencies	RFB/RFP# (if applicable)	Type of Procurement	Vendor Name	Did Vendor Win Contract?	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Physical address of vendor (City, State)	Did the Vendor provide documentation of eligibility for in-state preference?	Did the Vendor provide documentation of eligibility for veterans' preference?	Brief Description of the Scope of Work	If the procurement is attributable to a Component Unit, Name of Component Unit
PUBLIC EDUCATION DEPARTMENT													
92400	New Mexico Public Education Department	State Agencies	60-924-15-20642	Competitive (RFP or RFB)	AMERICAN INSTITUTE FOR RESEARCH	Winner	\$ 1,373,597.00		1000 Thomas Jefferson St NW Washington DC 20007	No	No	New Mexico alternate performance assessment	N/A
92400	New Mexico Public Education Department	State Agencies	RFP 13924	Competitive (RFP or RFB)	AMPLIFY EDUCATION INC	Winner	\$ 1,899,999.58		55 Washington Street, STE 900 Brooklyn NY 11201	No	No		N/A
92400	New Mexico Public Education Department	State Agencies	15-92400-00007	Competitive (RFP or RFB)	AXIOM CERTIFIED PUBLIC ACCOUNTANTS	Winner	\$ 427,775.46		Sun Valley Commercial Center 316 Osuna Rd NE suite 401 ABQ, NM 87107	Yes	No	Audit services	N/A
92400	New Mexico Public Education Department	State Agencies	40-924-14-18056	Competitive (RFP or RFB)	BLACKBOARD INC	Winner	\$ 1,385,777.99		650 Massachusetts AVE NW 6th Floor Washington DC, 20001	No	No	New Mexico eLearning System, Perpetual License Maintenance and Support	N/A
92400	New Mexico Public Education Department	State Agencies	15-924-00003	Competitive (RFP or RFB)	BRUSTEIN & MANASEVIT	Winner	\$ 73,375.63		3105 South ST NW Washington DC 20007	No	No	Legal training for title 1 staff	N/A
92400	New Mexico Public Education Department	State Agencies	RFP	Competitive (RFP or RFB)	CENTRIC MANAGEMENT SERVICES LLC	Winner	\$ 179,117.96		29 Northland Meadows Drive Suite 115 Edgewood NM 87015	Yes	No	IT Professional Services	N/A
92400	New Mexico Public Education Department	State Agencies	40-000-14-00106	Competitive (RFP or RFB)	CLOVER LEAF SOLUTIONS INC	Winner	\$ 70,000.00		5600 Wyoming BLVD NE STE 270 Albuquerque NM 87109	Yes	No	IT Agreement for IV & V (Independent Verification & Validation) for RTT - ECIDIS Data Warehouse.	N/A
92400	New Mexico Public Education Department	State Agencies	15-924-15-19281	Competitive (RFP or RFB)	D2L LTD	Winner	\$ 200,000.00		500 York Road Towson MD Maryland 21204	No	No	New Mexico eLearning Management system-D2L software access, implementation and training.	N/A
92400	New Mexico Public Education Department	State Agencies	60-924-15-20174	Competitive (RFP or RFB)	ESCHOLAR LLC	Winner	\$ 796,980.00		222 BLOOMINGDALE ROAD STE 107 White Plains NY NY 10605	No	No	Race to the Top Early Learning Challenge Early Childhood Integrated Data System (ecids). 16 924 P527 00324 expires: 12/31/2016	N/A
92400	New Mexico Public Education Department	State Agencies		Sole Source	ESCHOLAR LLC	Winner	\$ 225,930.00		222 BLOOMINGDALE ROAD STE 107 White Plains NY NY 10605	No	No	Complete Data Warehouse: 15-924-PS27-00307 SPD- 50-92400-14-19095 EXPIRES: 12/31/2015	N/A
92400	New Mexico Public Education Department	State Agencies		Sole Source	ESCHOLAR LLC	Winner	\$ 233,575.98		222 BLOOMINGDALE ROAD STE 107 White Plains NY NY 10605	No	No	Student Teacher Accountability Reporting System (STARS) Operational Maintenance & Support. 15-924-PS27-00317 expires: 6/30/2016	N/A
92400	New Mexico Public Education Department	State Agencies		Sole Source	INTEAM ASSOCIATES INC	Winner	\$ 218,132.86		PO BOX 2410 Santa Monica CA 90407-2410	Yes	No	IT Sole Source student nutrition portal. 15-924-PS27-00508 SPD: 50-92400-14-19121 Expires: 12/31/2015	N/A
92400	New Mexico Public Education Department	State Agencies		Sole Source	MEASURED PROGRESS	Winner	\$ 2,374,634.00		100 Education Way Dover NH New Hampshire 03820	Yes	No	PSC 13-924-PS27-00265 Amend 4 the contractor shall design an FY16 & FY 17 HSGA retest in reading and math. EXPIRES: 6/30/2017	N/A
92400	New Mexico Public Education Department	State Agencies	15-924-00005	Competitive (RFP or RFB)	MONTGOMERY & ANDREWS PA	Winner	\$ 595,593.75		PO BOX 2307 Santa Fe, New Mexico 87504	Yes	No	Provided Legal service to PED	N/A
92400	New Mexico Public Education Department	State Agencies		Sole Source	NEW MEXICO ASSOCIATION FOR THE EDUCATION	Winner	\$ 200,000.00		2201 Buena Vista DR SE Suite 301 ABQ, NM 87106	Yes	No	T.E.A.C.H. Scholarship funding 16-924-PS27-00015	N/A
92400	New Mexico Public Education Department	State Agencies		Sole Source	PARCC INC	Winner	\$ 211,788.81		1747 Pennsylvania AVE NW 6th Floor Washington DC 20006	No	No	Assessment	N/A
92400	New Mexico Public Education Department	State Agencies	15-924-00002	Competitive (RFP or RFB)	TEACH FOR AMERICA INC	Winner	\$ 322,691.00		25 Broadway 12th floor New York New York 10004	No	No	Teacher support contract	N/A
92400	New Mexico Public Education Department	State Agencies	RFP # 06139	Competitive (RFP or RFB)	TEACHSCHAPE INC	Winner	\$ 2,009,880.26		PO BOX 49242 San Jose CA 95161-9242	No	No	NM TEACH observation support	N/A
92400	New Mexico Public Education Department	State Agencies	40-924-00000-17190	Competitive (RFP or RFB)	WESTED	Winner	\$ 302,541.26		4665 Lampson Avenue Los Alamitos CA 90720	No	No	To develop kindergarten entry assessments	N/A
DEPARTMENT OF VOCATIONAL REHABILITATION													
644	New Mexico Division of Vocational Rehabilitation	State Agencies	RFP 15-0004	Competitive (RFP or RFB)	Janice Kando MD	Winner	\$80,390.63		PO Box 90, Corrales, NM 1117 Cuatro Cerros Trail SE, Albuquerque, NM	No	No	Medical Consultant Services	N/A
644	New Mexico Division of Vocational Rehabilitation	State Agencies	RFP 15-0004	Competitive (RFP or RFB)	Carolyn "Cl" Feng MD	Winner	\$64,312.50		2000 Paseo De La Villa SE, Albuquerque, NM	No	No	Medical Consultant Services	N/A
644	New Mexico Division of Vocational Rehabilitation	State Agencies	RFP 15-0004	Competitive (RFP or RFB)	Barbara Abercrombie MD	Winner	\$80,390.63		Albuquerque, NM 1707 Escalante Ave, SW Albuquerque, NM	No	No	Medical Consultant Services	N/A
644	New Mexico Division of Vocational Rehabilitation	State Agencies	RFP 15-0004	Competitive (RFP or RFB)	Cathy L. Simutis MD	Winner	\$80,390.63		2152 Ridgeview Cir, Santa Fe, NM	No	No	Medical Consultant Services	N/A
644	New Mexico Division of Vocational Rehabilitation	State Agencies	RFP 16-0002	Competitive (RFP or RFB)	Richard L Sorensen PHD	Winner	\$64,312.50		7416 Vista Del Arroyo NE, Albuquerque, NM	No	No	Medical Consultant Services	N/A
644	New Mexico Division of Vocational Rehabilitation	State Agencies	RFP 16-0002	Competitive (RFP or RFB)	Stanley Z Berman MD	Winner	\$64,312.50		MSC 419013, PO Box 41500, Nashville, TN	No	No	Software Maintenance	N/A
644	New Mexico Division of Vocational Rehabilitation	State Agencies		Sole Source	MicroPact Global Inc	Winner	\$77,773.75			No	No		N/A
CHARTER SCHOOLS													
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements

June 30, 2016

VOLUME II



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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VOLUME II

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2016

Federal Agency / Pass-Through Agency	Pass - Through	Federal CFDA Number	Pass-Through Expenditures	Department Expenditures	Total Federal Expenditures
PUBLIC EDUCATION DEPARTMENT					
DEPARTMENT OF AGRICULTURE:					
Food and Nutrition Service:					
Child Nutrition Cluster	Federal Direct	10.553/10.555	\$ 146,033,119	\$ 1,467,226	\$ 147,500,345
Total Child Nutrition Cluster					<u>147,500,345</u>
New Meal Patterns/SAE	Federal Direct	10.560	-	272,642	272,642
Fresh Fruit and Vegetable Program	Federal Direct	10.582	2,051,217	66,210	2,117,427
National School Lunch Program - Equipment	Federal Direct	10.579	271,881	-	271,881
TOTAL U.S. DEPARTMENT OF AGRICULTURE					<u>150,162,295</u>
U.S. DEPARTMENT OF EDUCATION:					
Office of Elementary and Secondary Education:					
Title I Grants to Local Educational Agencies	Federal Direct	84.010A	124,520,997	1,787,929	126,308,926
Total Title I Grants to Local Education Agencies					<u>126,308,926</u>
School Achievement Fund 1003(g)	Federal Direct	84.377A	1,991,713	307,597	2,299,310
Total School Achievement Fund 1003(g)					<u>2,299,310</u>
Education for Homeless Children and Youth	Federal Direct	84.196A	324,637	112,939	437,576
Total Education for the Homeless					<u>437,576</u>
Migrant Education - State Grant Program	Federal Direct	84.011A	623,142	169,287	792,429
Title I Program for Neglected and Delinquent Children	Federal Direct	84.013A	250,399	-	250,399
MEP Consort. Incentive Grants (Migrant Consortium)	Federal Direct	84.144F	-	115,386	115,386
School Safety National Activities	Federal Direct	84.184E	-	170,204	170,204
Twenty-first Century Community Learning Centers	Federal Direct	84.287C	8,101,363	390,155	8,491,518
Rural Education	Federal Direct	84.358B	911,642	40,037	951,679
Title III English Language Acquisition Grants	Federal Direct	84.365A	4,182,119	363,819	4,545,938
Mathematics and Science Partnerships	Federal Direct	84.366B	-	1,025,655	1,025,655
Title II Improving Teacher Quality State Grants	Federal Direct	84.367A	19,833,476	828,490	20,661,966
Grants for State Assessments and Related Activities	Federal Direct	84.369A	-	4,156,067	4,156,067
Total Office of Elementary and Secondary Education					<u>170,207,053</u>
Office of Special Education and Rehabilitative Services:					
Special Education Cluster (IDEA)					
Special Education - Grants to States	Federal Direct	84.027A	77,560,251	10,475,509	88,035,760
Special Education - Preschool Grants	Federal Direct	84.173A	2,197,153	1,049,872	3,247,025
Total Special Education Cluster (IDEA)					<u>91,282,785</u>
Special Education - State Personnel Development	Federal Direct	84.323A	-	967,548	967,548
Office of Innovation and Improvement:					
Advance Placement Program	Federal Direct	84.330B	-	134,596	134,596
Race to the Top	Federal Direct	84.412A	-	12,469,729	12,469,729
Total Office of Innovation and Improvement					<u>12,604,325</u>

See Notes to the Schedule of Expenditures of Federal Awards

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
For the Year Ended June 30, 2016

Federal Agency / Pass-Through Agency	Pass - Through	Federal CFDA Number	Pass-Through Expenditures	Department Expenditures	Total Federal Expenditures
U.S. DEPARTMENT OF EDUCATION - continued:					
Office of Vocation and Adult Education:					
Carl Perkins - Voc. Educ. - Basic Grants to States/Adult Educ. - State Grant Program	Federal Direct	84.048A	8,520,406	1,270,165	9,790,571
TOTAL U.S. DEPARTMENT OF EDUCATION					<u>284,852,282</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES:					
Centers for Disease Control and Prevention:					
Centers for Disease Control and Prev. - Investigations and Tech. Assistance	Federal Direct	93.283	-	349,104	349,104
Office of the Secretary					
Pregnancy Assistance Fund Program	Federal Direct	93.500	-	1,449,606	1,449,606
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					<u>1,798,710</u>
TOTAL EXPENDITURES - PUBLIC EDUCATION DEPARTMENT			<u>\$ 397,373,515</u>	<u>\$ 39,439,772</u>	<u>\$ 436,813,287</u>

See Notes to the Schedule of Expenditures of Federal Awards

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
For the Year Ended June 30, 2016

Federal Agency / Pass-Through Agency	Pass - Through	Federal CFDA Number	Federal Participating Expenditures
DIVISION OF VOCATIONAL REHABILITATION			
U.S. DEPARTMENT OF EDUCATION:			
Office of Special Education and Rehabilitative Services:			
Rehabilitation Services Cluster			
Rehabilitation Services - Vocational Rehabilitation Grants to States	Federal Direct	84.126A	\$ 18,862,137
TOTAL REHABILITATION SERVICE CLUSTER			<u>18,862,137</u>
Supported Employment Services for Individuals with Severe Disabilities	Federal Direct	84.187A	299,063
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>19,161,200</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Independent Living State Grants	Federal Direct	93.369	256,949
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>256,949</u>
SOCIAL SECURITY ADMINISTRATION:			
Disability Insurance	Federal Direct	96.001	12,717,475
TOTAL SOCIAL SECURITY ADMINISTRATION			<u>12,717,475</u>
TOTAL EXPENDITURES - DIVISION OF VOCATIONAL REHABILITATION			<u>32,135,624</u>
TOTAL FEDERAL EXPENDITURES			<u>\$ 468,948,911</u>

See Notes to the Schedule of Expenditures of Federal Awards

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2016**

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the State of New Mexico Public Education Department (PED) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in the Schedule is presented in accordance with the requirements Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

NOTE 2. INDIRECT COST RATE

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. Certain of the PED's federal award programs have been charged with indirect costs, based upon a rate established by the State of New Mexico, and the PED has elected not to use the 10% de minimis indirect costs rate allowed under the Uniform Guidance applied to overall expenditures. The PED's indirect cost rate for the year was 21.3% for the Department and 30.1% for the Division.

NOTE 3. NON-CASH ASSISTANCE

The Department did not receive any federal non-cash assistance during the year ended June 30, 2016.

NOTE 4. LOANS

The Department does not have any loans outstanding with the Federal government at June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
84.010	Title I Grants to Local Educational Agencies		
		ACADEMY OF TRADES AND TECHNOLOGY	\$ 84,744
		ALAMOGORDO PUBLIC SCHOOLS	1,500,471
		ALBUQUERQUE PUBLIC SCHOOLS	35,971,304
		ALBUQUERQUE SCHOOL OF EXCELLENCE	101,551
		ALBUQUERQUE SIGN LANGUAGE ACADEMY	13,409
		ALDO LEOPOLD CHARTER SCHOOL	9,279
		ALMAD'ARTE CHARTER HIGH SCHOOL	36,785
		AMY BIEHL CHARTER SCHOOL	74,815
		ANIMAS PUBLIC SCHOOLS	108,512
		ANTHONY CHARTER SCHOOL	32,964
		ARTESIA PUBLIC SCHOOLS	637,541
		AZTEC MUNICIPAL SCHOOLS DISTRICT #2	469,702
		BELEN CONSOLIDATED SCHOOLS	1,294,984
		BERNALILLO MUNICIPAL SCHOOL	1,029,318
		BLOOMFIELD SCHOOLS	1,103,831
		CAPITAN MUNICIPAL SCHOOLS	142,242
		CARLSBAD MUNICIPAL SCHOOLS	1,287,018
		CARINOS CHARTER SCHOOL	(19,368)
		CARRIZOZO MUNICIPAL SCHOOLS	77,520
		CENTRAL CONSOLIDATED SCHOOLS #22	4,420,428
		CESAR CHAVEZ COMMUNITY SCHOOL	94,115
		CHAMA VALLEY INDEPENDENT	93,255
		CIEN AGUAS INTERNATIONAL SCHOOL	50,183
		CIMARRON MUNICIPAL SCHOOLS	74,445
		CLAYTON MUNICIPAL SCHOOLS	121,945
		CLOUDCROFT MUNICIPAL SCHOOLS	76,137
		CLOVIS MUNICIPAL SCHOOLS	2,208,840
		COBRE CONSOLIDATED SCHOOLS	461,028
		CORAL COMMUNITY CHARTER	35,510
		CORONA PUBLIC SCHOOLS	28,026
		CREATIVE EDUCATION PREPARATORY	10,163
		CUBA INDEPENDENT SCHOOLS	708,684
		DEMING PUBLIC SCHOOLS	6,218,795
		DES MOINES MUNICIPAL SCHOOLS	59,419
		DEXTER CONSOLIDATED SCHOOLS	177,785
		DORA CONSOLIDATED SCHOOL	55,447
		DULCE INDEPENDENT SCHOOLS #21	244,030
		ELIDA MUNICIPAL SCHOOLS	22,201
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	1,229,033
		ESTANCIA BOARD OF EDUCATION	230,727
		ESTANCIA VALLEY CLASSICAL ACADEMY	73,626
		EUNICE PUBLIC SCHOOLS	76,805
		EXPLORE ACADEMY	34,153

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		FARMINGTON MUNICIPAL SCHOOLS	2,834,066
		FLOYD MUNICIPAL SCHOOLS	54,519
		FORT SUMNER MUNICIPAL SCHOOLS	154,349
		GADSDEN INDEPENDENT SCHOOL DISTRICT	10,226,955
		GALLUP-MCKINLEY COUNTY SCHOOL	7,523,796
		GILBERT L SENA HIGH SCHOOL	65,761
		GRADY MUNICIPAL SCHOOLS	12,315
		GRANTS/CIBOLA COUNTY SCHOOL	2,446,810
		GREAT ACADEMY, THE	21,574
		HAGERMAN MUNICIPAL SCHOOLS	180,511
		HATCH VALLEY PUBLIC SCHOOLS	1,064,549
		HEALTH LEADERSHIP HIGH SCHOOL	40,759
		HOBBS MUNICIPAL SCHOOLS	2,591,743
		HONDO VALLEY SCHOOLS	68,931
		HORIZON ACADEMY WEST	178,792
		HOUSE MUNICIPAL SCHOOL	13,353
		INTERNATIONAL SCHOOL AT MESA DEL SOL,	45,876
		JAL PUBLIC SCHOOLS	88,177
		JEMEZ MTN SCHOOL DIST NO 53	140,680
		JEMEZ VALLEY PUBLIC SCHOOLS	143,960
		LA ACADEMIA DOLORES HUERTA	84,750
		LA JICARITA COMMUNITY SCHOOL	14,106
		LA PROMESA EARLY LEARNING CENTER	192,283
		LA RESOLANA LEADERSHIP ACADEMY	40,988
		LA TIERRA MONTESSORI SCHOOL OF THE ARTS	30,572
		LAKE ARTHUR MUNICIPAL SCHOOLS	29,631
		LAS CRUCES SCHOOL DISTRICT #2	7,790,169
		LAS MONTANAS CHARTER HIGH SCHOOL	64,740
		LAS VEGAS CITY SCHOOLS	1,079,284
		LOGAN MUNICIPAL SCHOOL	22,901
		LORDSBURG MUNICIPAL SCHOOLS	329,229
		LOS ALAMOS PUBLIC SCHOOLS	84,310
		LOS LUNAS SCHOOLS	2,472,837
		LOVING MUNICIPAL SCHOOLS	69,252
		LOVINGTON MUNICIPAL SCHOOLS	623,917
		MAGDALENA MUNICIPAL SCHOOLS	397,586
		MAXWELL MUNICIPAL SCHOOL	18,277
		MCCURDY CHARTER SCHOOL	218,864
		MEDIA ARTS COLLABORATIVE CHARTER SCHOOL	73,900
		MELROSE MUNICIPAL SCHOOLS	65,991
		MESA VISTA CONSOLIDATED SCHOOL	67,293
		MISSION ACHIEVEMENT & SUCCESS CHARTER SC	141,662
		MONTE DEL SOL CHARTER SCHOOL	36,737
		MONTESSORI ELEMENTARY SCHOOL	43,841
		MORA INDEPENDENT SCHOOLS	161,151

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		MORIARTY MUNICIPAL SCHOOLS	736,118
		MOSQUERO MUNICIPAL SCHOOLS	13,019
		MOUNTAINAIR PUBLIC SCHOOLS	125,299
		NEW AMERICA SCHOOL LAS CRUCES	23,029
		NEW AMERICA SCHOOL, THE	91,728
		NEW MEXICO CONNECTIONS ACADEMY	188,633
		NEW MEXICO SCHOOL FOR THE ARTS	31,043
		NM SCHOOL FOR ARCHITECTURE	107,155
		NORTH VALLEY ACADEMY	145,718
		PECOS INDEPENDENT SCHOOLS	226,950
		PENASCO INDEPENDENT SCHOOL DISTRICT	167,437
		POJOAQUE VALLEY SCHOOLS	373,910
		PORTALES MUNICIPAL SCHOOLS	967,864
		QUEMADO INDEPENDENT SCHOOL	113,453
		QUESTA INDEPENDENT SCHOOLS	221,856
		RATON PUBLIC SCHOOLS	355,119
		RED RIVER VALLEY CHARTER SCHOO	16,469
		RESERVE SCHOOL DISTRICT	134,353
		RIO RANCHO PUBLIC SCHOOLS	1,531,451
		ROSWELL INDEPENDENT SCHOOL DISTRICT	3,419,232
		ROY MUNICIPAL SCHOOLS	8,420
		RUIDOSO MUNICIPAL SCHOOLS	526,670
		SAGE MONTESSORI CHARTER SCHOOL	25,433
		SAN JON MUNICIPAL SCHOOLS	44,502
		SANTA FE PUBLIC SCHOOLS	4,172,369
		SANTA ROSA CONSOLIDATED SCHOOLS	213,337
		SCHOOL OF DREAMS ACADEMY	47,659
		SILVER CONSOLIDATED SCHOOLS	786,248
		SOCORRO CONSOLIDATED SCHOOLS	806,616
		SOUTH VALLEY PREPORATORY SCHOOL	60,227
		SOUTHWEST AERONAUTICS, MATHEMATICS, &	48,126
		SOUTHWEST INTERMEDIATE LEARNING CENTER	15,070
		SOUTHWEST PRIMARY LEARNING CTN	14,697
		SOUTHWEST SECONDARY LEARNING	28,233
		SPRINGER MUNICIPAL SCHOOLS	104,484
		T OR C MUNICIPAL SCHOOLS	862,328
		TAOS ACADEMY	45,468
		TAOS INTEGRATED SCHOOL OF THE ARTS	31,662
		TAOS INTERNATIONAL SCHOOL	8,828
		TAOS MUNICIPAL SCHOOLS	1,041,590
		TATUM MUNICIPAL SCHOOLS	43,441
		TEXICO MUNICIPAL SCHOOL	173,693
		TIERRA ADENTRO OF NEW MEXICO	77,912
		TUCUMCARI PUBLIC SCHOOLS	437,355
		TULAROSA MUNICIPAL SCHOOLS	806,085

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount	
		TURQUOISE TRAIL CHARTER SCHOOL	93,598	
		UPLIFT COMMUNITY SCHOOL	41,210	
		VAUGHN MUNICIPAL SCHOOLS	25,356	
		WAGON MOUND PUBLIC SCHOOLS	97,520	
		WALATOWA CHARTER HIGH SCHOOL	13,250	
		WEST LAS VEGAS SCHOOL DISTRICT	643,143	
		WILLIAM W & JOSEPH CHARTER COMMUNITY SCH	32,087	
		ZUNI PUBLIC SCHOOL DIST	1,341,395	
		Total for CFDA 84.010		124,520,997
84.377A	School Achievement Fund 1003(g)			
		ALAMOGORDO PUBLIC SCHOOLS	107,195	
		ALBUQUERQUE PUBLIC SCHOOLS	1,457,624	
		ALBUQUERQUE SIGN LANGUAGE ACADEMY	335,055	
		PECOS INDEPENDENT SCHOOLS	91,839	
		Total for CFDA 84.377A		1,991,713
84.011A	Migrant Education - State Grant Program			
		CLOVIS MUNICIPAL SCHOOLS	80,752	
		DEMING PUBLIC SCHOOLS	241,792	
		DEXTER CONSOLIDATED SCHOOLS	37,148	
		GADSDEN INDEPENDENT SCHOOL DISTRICT	74,919	
		HAGERMAN MUNICIPAL SCHOOLS	26,247	
		LAS CRUCES SCHOOL DISTRICT #2	38,917	
		PORTALES MUNICIPAL SCHOOLS	82,905	
		T OR C MUNICIPAL SCHOOLS	40,462	
		Total for CFDA 84.011A		623,142
84.013A	Title I Program for Neglected and Delinquent Children			
		CENTRAL REGION EDUCATIONAL COOPERATIVE	250,399	
		Total for CFDA 84.013A		250,399
84.287C	Twenty-first Century Community Learning Centers			
		AFTERMATH EDUCATION INC	94,918	
		ALBUQUERQUE PUBLIC SCHOOLS	267,155	
		APPLETREE EDUCATIONAL CENTER	156,930	
		ATRISCO HERITAGE FOUNDATION	112,234	
		BERNALILLO MUNICIPAL SCHOOL	316,904	
		CENTRAL CONSOLIDATED SCHOOLS #22	608,718	
		CENTRAL REGION EDUCATIONAL COOPERATIVE	2,450,263	
		DULCE INDEPENDENT SCHOOLS #21	285,163	
		FARMINGTON MUNICIPAL SCHOOLS	128,575	
		GADSDEN INDEPENDENT SCHOOL DISTRICT	488,051	
		GALLUP-MCKINLEY COUNTY SCHOOL	1,079,640	
		LAGUNA DEPT OF EDUCATION	5,165	
		LAS CRUCES PUBLIC SCHOOLS	342,892	

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount	
		LAS VEGAS CITY SCHOOLS	365,115	
		PUEBLO OF LAGUNA DEPARTMENT OF EDUCATION	82,304	
		REGIONAL EDUCATION CENTER #6	515,372	
		RIO GRANDE EDUCATIONAL COLLABORATIVE	68,381	
		SAN JUAN COUNTY PARTNERSHIP	1,920	
		SANTA FE PUBLIC SCHOOLS	572,848	
		SOCORRO CONSOLIDATED SCHOOLS	128,238	
		SW Regional Education Coop	(3,526)	
		YOUTH DEVELOPMENT INC	34,103	
		Total for CFDA 84.287C		8,101,363
84.358B	Rural Education			
		ARTESIA PUBLIC SCHOOLS	64,294	
		DEMING PUBLIC SCHOOLS	89,780	
		DULCE INDEPENDENT SCHOOLS #21	8,319	
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	55,307	
		GALLUP-MCKINLEY COUNTY SCHOOL	178,555	
		GRANTS/CIBOLA COUNTY SCHOOL	38,961	
		HATCH VALLEY PUBLIC SCHOOLS	21,616	
		LAS VEGAS CITY SCHOOLS	43,291	
		LORDSBURG MUNICIPAL SCHOOLS	10,021	
		LOVINGTON MUNICIPAL SCHOOLS	44,235	
		POJOAQUE VALLEY SCHOOLS	37,366	
		PORTALES MUNICIPAL SCHOOLS	50,806	
		RATON PUBLIC SCHOOLS	12,410	
		RUIDOSO MUNICIPAL SCHOOLS	19,243	
		SANTA ROSA CONSOLIDATED SCHOOLS	9,922	
		SILVER CONSOLIDATED SCHOOLS	47,673	
		SOCORRO CONSOLIDATED SCHOOLS	27,605	
		T OR C MUNICIPAL SCHOOLS	21,808	
		TAOS MUNICIPAL SCHOOLS	55,865	
		TUCUMCARI PUBLIC SCHOOLS	12,615	
		TULAROSA MUNICIPAL SCHOOLS	9,564	
		WEST LAS VEGAS SCHOOL DISTRICT	25,631	
		ZUNI PUBLIC SCHOOL DIST	26,755	
		Total for CFDA 84.358B		911,642
84.365	Title III English Language Acquisition Grants			
		ALBUQUERQUE PUBLIC SCHOOLS	915,893	
		ARTESIA PUBLIC SCHOOLS	17,642	
		BELEN CONSOLIDATED SCHOOLS	7,668	
		BERNALILLO MUNICIPAL SCHOOL	89,252	
		BLOOMFIELD SCHOOLS	27,876	
		CENTRAL CONSOLIDATED SCHOOLS #22	76,445	
		CLOVIS MUNICIPAL SCHOOLS	56,166	
		COBRE CONSOLIDATED SCHOOLS	20,277	

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		CUBA INDEPENDENT SCHOOLS	23,990
		DEMING PUBLIC SCHOOLS	84,967
		DEXTER CONSOLIDATED SCHOOLS	20,006
		DULCE INDEPENDENT SCHOOLS #21	457
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	101,972
		FARMINGTON MUNICIPAL SCHOOLS	61,409
		GADSDEN INDEPENDENT SCHOOL DISTRICT	662,495
		GALLUP-MCKINLEY COUNTY SCHOOL	530,610
		GRANTS/CIBOLA COUNTY SCHOOL	41,588
		HATCH VALLEY PUBLIC SCHOOLS	42,626
		HOBBS MUNICIPAL SCHOOLS	184,918
		LA PROMESA EARLY LEARNING CENTER	41,809
		LAS CRUCES SCHOOL DISTRICT #2	185,337
		LAS VEGAS CITY SCHOOLS	13,156
		LOS LUNAS SCHOOLS	157,145
		LOVINGTON MUNICIPAL SCHOOLS	19,193
		MONTE DEL SOL CHARTER SCHOOL	12,484
		MORIARTY MUNICIPAL SCHOOLS	8,943
		NEW AMERICA SCHOOL, THE	34,187
		POJOAQUE VALLEY SCHOOLS	34,334
		PORTALES MUNICIPAL SCHOOLS	8,614
		RATON PUBLIC SCHOOLS	3,620
		REGION IX EDUCATION COOPERATIVE	13,456
		RIO RANCHO PUBLIC SCHOOLS	43,759
		ROSWELL INDEPENDENT SCHOOL DISTRICT	132,131
		RUIDOSO MUNICIPAL SCHOOLS	8,732
		SANTA FE PUBLIC SCHOOLS	354,775
		TAOS MUNICIPAL SCHOOLS	58,022
		WEST LAS VEGAS SCHOOL DISTRICT	49,661
		ZUNI PUBLIC SCHOOL DIST	36,504
		Total for CFDA 84.365	4,182,119
84.367A	Title II Improving Teacher Quality State Grants		
		ACADEMY OF TRADES AND TECHNOLOGY	12,704
		ALAMOGORDO PUBLIC SCHOOLS	288,020
		ALBUQUERQUE PUBLIC SCHOOLS	4,238,203
		ALBUQUERQUE SCHOOL OF EXCELLENCE	10,693
		ALBUQUERQUE SIGN LANGUAGE ACADEMY	3,150
		ALDO LEOPOLD CHARTER SCHOOL	12,137
		AMY BIEHL CHARTER SCHOOL	10,898
		ANIMAS PUBLIC SCHOOLS	12,720
		ARTESIA PUBLIC SCHOOLS	142,401
		ASK ACADEMY	2,500
		AZTEC MUNICIPAL SCHOOLS DISTRICT #2	162,034
		BELEN CONSOLIDATED SCHOOLS	245,069
		BERNALILLO MUNICIPAL SCHOOL	319,668

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		BLOOMFIELD SCHOOLS	202,787
		CAPITAN MUNICIPAL SCHOOLS	27,940
		CARLSBAD MUNICIPAL SCHOOLS	338,272
		CARRIZO MUNICIPAL SCHOOLS	18,119
		CENTRAL CONSOLIDATED SCHOOLS #22	568,328
		CESAR CHAVEZ COMMUNITY SCHOOL	8,148
		CHAMA VALLEY INDEPENDENT	30,882
		CIEN AGUAS INTERNATIONAL SCHOOL	5,671
		CIMARRON MUNICIPAL SCHOOLS	22,907
		CLAYTON MUNICIPAL SCHOOLS	41,669
		CLOVIS MUNICIPAL SCHOOLS	429,392
		COBRE CONSOLIDATED SCHOOLS	86,228
		CORAL COMMUNITY CHARTER	1,819
		CORONA PUBLIC SCHOOLS	3,912
		COTTONWOOD CLASSICAL PREPARATORY SCHOOL	11,202
		CUBA INDEPENDENT SCHOOLS	100,216
		DEMING PUBLIC SCHOOLS	359,833
		DES MOINES MUNICIPAL SCHOOLS	2,971
		DEXTER CONSOLIDATED SCHOOLS	29,925
		DORA CONSOLIDATED SCHOOL	13,007
		DREAM DINE' CHARTER SCHOOL	697
		DULCE INDEPENDENT SCHOOLS #21	35,881
		ELIDA MUNICIPAL SCHOOLS	1,264
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	581,885
		ESTANCIA BOARD OF EDUCATION	18,195
		ESTANCIA VALLEY CLASSICAL ACADEMY	12,867
		EUNICE PUBLIC SCHOOLS	33,409
		FARMINGTON MUNICIPAL SCHOOLS	334,126
		FLOYD MUNICIPAL SCHOOLS	5,034
		FORT SUMNER MUNICIPAL SCHOOLS	22,714
		GADSDEN INDEPENDENT SCHOOL DISTRICT	1,170,254
		GALLUP-MCKINLEY COUNTY SCHOOL	1,777,601
		GILBERT L SENA HIGH SCHOOL	5,679
		GRADY MUNICIPAL SCHOOLS	3,010
		GRANTS/CIBOLA COUNTY SCHOOL	308,504
		GREAT ACADEMY, THE	8,705
		HAGERMAN MUNICIPAL SCHOOLS	27,843
		HATCH VALLEY PUBLIC SCHOOLS	102,745
		HEALTH LEADERSHIP HIGH SCHOOL	10,908
		HOBBS MUNICIPAL SCHOOLS	766,345
		HONDO VALLEY SCHOOLS	2,530
		HORIZON ACADEMY WEST	41,744
		HOUSE MUNICIPAL SCHOOL	1,222
		INTERNATIONAL SCHOOL AT MESA DEL SOL,	5,334
		J. PAUL TAYLOR ACADEMY	6,366
		JAL PUBLIC SCHOOLS	10,953

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		JEMEZ MTN SCHOOL DIST NO 53	10,879
		JEMEZ VALLEY PUBLIC SCHOOLS	22,684
		LA JICARITA COMMUNITY SCHOOL	3,096
		LA PROMESA EARLY LEARNING CENTER	21,675
		LA RESOLANA LEADERSHIP ACADEMY	2,693
		LA TIERRA MONTESSORI SCHOOL OF THE ARTS	5,788
		LAKE ARTHUR MUNICIPAL SCHOOLS	6,848
		LAS CRUCES SCHOOL DISTRICT #2	1,314,441
		LAS MONTANAS CHARTER HIGH SCHOOL	2,649
		LAS VEGAS CITY SCHOOLS	171,169
		LOGAN MUNICIPAL SCHOOL	7,620
		LORDSBURG MUNICIPAL SCHOOLS	31,887
		LOS ALAMOS PUBLIC SCHOOLS	50,234
		LOS LUNAS SCHOOLS	522,043
		LOVING MUNICIPAL SCHOOLS	18,525
		LOVINGTON MUNICIPAL SCHOOLS	118,511
		MAGDALENA MUNICIPAL SCHOOLS	47,045
		MASTERS PROGRAM, THE	1,887
		MAXWELL MUNICIPAL SCHOOL	3,012
		MCCURDY CHARTER SCHOOL	16,756
		MEDIA ARTS COLLABORATIVE CHARTER SCHOOL	11,876
		MELROSE MUNICIPAL SCHOOLS	11,776
		MESA VISTA CONSOLIDATED SCHOOL	17,685
		MISSION ACHIEVEMENT & SUCCESS CHARTER SC	28,715
		MONTE DEL SOL CHARTER SCHOOL	3,051
		MONTESSORI ELEMENTARY SCHOOL	8,857
		MORA INDEPENDENT SCHOOLS	29,196
		MORIARTY MUNICIPAL SCHOOLS	126,908
		MOUNTAINAIR PUBLIC SCHOOLS	40,677
		NEW AMERICA SCHOOL LAS CRUCES	5,935
		NEW AMERICA SCHOOL, THE	23,051
		NEW MEXICO CONNECTIONS ACADEMY	48,991
		NEW MEXICO SCHOOL FOR THE ARTS	12,581
		NM INTERNATIONAL SCHOOL, THE	4,518
		NM SCHOOL FOR ARCHITECTURE	12,000
		NORTH VALLEY ACADEMY	41,633
		PECOS INDEPENDENT SCHOOLS	47,736
		PENASCO INDEPENDENT SCHOOL DISTRICT	40,246
		POJOAQUE VALLEY SCHOOLS	82,807
		PORTALES MUNICIPAL SCHOOLS	181,317
		QUEMADO INDEPENDENT SCHOOL	11,656
		QUESTA INDEPENDENT SCHOOLS	25,696
		RATON PUBLIC SCHOOLS	52,896
		RED RIVER VALLEY CHARTER SCHOO	6,164
		RESERVE SCHOOL DISTRICT	16,640
		RIO RANCHO PUBLIC SCHOOLS	486,566

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
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Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		ROSWELL INDEPENDENT SCHOOL DISTRICT	619,301
		ROY MUNICIPAL SCHOOLS	2,474
		RUIDOSO MUNICIPAL SCHOOLS	97,585
		SAGE MONTESSORI CHARTER SCHOOL	675
		SAN JON MUNICIPAL SCHOOLS	5,180
		SANTA FE PUBLIC SCHOOLS	850,863
		SANTA ROSA CONSOLIDATED SCHOOLS	53,517
		SCHOOL OF DREAMS ACADEMY	15,429
		SILVER CONSOLIDATED SCHOOLS	236,717
		SOCORRO CONSOLIDATED SCHOOLS	158,363
		SOUTH VALLEY PREPORATORY SCHOOL	14,626
		SOUTHWEST AERONAUTICS, MATHEMATICS, & SOUTHWEST INTERMEDIATE LEARNING CENTER	3,410
		SOUTHWEST SECONDARY LEARNING	950
		SPRINGER MUNICIPAL SCHOOLS	650
		T OR C MUNICIPAL SCHOOLS	13,468
		TAOS ACADEMY	90,314
		TAOS INTEGRATED SCHOOL OF THE ARTS	15,573
		TAOS INTERNATIONAL SCHOOL	7,190
		TAOS MUNICIPAL SCHOOLS	2,017
		TATUM MUNICIPAL SCHOOLS	265,969
		TECHNOLOGY LEADERSHIP HIGH SCHOOL	8,676
		TEXICO MUNICIPAL SCHOOL	300
		TIERRA ADENTRO OF NEW MEXICO	20,129
		TUCUMCARI PUBLIC SCHOOLS	10,766
		TULAROSA MUNICIPAL SCHOOLS	45,120
		TURQUOISE TRAIL CHARTER SCHOOL	139,055
		VAUGHN MUNICIPAL SCHOOLS	11,056
		WAGON MOUND PUBLIC SCHOOLS	4,300
		WALATOWA CHARTER HIGH SCHOOL	16,264
		WEST LAS VEGAS SCHOOL DISTRICT	5,263
		WILLIAM W & JOSEPH CHARTER COMMUNITY SCH	151,739
		ZUNI PUBLIC SCHOOL DIST	1,012
			147,669
		Total for CFDA 84.367A	19,833,476
84.027A	Special Education - Grants to States		
		ACADEMY OF TRADES AND TECHNOLOGY	25,819
		ALAMOGORDO PUBLIC SCHOOLS	1,433,048
		ALBUQUERQUE PUBLIC SCHOOLS	20,702,804
		ALBUQUERQUE SCHOOL OF EXCELLENCE	53,725
		ALBUQUERQUE SIGN LANGUAGE ACADEMY	24,895
		ALDO LEOPOLD CHARTER SCHOOL	28,523
		ALMAD'ARTE CHARTER HIGH SCHOOL	40,769
		AMY BIEHL CHARTER SCHOOL	148,398
		ANIMAS PUBLIC SCHOOLS	51,385
		ANTHONY CHARTER SCHOOL	13,699

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		ARTESIA PUBLIC SCHOOLS	757,558
		ASK ACADEMY	47,729
		AZTEC MUNICIPAL SCHOOLS DISTRICT #2	884,280
		BELEN CONSOLIDATED SCHOOLS	908,903
		BERNALILLO MUNICIPAL SCHOOL	751,360
		BLOOMFIELD SCHOOLS	654,467
		CAPITAN MUNICIPAL SCHOOLS	135,254
		CARLSBAD MUNICIPAL SCHOOLS	1,481,116
		CARRIZOZO MUNICIPAL SCHOOLS	39,185
		CENTRAL CONSOLIDATED SCHOOLS #22	1,314,113
		CENTRAL REGION EDUCATIONAL COOPERATIVE	145,675
		CESAR CHAVEZ COMMUNITY SCHOOL	43,473
		CHAMA VALLEY INDEPENDENT	104,920
		CIEN AGUAS INTERNATIONAL SCHOOL	83,688
		CIMARRON MUNICIPAL SCHOOLS	152,526
		CLAYTON MUNICIPAL SCHOOLS	89,877
		CLOUDCROFT MUNICIPAL SCHOOLS	113,781
		CLOVIS MUNICIPAL SCHOOLS	1,775,064
		COBRE CONSOLIDATED SCHOOLS	385,884
		CORAL COMMUNITY CHARTER	27,538
		CORONA PUBLIC SCHOOLS	22,005
		COTTONWOOD CLASSICAL PREPARATORY SCHOOL	148,151
		CREATIVE EDUCATION PREPARATORY	3,457
		CUBA INDEPENDENT SCHOOLS	209,599
		DEMING PUBLIC SCHOOLS	991,387
		DES MOINES MUNICIPAL SCHOOLS	29,265
		DEXTER CONSOLIDATED SCHOOLS	290,452
		DORA CONSOLIDATED SCHOOL	116,761
		DULCE INDEPENDENT SCHOOLS #21	160,984
		ELIDA MUNICIPAL SCHOOLS	14,056
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	833,935
		ESTANCIA BOARD OF EDUCATION	186,828
		ESTANCIA VALLEY CLASSICAL ACADEMY	56,612
		EUNICE PUBLIC SCHOOLS	182,267
		EXPLORE ACADEMY	26,061
		FARMINGTON MUNICIPAL SCHOOLS	3,161,552
		FLOYD MUNICIPAL SCHOOLS	75,473
		FORT SUMNER MUNICIPAL SCHOOLS	79,927
		GADSDEN INDEPENDENT SCHOOL DISTRICT	2,991,806
		GALLUP-MCKINLEY COUNTY SCHOOL	3,513,886
		GILBERT L SENA HIGH SCHOOL	47,036
		GRADY MUNICIPAL SCHOOLS	22,756
		GRANTS/CIBOLA COUNTY SCHOOL	778,678
		GREAT ACADEMY, THE	32,264
		HAGERMAN MUNICIPAL SCHOOLS	128,058
		HATCH VALLEY PUBLIC SCHOOLS	338,474

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		HEALTH LEADERSHIP HIGH SCHOOL	19,833
		HOBBS MUNICIPAL SCHOOLS	1,671,890
		HONDO VALLEY SCHOOLS	28,913
		HORIZON ACADEMY WEST	137,017
		HOUSE MUNICIPAL SCHOOL	20,087
		INTERNATIONAL SCHOOL AT MESA DEL SOL,	20,989
		J. PAUL TAYLOR ACADEMY	19,827
		JAL PUBLIC SCHOOLS	132,962
		JEMEZ MTN SCHOOL DIST NO 53	84,886
		JEMEZ VALLEY PUBLIC SCHOOLS	88,634
		LA ACADEMIA DOLORES HUERTA	38,605
		LA PROMESA EARLY LEARNING CENTER	68,811
		LA RESOLANA LEADERSHIP ACADEMY	22,339
		LA TIERRA MONTESSORI SCHOOL OF THE ARTS	19,812
		LAKE ARTHUR MUNICIPAL SCHOOLS	45,877
		LAS CRUCES SCHOOL DISTRICT #2	5,905,708
		LAS MONTANAS CHARTER HIGH SCHOOL	29,219
		LAS VEGAS CITY SCHOOLS	408,119
		LOGAN MUNICIPAL SCHOOL	70,776
		LORDSBURG MUNICIPAL SCHOOLS	180,690
		LOS ALAMOS PUBLIC SCHOOLS	904,712
		LOS LUNAS SCHOOLS	1,807,709
		LOVING MUNICIPAL SCHOOLS	151,657
		LOVINGTON MUNICIPAL SCHOOLS	759,905
		MAGDALENA MUNICIPAL SCHOOLS	112,135
		MASTERS PROGRAM, THE	24,292
		MAXWELL MUNICIPAL SCHOOL	72,573
		MCCURDY CHARTER SCHOOL	75,276
		MEDIA ARTS COLLABORATIVE CHARTER SCHOOL	37,309
		MELROSE MUNICIPAL SCHOOLS	63,054
		MESA VISTA CONSOLIDATED SCHOOL	95,897
		MISSION ACHIEVEMENT & SUCCESS CHARTER SC	89,276
		MONTE DEL SOL CHARTER SCHOOL	77,755
		MONTESSORI ELEMENTARY SCHOOL	62,749
		MORA INDEPENDENT SCHOOLS	147,786
		MORIARTY MUNICIPAL SCHOOLS	877,770
		MOSQUERO MUNICIPAL SCHOOLS	15,604
		MOUNTAINAIR PUBLIC SCHOOLS	75,414
		NEW AMERICA SCHOOL LAS CRUCES	39,387
		NEW AMERICA SCHOOL, THE	56,804
		NEW MEXICO CONNECTIONS ACADEMY	144,716
		NEW MEXICO SCHOOL FOR THE ARTS	46,160
		NEW MEXICO SCHOOL FOR THE DEAF	82,662
		NM INTERNATIONAL SCHOOL, THE	32,332
		NM SCHL FOR THE BLIND & VISUALLY IMPAIRED	40,052
		NM SCHOOL FOR ARCHITECTURE	60,631

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		NORTH VALLEY ACADEMY	86,958
		PECOS INDEPENDENT SCHOOLS	139,924
		PENASCO INDEPENDENT SCHOOL DISTRICT	108,265
		POJOAQUE VALLEY SCHOOLS	346,645
		PORTALES MUNICIPAL SCHOOLS	788,801
		QUEMADO INDEPENDENT SCHOOL	26,720
		QUESTA INDEPENDENT SCHOOLS	87,187
		RATON PUBLIC SCHOOLS	405,377
		RED RIVER VALLEY CHARTER SCHOO	51,835
		RESERVE SCHOOL DISTRICT	51,395
		RIO RANCHO PUBLIC SCHOOLS	2,402,714
		ROSWELL INDEPENDENT SCHOOL DISTRICT	2,807,994
		ROY MUNICIPAL SCHOOLS	21,000
		RUIDOSO MUNICIPAL SCHOOLS	601,043
		SAGE MONTESSORI CHARTER SCHOOL	38,989
		SAN JON MUNICIPAL SCHOOLS	34,855
		SANDOVAL ACADEMY OF BILINGUAL EDUCATION	3,116
		SANTA FE PUBLIC SCHOOLS	3,146,732
		SANTA ROSA CONSOLIDATED SCHOOLS	205,135
		SCHOOL OF DREAMS ACADEMY	74,487
		SILVER CONSOLIDATED SCHOOLS	764,608
		SOCORRO CONSOLIDATED SCHOOLS	455,520
		SOUTH VALLEY PREPORATORY SCHOOL	24,529
		SOUTHWEST AERONAUTICS, MATHEMATICS, &	19,944
		SOUTHWEST INTERMEDIATE LEARNING CENTER	4,129
		SOUTHWEST PRIMARY LEARNING CTN	9,471
		SOUTHWEST SECONDARY LEARNING	44,897
		SPRINGER MUNICIPAL SCHOOLS	52,904
		T OR C MUNICIPAL SCHOOLS	336,693
		TAOS ACADEMY	40,409
		TAOS INTEGRATED SCHOOL OF THE ARTS	25,744
		TAOS INTERNATIONAL SCHOOL	10,654
		TAOS MUNICIPAL SCHOOLS	550,264
		TATUM MUNICIPAL SCHOOLS	87,808
		TECHNOLOGY LEADERSHIP HIGH SCHOOL	27,253
		TEXICO MUNICIPAL SCHOOL	132,097
		TIERRA ADENTRO OF NEW MEXICO	47,378
		TIERRA ENCANTADA CHARTER HIGH SCHOOL	35,823
		TUCUMCARI PUBLIC SCHOOLS	287,799
		TULAROSA MUNICIPAL SCHOOLS	275,969
		TURQUOISE TRAIL CHARTER SCHOOL	94,646
		UPLIFT COMMUNITY SCHOOL	10,562
		VAUGHN MUNICIPAL SCHOOLS	29,289
		WAGON MOUND PUBLIC SCHOOLS	32,665
		WALATOWA CHARTER HIGH SCHOOL	5,055
		WEST LAS VEGAS SCHOOL DISTRICT	385,052

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal	CFDA	Program	Subrecipient Name	Amount	
Number	Name				
			WILLIAM W & JOSEPH CHARTER COMMUNITY SCH	12,179	
			ZUNI PUBLIC SCHOOL DIST	497,941	
			Total for CFDA 84.027A		77,560,251
84.048A		Carl Perkins - Voc. Educ. - Basic Grants to States/Adult Educ. - State Grant Program			
			ALAMOGORDO PUBLIC SCHOOLS	65,321	
			ALBUQUERQUE PUBLIC SCHOOLS	1,424,881	
			AZTEC MUNICIPAL SCHOOLS DISTRICT #2	4,889	
			BELEN CONSOLIDATED SCHOOLS	57,344	
			BERNALILLO MUNICIPAL SCHOOL	97,289	
			BLOOMFIELD SCHOOLS	10,332	
			CARLSBAD MUNICIPAL SCHOOLS	106,736	
			CENTRAL NEW MEXICO COMMUNITY COLLEGE	1,495,497	
			CLOVIS COMMUNITY COLLEGE	162,223	
			CLOVIS MUNICIPAL SCHOOLS	97,588	
			DEMING PUBLIC SCHOOLS	52,732	
			DEXTER CONSOLIDATED SCHOOLS	5,990	
			EASTERN NEW MEXICO UNIVERSITY-ROSWELL	148,375	
			ESPANOLA PUBLIC SCHOOL DISTRICT #55	67,251	
			FARMINGTON MUNICIPAL SCHOOLS	174,846	
			GADSDEN INDEPENDENT SCHOOL DISTRICT	263,343	
			GALLUP-MCKINLEY COUNTY SCHOOL	182,037	
			GRANTS/CIBOLA COUNTY SCHOOL	80,336	
			HOBBS MUNICIPAL SCHOOLS	77,647	
			LAS CRUCES SCHOOL DISTRICT #2	430,480	
			LOS LUNAS SCHOOLS	89,525	
			LOVING MUNICIPAL SCHOOLS	9,608	
			MEDIA ARTS COLLABORATIVE CHARTER SCHOOL	121,403	
			MORA INDEPENDENT SCHOOLS	48,576	
			NORTHEAST REGIONAL EDUCATION	24,909	
			NORTHERN NEW MEXICO COLLEGE	153,375	
			REGENTS OF NEW MEXICO STATE	720,519	
			REGION IX EDUCATION COOPERATIVE	8,982	
			RIO RANCHO PUBLIC SCHOOLS	216,848	
			ROSWELL INDEPENDENT SCHOOL DISTRICT	234,736	
			SAN JUAN COLLEGE	461,592	
			SANTA FE COMMUNITY COLLEGE	305,443	
			SANTA FE PUBLIC SCHOOLS	230,170	
			SOCORRO CONSOLIDATED SCHOOLS	38,020	
			T OR C MUNICIPAL SCHOOLS	27,929	
			TAOS MUNICIPAL SCHOOLS	144,960	
			UNIVERSITY OF NEW MEXICO, THE	426,040	
			WESTERN NEW MEXICO UNIVERSITY	208,945	
			ZUNI PUBLIC SCHOOL DIST	43,689	
			Total for CFDA 84.048A		8,520,406

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount	
84.196A	Education for Homeless Children and Youth			
		ALAMOGORDO PUBLIC SCHOOLS	10,335	
		ALBUQUERQUE PUBLIC SCHOOLS	35,195	
		BELÉN CONSOLIDATED SCHOOLS	15,218	
		DEMING PUBLIC SCHOOLS	35,923	
		FARMINGTON MUNICIPAL SCHOOLS	10,668	
		GADSDEN INDEPENDENT SCHOOL DISTRICT	19,463	
		GALLUP-MCKINLEY COUNTY SCHOOL	22,148	
		LAS CRUCES SCHOOL DISTRICT #2	36,019	
		LOS LUNAS SCHOOLS	26,970	
		MORIARTY MUNICIPAL SCHOOLS	9,833	
		RIO RANCHO PUBLIC SCHOOLS	42,812	
		SANTA FE PUBLIC SCHOOLS	51,359	
		SOCORRO CONSOLIDATED SCHOOLS	2,852	
		T OR C MUNICIPAL SCHOOLS	5,842	
		Total for CFDA 84.196A		324,637
84.173A	Special Education - Preschool			
		ALAMOGORDO PUBLIC SCHOOLS	103,397	
		ALBUQUERQUE PUBLIC SCHOOLS	406,169	
		ANIMAS PUBLIC SCHOOLS	4,202	
		ARTESIA PUBLIC SCHOOLS	33,809	
		AZTEC MUNICIPAL SCHOOLS DISTRICT #2	14,746	
		BELÉN CONSOLIDATED SCHOOLS	26,131	
		BERNALILLO MUNICIPAL SCHOOL	36,208	
		BLOOMFIELD SCHOOLS	24,202	
		CAPITAN MUNICIPAL SCHOOLS	3,264	
		CARLSBAD MUNICIPAL SCHOOLS	45,202	
		CARRIZO MUNICIPAL SCHOOLS	3,098	
		CENTRAL CONSOLIDATED SCHOOLS #22	75,432	
		CIMARRON MUNICIPAL SCHOOLS	13,090	
		CLAYTON MUNICIPAL SCHOOLS	9,905	
		CLOVIS MUNICIPAL SCHOOLS	75,966	
		COBRE CONSOLIDATED SCHOOLS	5,375	
		CORONA PUBLIC SCHOOLS	479	
		CUBA INDEPENDENT SCHOOLS	5,540	
		DEMING PUBLIC SCHOOLS	15,120	
		DES MOINES MUNICIPAL SCHOOLS	933	
		DEXTER CONSOLIDATED SCHOOLS	10,116	
		DORA CONSOLIDATED SCHOOL	7,788	
		DULCE INDEPENDENT SCHOOLS #21	8,738	
		ELIDA MUNICIPAL SCHOOLS	3,377	
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	33,055	
		ESTANCIA BOARD OF EDUCATION	11,974	
		EUNICE PUBLIC SCHOOLS	13,848	
		FARMINGTON MUNICIPAL SCHOOLS	31,903	

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		FLOYD MUNICIPAL SCHOOLS	11,706
		FORT SUMNER MUNICIPAL SCHOOLS	4,086
		GADSDEN INDEPENDENT SCHOOL DISTRICT	61,101
		GALLUP-MCKINLEY COUNTY SCHOOL	165,007
		GRADY MUNICIPAL SCHOOLS	1,409
		GRANTS/CIBOLA COUNTY SCHOOL	17,115
		HAGERMAN MUNICIPAL SCHOOLS	7,167
		HATCH VALLEY PUBLIC SCHOOLS	15,234
		HOBBS MUNICIPAL SCHOOLS	70,330
		HONDO VALLEY SCHOOLS	985
		HOUSE MUNICIPAL SCHOOL	4,186
		JAL PUBLIC SCHOOLS	23,785
		JEMEZ VALLEY PUBLIC SCHOOLS	2,384
		LAKE ARTHUR MUNICIPAL SCHOOLS	2,796
		LAS CRUCES SCHOOL DISTRICT #2	155,836
		LAS VEGAS CITY SCHOOLS	5,099
		LOGAN MUNICIPAL SCHOOL	4,929
		LORDSBURG MUNICIPAL SCHOOLS	23,400
		LOS ALAMOS PUBLIC SCHOOLS	11,182
		LOS LUNAS SCHOOLS	15,160
		LOVING MUNICIPAL SCHOOLS	6,515
		LOVINGTON MUNICIPAL SCHOOLS	26,886
		MAGDALENA MUNICIPAL SCHOOLS	10,062
		MAXWELL MUNICIPAL SCHOOL	2,235
		MELROSE MUNICIPAL SCHOOLS	4,165
		MESA VISTA CONSOLIDATED SCHOOL	4,329
		MORA INDEPENDENT SCHOOLS	4,261
		MORIARTY MUNICIPAL SCHOOLS	34,309
		MOSQUERO MUNICIPAL SCHOOLS	1,618
		MOUNTAINAIR PUBLIC SCHOOLS	8,575
		PECOS INDEPENDENT SCHOOLS	1,569
		PENASCO INDEPENDENT SCHOOL DISTRICT	5,891
		POJOAQUE VALLEY SCHOOLS	5,377
		PORTALES MUNICIPAL SCHOOLS	34,107
		QUEMADO INDEPENDENT SCHOOL	148
		QUESTA INDEPENDENT SCHOOLS	1,782
		RATON PUBLIC SCHOOLS	26,066
		RESERVE SCHOOL DISTRICT	5,195
		RIO RANCHO PUBLIC SCHOOLS	77,236
		ROSWELL INDEPENDENT SCHOOL DISTRICT	108,031
		RUIDOSO MUNICIPAL SCHOOLS	26,576
		SAN JON MUNICIPAL SCHOOLS	5,524
		SANTA FE PUBLIC SCHOOLS	49,561
		SANTA ROSA CONSOLIDATED SCHOOLS	8,116
		SILVER CONSOLIDATED SCHOOLS	22,524
		SOCORRO CONSOLIDATED SCHOOLS	1,577

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		SPRINGER MUNICIPAL SCHOOLS	3,730
		T OR C MUNICIPAL SCHOOLS	9,737
		TAOS MUNICIPAL SCHOOLS	3,622
		TATUM MUNICIPAL SCHOOLS	17,634
		TEXICO MUNICIPAL SCHOOL	8,927
		TUCUMCARI PUBLIC SCHOOLS	20,498
		TULAROSA MUNICIPAL SCHOOLS	9,325
		VAUGHN MUNICIPAL SCHOOLS	231
		WAGON MOUND PUBLIC SCHOOLS	1,171
		WEST LAS VEGAS SCHOOL DISTRICT	10,528
		ZUNI PUBLIC SCHOOL DIST	3,551
		Total for CFDA 84.173A	<u>2,197,153</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u><u>249,017,298</u></u>

DEPARTMENT OF AGRICULTURE

10.553/	USDA		
10.555/		ACADEMY OF TRADES AND TECHNOLOGY	31,296
10.556		ALAMO NAVAJO SCHOOL BOARD INC	279,195
		ALAMOGORDO PUBLIC SCHOOLS	1,737,986
		ALBUQUERQUE PUBLIC SCHOOLS	31,686,917
		ALBUQUERQUE SCHOOL OF EXCELLENCE	51,082
		ALBUQUERQUE SIGN LANGUAGE ACADEMY	39,699
		ALICE KING COMMUNITY SCHOOL	29,954
		ALMAD'ARTE CHARTER HIGH SCHOOL	54,020
		AMIKIDS INC	29,781
		AMY BIEHL CHARTER SCHOOL	32,491
		ANANSI CHARTER SCHOOL	26,263
		ANIMAS PUBLIC SCHOOLS	64,643
		ANTHONY CHARTER SCHOOL	29,909
		ARTESIA PUBLIC SCHOOLS	1,218,525
		AZTEC MUNICIPAL SCHOOLS DISTRICT #2	960,091
		BELEN CONSOLIDATED SCHOOLS	2,223,067
		BERNALILLO MUNICIPAL SCHOOL	2,166,798
		BERNALILLO, COUNTY OF	98,403
		BLOOMFIELD SCHOOLS	1,198,307
		BORREGO PASS SCHOOL	134,629
		CALVARY CHRISTIAN ACADEMY	5,451
		CAPITAN MUNICIPAL SCHOOLS	209,631
		CARLSBAD MUNICIPAL SCHOOLS	2,967,538
		CARRIZOZO MUNICIPAL SCHOOLS	74,415
		CENTRAL CONSOLIDATED SCHOOLS #22	3,500,118
		CESAR CHAVEZ COMMUNITY SCHOOL	53,055
		CHAMA VALLEY INDEPENDENT	209,562
		CHAVES COUNTY	31,096
		CHILDHAVEN INC	20,161

**PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

DEPARTMENT OF AGRICULTURE

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		CHRIST LUTHERAN CHURCH	384
		CHRISTINE DUNCAN HERITAGE ACADEMY	157,349
		CHUSKA SCHOOL BOARD OF EDUCATION INC	276,830
		CIEN AGUAS INTERNATIONAL SCHOOL	56,174
		CIMARRON MUNICIPAL SCHOOLS	210,695
		CLAYTON MUNICIPAL SCHOOLS	173,873
		CLOUDCROFT MUNICIPAL SCHOOLS	58,844
		CLOVIS MUNICIPAL SCHOOLS	3,710,561
		COBRE CONSOLIDATED SCHOOLS	801,382
		CORAL COMMUNITY CHARTER	26,227
		CORONA PUBLIC SCHOOLS	30,342
		CORRALES INTERNATIONAL SCHOOL	22,425
		CRYSTAL BOARDING	104,054
		CUBA INDEPENDENT SCHOOLS	362,503
		CYFD	404,098
		DEMING PUBLIC SCHOOLS	4,644,554
		DES MOINES MUNICIPAL SCHOOLS	29,806
		DEXTER CONSOLIDATED SCHOOLS	631,560
		DOI BUREAU OF INDIAN EDUCATION	2,981,801
		DONA ANA COUNTY	29,232
		DORA CONSOLIDATED SCHOOL	55,823
		DREAM DINE' CHARTER SCHOOL	13,115
		DULCE INDEPENDENT SCHOOLS #21	468,473
		DZIL DIT L'OOI SCHOOL OF EMPOWERMENT,	6,772
		DZILTH-NA-O-DITH-HLE COMMUNITY	124,785
		EL CAMINO REAL ACADEMY	250,670
		ELIDA MUNICIPAL SCHOOLS	53,391
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	2,040,144
		ESTANCIA BOARD OF EDUCATION	265,466
		EUNICE PUBLIC SCHOOLS	283,492
		FARMINGTON MUNICIPAL SCHOOLS	3,148,933
		FLOYD MUNICIPAL SCHOOLS	96,906
		FORT SUMNER MUNICIPAL SCHOOLS	151,331
		GADSDEN INDEPENDENT SCHOOL DISTRICT	8,971,622
		GALLUP CATHOLIC	12,233
		GALLUP-MCKINLEY COUNTY SCHOOL	6,064,890
		GILBERT L SENA HIGH SCHOOL	18,532
		GRADY MUNICIPAL SCHOOLS	49,688
		GRANTS/CIBOLA COUNTY SCHOOL	2,419,028
		GUADALUPE MONTESSORI SCHOOL	18,578
		HAGERMAN MUNICIPAL SCHOOLS	261,915
		HATCH VALLEY PUBLIC SCHOOLS	945,687
		HEALTH LEADERSHIP HIGH SCHOOL	44,454
		HOBBS MUNICIPAL SCHOOLS	2,842,934
		HOLY CROSS SCHOOL SC	13,604
		HOLY GHOST SCHOOL	10,836

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

DEPARTMENT OF AGRICULTURE

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		HONDO VALLEY SCHOOLS	79,844
		HORIZON ACADEMY WEST	244,308
		HOUSE MUNICIPAL SCHOOL	10,345
		IMMANUEL LUTHERAN PRESCHOOL	12,214
		INTERNATIONAL SCHOOL AT MESA DEL SOL,	51,742
		J. PAUL TAYLOR ACADEMY	28,718
		JAL PUBLIC SCHOOLS	109,406
		JEFFERSON MONTESSORI ACADEMY	43,724
		JEMEZ MTN SCHOOL DIST NO 53	137,533
		JEMEZ VALLEY PUBLIC SCHOOLS	189,158
		LA ACADEMIA DE ESPERANZA	218,851
		LA ACADEMIA DOLORES HUERTA	84,913
		LA JICARITA COMMUNITY SCHOOL	4,936
		LA PROMESA EARLY LEARNING CENTER	315,447
		LA RESOLANA LEADERSHIP ACADEMY	49,219
		LAKE ARTHUR MUNICIPAL SCHOOLS	78,624
		LAS CRUCES CATHOLIC SCHOOL INC	12,773
		LAS CRUCES SCHOOL DISTRICT #2	10,663,899
		LAS MONTANAS CHARTER HIGH SCHOOL	38,019
		LAS VEGAS CITY SCHOOLS	671,740
		LINDRITH AREA HERITAGE SCHOOL	10,506
		LOGAN MUNICIPAL SCHOOL	85,483
		LORDSBURG MUNICIPAL SCHOOLS	333,403
		LOS ALAMOS PUBLIC SCHOOLS	94,551
		LOS LUNAS SCHOOLS	3,463,600
		LOVING MUNICIPAL SCHOOLS	336,994
		LOVINGTON MUNICIPAL SCHOOLS	1,220,707
		MAGDALENA MUNICIPAL SCHOOLS	199,417
		MAXWELL MUNICIPAL SCHOOL	41,042
		MCCURDY CHARTER SCHOOL	144,123
		MEDIA ARTS COLLABORATIVE CHARTER SCHOOL	37,727
		MELROSE MUNICIPAL SCHOOLS	57,432
		MESA VISTA CONSOLIDATED SCHOOL	172,932
		MESCALERO APACHE SCHOOL	315,829
		MISSION ACHIEVEMENT & SUCCESS CHARTER SC	482,521
		MONTE DEL SOL CHARTER SCHOOL	61,148
		MORA INDEPENDENT SCHOOLS	349,858
		MORIARTY MUNICIPAL SCHOOLS	827,411
		MOSQUERO MUNICIPAL SCHOOLS	9,865
		MOUNTAIN MAHOGANY COMMUNITY SCHOOL	21,401
		MOUNTAINAIR PUBLIC SCHOOLS	142,628
		NA NEELZHIIN JI OLTA INC	134,958
		NATIVE AMERICAN COMMUNITY ACADEMY	271,573
		NAVAJO PREPARATORY SCHOOL INC	107,293
		NEW AMERICA SCHOOL LAS CRUCES	49,127
		NEW AMERICA SCHOOL, THE	71,735

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

DEPARTMENT OF AGRICULTURE

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		NEW MEXICO SCHOOL FOR THE ARTS	14,779
		NEW MEXICO SCHOOL FOR THE DEAF	63,355
		NM Military Affairs	144,561
		NM SCHOOL FOR ARCHITECTURE	72,975
		NORTH VALLEY ACADEMY	146,856
		NUESTROS VALORE CHARTER SCHOOL	55,894
		OHKAY OWINGEH COMMUNITY SCHOOL	72,211
		OUR LADY OF ASSUMPTION	11,128
		PECOS INDEPENDENT SCHOOLS	359,678
		PENASCO INDEPENDENT SCHOOL DISTRICT	226,985
		POJOAQUE VALLEY SCHOOLS	743,648
		PORTALES MUNICIPAL SCHOOLS	1,186,314
		PUBLIC ACADEMY PERFORMING ARTS	54,442
		PUEBLO OF LAGUNA DEPARTMENT OF EDUCATION	220,735
		QUEMADO INDEPENDENT SCHOOL	63,981
		QUESTA INDEPENDENT SCHOOLS	276,583
		RAMAH NAVAJO SCHOOL BOARD INC	111,228
		RATON PUBLIC SCHOOLS	514,952
		RED RIVER VALLEY CHARTER SCHOO	32,008
		REHOBOTH CHRISTIAN SCHOOL ASSOCIATION	129,965
		RESERVE SCHOOL DISTRICT	56,885
		RIO GALLINAS CHARTER	48,333
		RIO RANCHO PUBLIC SCHOOLS	3,479,629
		ROSWELL INDEPENDENT SCHOOL DISTRICT	6,561,401
		ROY MUNICIPAL SCHOOLS	16,064
		RUIDOSO MUNICIPAL SCHOOLS	951,409
		SAN DIEGO RIVERSIDE SCHOOL	78,384
		SAN FELIPE DE NERI SCHOOL	22,498
		SAN JON MUNICIPAL SCHOOLS	43,664
		SAN JUAN COUNTY	72,004
		SANTA FE COUNTY	28,581
		SANTA FE INDIAN SCHOOL INC	442,161
		SANTA FE PUBLIC SCHOOLS	4,958,407
		SANTA ROSA CONSOLIDATED SCHOOLS	410,753
		SANTO NINO REGIONAL CATHOLIC SCHOOL	44,804
		SEQUOYAH ADOLESCENT CENTER	68,734
		SHIPROCK ALTERNATIVE SCHOOLS INC	213,339
		SILVER CONSOLIDATED SCHOOLS	1,138,242
		SOCORRO CONSOLIDATED SCHOOLS	850,881
		SOUTH VALLEY ACADEMY	246,450
		SOUTH VALLEY PREPORATORY SCHOOL	66,041
		SPRINGER MUNICIPAL SCHOOLS	76,634
		ST ANTHONY INDIAN SCHOOL INC	87,593
		ST BONAVENTURE INDIAN MISSION AND SCHOOL	131,414
		ST CHARLES BORROMEIO SCHOOL	15,116
		ST FRANCIS OF ASSISI SCHOOL	54,542

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

DEPARTMENT OF AGRICULTURE

Federal CFDA Number	Program Name	Subrecipient Name	Amount	
		ST FRANCIS SCHOOL	36,639	
		ST JOSEPH MISSION SCHOOL	24,343	
		ST MARY SCHOOL	42,931	
		ST MARY SCHOOL LUNCH PROGRAM	25,906	
		ST THERESE CATHOLIC SCHOOL	18,837	
		ST. TERESA OF AVILA SCHOOL, INC.	24,493	
		ST. THOMAS AQUINAS SCHOOL	31,780	
		T OR C MUNICIPAL SCHOOLS	901,171	
		TAOS CHARTER SCHOOL	46,093	
		TAOS INTERNATIONAL SCHOOL	35,606	
		TAOS MUNICIPAL SCHOOLS	1,258,191	
		TATUM MUNICIPAL SCHOOLS	93,298	
		TECHNOLOGY LEADERSHIP HIGH SCHOOL	22,909	
		TEXICO MUNICIPAL SCHOOL	116,161	
		TIERRA ADENTRO OF NEW MEXICO	68,417	
		TOHAJILEE COMMUNITY SCHOOL BOARD OF	306,239	
		TUCUMCARI PUBLIC SCHOOLS	602,773	
		TULAROSA MUNICIPAL SCHOOLS	488,435	
		TURQUOISE TRAIL CHARTER SCHOOL	155,674	
		UNM HOSPITAL	46,278	
		VAUGHN MUNICIPAL SCHOOLS	45,813	
		VISTA GRANDE HIGH SCHOOL	34,133	
		WAGON MOUND PUBLIC SCHOOLS	38,811	
		WALATOWA CHARTER HIGH SCHOOL	28,464	
		WEST LAS VEGAS SCHOOL DISTRICT	1,379,894	
		WILLIAM W & JOSEPH CHARTER COMMUNITY SCH	37,378	
		YOUTH DEVELOPMENT INC	19,187	
		ZUNI PUBLIC SCHOOL DIST	838,268	
		Total for CFDA 10.553/10.555/10.556		146,033,119
10.579	NSLP-SCHOOL EQUIPMENT GRANT			
		ALBUQUERQUE TALENT DEVELOPMENT SECONDARY	6,895	
		ANTHONY CHARTER SCHOOL	5,784	
		CAPITAN MUNICIPAL SCHOOLS	8,000	
		CENTRAL CONSOLIDATED SCHOOLS #22	6,038	
		CHRISTINE DUNCAN HERITAGE ACADEMY	11,272	
		EL CAMINO REAL ACADEMY	10,538	
		FARMINGTON MUNICIPAL SCHOOLS	12,228	
		FLOYD MUNICIPAL SCHOOLS	6,384	
		GALLUP-MCKINLEY COUNTY SCHOOL	11,145	
		GRADY MUNICIPAL SCHOOLS	12,500	
		HATCH VALLEY PUBLIC SCHOOLS	7,308	
		J. PAUL TAYLOR ACADEMY	5,437	
		JEMEZ MTN SCHOOL DIST NO 53	11,474	
		LA ACADEMIA DOLORES HUERTA	5,310	
		MAXWELL MUNICIPAL SCHOOL	8,589	

**PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

DEPARTMENT OF AGRICULTURE

Federal CFDA Number	Program Name	Subrecipient Name	Amount	
		MESA VISTA CONSOLIDATED SCHOOL	10,116	
		MISSION ACHIEVEMENT & SUCCESS CHARTER SC	12,500	
		MORA INDEPENDENT SCHOOLS	8,761	
		NEW AMERICA SCHOOL LAS CRUCES	7,261	
		NORTH VALLEY ACADEMY	5,571	
		PECOS INDEPENDENT SCHOOLS	9,936	
		RAMAH NAVAJO SCHOOL BOARD INC	6,730	
		RED RIVER VALLEY CHARTER SCHOO	4,551	
		SILVER CONSOLIDATED SCHOOLS	13,060	
		SOCORRO CONSOLIDATED SCHOOLS	5,000	
		SOUTH VALLEY ACADEMY	7,400	
		SPRINGER MUNICIPAL SCHOOLS	5,217	
		T OR C MUNICIPAL SCHOOLS	9,600	
		TAOS INTERNATIONAL SCHOOL	7,000	
		VISTA GRANDE HIGH SCHOOL	5,800	
		WEST LAS VEGAS SCHOOL DISTRICT	11,978	
		ZUNI PUBLIC SCHOOL DIST	12,498	
		Total CFDA 10.579		271,881
10.582	Fresh Fruits and Vegetables			
		ALAMOGORDO PUBLIC SCHOOLS	49,443	
		BELEN CONSOLIDATED SCHOOLS	126,311	
		BERNALILLO MUNICIPAL SCHOOL	85,376	
		BLOOMFIELD SCHOOLS	75,169	
		CHRISTINE DUNCAN HERITAGE ACADEMY	10,719	
		CIMARRON MUNICIPAL SCHOOLS	8,367	
		CLAYTON MUNICIPAL SCHOOLS	9,917	
		DEMING PUBLIC SCHOOLS	134,338	
		DOI BUREAU OF INDIAN EDUCATION	5,564	
		DULCE INDEPENDENT SCHOOLS #21	16,715	
		EL CAMINO REAL ACADEMY	17,139	
		FARMINGTON MUNICIPAL SCHOOLS	60,556	
		GADSDEN INDEPENDENT SCHOOL DISTRICT	350,075	
		GALLUP-MCKINLEY COUNTY SCHOOL	195,889	
		GRANTS/CIBOLA COUNTY SCHOOL	87,358	
		HONDO VALLEY SCHOOLS	1,820	
		JEMEZ MTN SCHOOL DIST NO 53	4,559	
		LA PROMESA EARLY LEARNING CENTER	13,912	
		LAKE ARTHUR MUNICIPAL SCHOOLS	2,410	
		LAS CRUCES SCHOOL DISTRICT #2	381,228	
		LAS VEGAS CITY SCHOOLS	43,049	
		LOGAN MUNICIPAL SCHOOL	6,136	
		MAGDALENA MUNICIPAL SCHOOLS	7,899	
		MESA VISTA CONSOLIDATED SCHOOL	6,707	
		MORA INDEPENDENT SCHOOLS	9,898	
		MORIARTY MUNICIPAL SCHOOLS	44,422	

**PUBLIC EDUCATION DEPARTMENT
 NOTES TO SCHEDULE OF EXPENDITURES
 OF FEDERAL AWARDS
 Year Ended June 30, 2016**

Note 5 - Subrecipients of Grant Awards

DEPARTMENT OF AGRICULTURE

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		MOUNTAINAIR PUBLIC SCHOOLS	6,288
		PENASCO INDEPENDENT SCHOOL DISTRICT	8,478
		QUEMADO INDEPENDENT SCHOOL	3,324
		QUESTA INDEPENDENT SCHOOLS	5,730
		RATON PUBLIC SCHOOLS	22,547
		SANTA ROSA CONSOLIDATED SCHOOLS	11,848
		SILVER CONSOLIDATED SCHOOLS	51,956
		SOCORRO CONSOLIDATED SCHOOLS	10,859
		SPRINGER MUNICIPAL SCHOOLS	4,285
		ST ANTHONY INDIAN SCHOOL INC	6,440
		ST BONAVENTURE INDIAN MISSION AND SCHOOL	1,943
		T OR C MUNICIPAL SCHOOLS	27,701
		TAOS MUNICIPAL SCHOOLS	99,782
		WAGON MOUND PUBLIC SCHOOLS	1,092
		ZUNI PUBLIC SCHOOL DIST	33,968
		Total for CFDA 10.582	<u>2,051,217</u>
TOTAL DEPARTMENT OF AGRICULTURE			<u>\$ 148,356,217</u>
TOTAL SUBRECIPIENT FUNDS PASSED THROUGH			<u>\$ 397,373,515</u>

COMPLIANCE

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each discretely presented component unit (New Mexico state chartered charter schools), each major fund, and the aggregate remaining fund information, and the budgetary comparisons for the general and major special revenue funds of the New Mexico Education Department (“Department”), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Department’s basic financial statements, and the Department’s nonmajor governmental funds and fiduciary funds, and the budgetary comparison for the major capital projects fund and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements, and have issued our report thereon dated November 30, 2016. We disclaimed our opinion on three component unit’s statements. See our opinion beginning on page 10 of volume I for further details.

Internal Control over Financial Reporting

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

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

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

and questioned costs, to be material weaknesses.

Entity	Material Weakness Reference
Creative Preparatory Institute #1	2009-024, 2016-001
Estancia Valley Classical Academy	2016-003
Health Sciences Academy	2016-001
La Promesa Early Learning Center	2016-001
Southwest Aeronautics, Mathematics, and Science Academy	2016-001
Southwest Intermediate Learning Center	2016-001
Southwest Primary Learning Center	2016-001
Southwest Secondary Learning Center	2016-001
Taos Integrated School of the Arts	2016-001

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

Entity	Significant Deficiency Reference
Division of Vocational Rehabilitation	2014-003, 2016-004
Academy of Trades and Technology	2015-001
Albuquerque School of Excellence	2015-001
The ASK Academy	2016-001
Cien Aguas International School	2014-001
Dzil Dit'ooi School of Empowerment, Action and Perseverance	2016-003
Estancia Valley Classical Academy	2015-002, 2016-001
Gilbert L. Sena	2015-003
The International School at Mesa Del Sol	2016-001
J. Paul Taylor Academy	2016-001
La Promesa Early Learning Center	2014-001, 2015-001
La Rosolana Leadership Academy	2016-001
The Masters Program	2014-002
Monte Del Sol	2016-002
Red River Valley Charter School	2015-002
Southwest Aeronautics, Mathematics, and Science Academy	2016-003, 2016-005
Southwest Intermediate Learning Center	2016-003
Southwest Primary Learning Center	2016-003, 2016-004
Southwest Secondary Learning Center	2016-003, 2016-004, 2016-005
Tierra Adentro	2016-002
Tierra Encantada	2016-001, 2016-003
Uplift Community School	2014-001, 2015-003

Compliance and Other Matters

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

Entity	Compliance and Other Matters Reference
Public Education Department	2013-003, 2016-001, 2016-002
Department of Vocational Rehabilitation	2016-005, 2016-006, 2016-009
ACE Leadership High School	2016-001, 2016-002
Albuquerque School of Excellence	2016-001
Albuquerque Sign Language Academy	2014-002
Amy Biehl	2014-001, 2016-001, 2016-002
The ASK Academy	2015-001
Cesar Chavez Community School	2016-001
Cien Aguas International School	2014-002, 2015-002, 2016-001
Coral Community	2014-001, 2016-001, 2016-002
Cottonwood Classical Preparatory School	2014-002, 2015-001, 2015-002
Creative Preparatory Institute #1	2011-002, 2016-002
Dream Dine	2015-001, 2016-001, 2016-002, 2016-003
Dzil Ditl’ooi School of Empowerment, Action and Perseverance	2016-001, 2016-002, 2016-004
Estancia Valley Classical Academy	2015-001, 2016-002
Explore Academy	2015-002, 2016-001, 2016-002, 2016-003, 2016-004
Gilbert L. Sena	2015-002, 2015-003
The Great Academy	2016-001, 2016-002
Health Leadership High School	2015-001, 2015-005
Health Sciences Academy	2016-002
Horizon Academy West	2016-001
The International School at Mesa Del Sol	2016-002
La Jicarita Community School	2014-003, 2016-001, 2016-002, 2016-003
La Promesa Early Learning Center	2015-002, 2016-002, 2016-003, 2016-004, 2016-005, 2016-006
La Tierra Montessori School for the Arts and Science	2016-001, 2016-002
The Masters Program	2014-003
McCurdy Charter School	2014-003, 2014-007
Mission Achievement	2016-001, 2016-002
Monte Del Sol	2016-001, 2016-003, 2016-004, 2016-005, 2016-006
Montessori Elementary	2016-001, 2016-002
New America School	2016-001, 2016-002, 2016-003
New Mexico Connections Academy	2016-001, 2016-002, 2016-003

Entity	Compliance and Other Matters Reference
New Mexico International School	2016-001
New Mexico School for the Arts	2016-001, 2016-002
North Valley Academy	2015-001, 2016-001
Red River Valley Charter School	2015-001, 2016-001, 2016-002
Sage Montessori	2014-002, 2015-002, 2016-001
Sandoval Academy of Bilingual Education	2016-001, 2016-002, 2016-003, 2016-004, 2016-005
School of Dreams Academy	2015-001, 2015-002
South Valley Preparatory School	2016-001
Southwest Aeronautics, Mathematics, and Science Academy	2016-002, 2016-004
Southwest Intermediate Learning Center	2016-002
Southwest Primary Learning Center	2016-002
Southwest Secondary Learning Center	2016-002
Taos Academy	2016-001, 2016-002
Taos Integrated School of the Arts	2016-002
Taos International School	2016-001, 2016-002, 2016-003
Technology Leadership High School	2016-001, 2016-002, 2016-003, 2016-004, 2016-005
The Learning Community	2016-001
Tierra Adentro	2015-001, 2016-001,
Tierra Encantada	2016-002
Turquoise Trail	2016-001, 2016-002, 2016-003, 2016-004, 2016-005, 2016-006, 2016-007, 2016-008
Uplift Community School	2015-001
Walatowa High Charter School	2013-004, 2014-001, 2014-002, 2016-001, 2016-002, 2016-003
William W. & Josephine Dorn	2015-001, 2016-001, 2016-002, 2016-003, 2016-004

Department's Response to Findings

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

Purpose of this Report

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



Albuquerque, New Mexico
November 30, 2016

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

We have audited the New Mexico Education Department’s (“Department”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Department’s major federal programs for the year ended June 30, 2016. The Department’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the Department’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Department’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the Department complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2014-007, 2016-003, and 2016-008. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2016-007 that we consider to be significant deficiencies.

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

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



Albuquerque, New Mexico
November 30, 2016

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

Section I – Summary of Auditor’s Results

Financial Statements

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

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
 - Significant deficiency(ies) identified? Yes None reported
- Noncompliance material to financial statements Noted? Yes No

Federal Awards

Internal control over major programs:

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

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of Major Programs

<i>CFDA Numbers</i>	<i>Name of Federal Program or Cluster</i>
10.553/10.555	Child Nutrition Cluster
84.010A	Title I Grants to Local Educational Agencies
84.027/84.173	IDEA B Cluster
84.367	Title II
84.365	Title III
84.369	State Assessment
84.126A	Rehabilitation Services
96.001	Social Security – Disability Insurance

Dollar threshold used to distinguish between type A and type B programs: \$3,000,000

Auditee qualified as low-risk auditee? Yes No

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

Section II – Findings – Financial Statement Audit

The State of New Mexico Public Education Department is made up of two distinct appropriated entities and 64 state authorized chartered schools: the Public Education Department and the Division of Vocational Rehabilitation, and the various State authorized charter schools.

PUBLIC EDUCATION DEPARTMENT FINDINGS

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

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

- HR department is not timely in providing termination forms to the IT Department, we noted four instances during the current FY16 audit where employees were terminated, however there access to SHARE was not locked out.
- PED does not have an offsite storage location for backup data.

The Department is continuing to working with HR to ensure they are notified immediately of any terminated employees to ensure they can lock the accounts. Additionally, per discussion with the PED CIO, the Department is currently in the process of having an offsite back up tape, however due to lack of funding and training they were unable to implement this process in FY 16.

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

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

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

Recommendation: We recommend the following:

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

Management’s Response: As noted in the auditor comments, the PED is continuing to work with the human resources bureau and the IT division to ensure that during the employees exit, the IT division is notified of the termination date. The actual process is already in place since employees are required to turn-in their key cards, identification cards and other PED items. The process is being formalized so there is a sign-off line on the out processing sheet to indicate that IT was informed.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

PUBLIC EDUCATION DEPARTMENT FINDINGS (Continued)

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

With regard to not storing back-up data in an off-site location, management agrees with this portion of the finding. The Department purchased a new back-up system and implementation is scheduled by the end of November 2016. The new system will support back up on all production servers at the Department of Information and Technology and will also allow the Department to extract tapes with backups of all servers to store them in an outside location (cold backups).

2016-001 Controls over Payroll (Other Matter)

Condition: During our testwork over payroll we noted one of forty employees' selected for testing where the rate of pay did not agree to the amount included on the employee action form. The amount included on the approved offer letter was \$1 less than the amount included on the employees action form.

We noted subsequent to our testwork that the Department has since entered a memorandum into the employees personnel file stating the reason for the variance with five approval signatures.

Criteria: Per Section 6-5-2(C) NMSA 1978, "State agencies shall implement internal accounting to prevent accounting errors and violation of state and federal law and rules related to financial matters. In addition, implement controls to prevent the submission of processing documents to the financial control division that contain errors or that are for a purpose not authorized by law."

Effect: The rate of pay the employee was being paid was not the rate of pay that was approved by the Department.

Cause: This was oversight by the Department due to a clerical error in the offer letter.

Recommendation: We recommend the Department ensure all amounts being paid to employees agree to what has been reviewed and approved within the employees personnel action request form.

Management's Response: Management has met with individuals in the HR Bureau to discuss the procedures in place when entering new employees. The Department has implemented an additional review step in the process for payroll processing for new employees. The Department will continue with the individuals pay as entered into SHARE and has approved the rate of pay as entered into SHARE. The incident was isolated as the HR bureau reviewed PED employees pay as entered into SHARE and verified the pay is accurate per the employees personnel file.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

DIVISION OF VOCATIONAL REHABILITATION FINDINGS

2014-003 Improve IT General Controls (Significant Deficiency)

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

- DVR does not have an offsite storage location for backup data.
- DVR does not have well-defined, written disaster recovery procedures.
- The HR department is not timely in providing termination forms to the IT department, we noted three instances during the current FY16 audit where employees were terminated, however there access to SHARE was not locked out.

The Division is working on implementing an offsite storage location and has hired a contractor to implement written disaster recovery procedures. However, these processes have not been completed in FY 2016. Additionally, the Division is working with HR to ensure IT is notified immediately of any terminated employees to ensure they can lock the accounts.

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

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

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

Recommendation: We recommend the following:

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

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

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

Management's Response: The IT Department's files are backed up daily, full backups are performed Friday nights. Backup solution is a disk to disk operation the need for labeling and storing in fire proof vault is an outdated technology, all data is encrypted securely and replicated across two data domains for redundancy.

A new disaster recovery site is now operational at the OSO Grande Facility in Albuquerque. New EMC Data Domains are fully functional replicating data from state office to the new DVR location. This location was selected as it is a premier data storage facility with its state of the art technology data center, OSO Grande is home to many federal, local and state agencies. OSO Grande was selected because of its multicarrier fiber backbone. Access to OSO is securely controlled by multi-tiered security process including card key, pin verification and biometric scanners, as well as security cameras throughout. A disaster Recovery plan has been developed that outlines the requirements and responsibilities of staff in the event of a potential disaster. This was implemented during the end of FY16 in conjunction with the disaster recovery location.

HR submitted DVR Staffing changes in a timely fashion however the process stopped when the CFO failed to approve the request to continue the workflow process. IT is developing a new DVR Staffing application to be released in FY17, this will improve functionality and tracking of the workflow process. The new design will have added features and reporting to identify issues within the workflow.

2016-004 Untimely Reconciliations (Significant Deficiency)

Condition: During our testwork over reconciliations we noted the Division was not reconciling the general ledger timely. Reconciliations were being completed more than a month after the month end close. In some instances reconciliations were being done more than three months past the month end close. Additionally, one out of nine reconciliations test was not reviewed and approved by the CFO.

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

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

2016-004 Untimely Reconciliations (Significant Deficiency)(Continued)

Effect: Without timely reconciliations there is an increased risk of error or fraud in the financial records.

Cause: Due to employee turnover the Division had limited staffing resources to complete timely reconciliations.

Recommendation: We recommend that the Division develop policies and procedures to outline the requirements, timeliness and responsibilities over the financial close and reporting process in order to ensure accounts are reconciled timely.

Management's Response: NMDVR agrees with the finding although due to employee turnover we were unable to meet our internal deadlines that are currently set in place. The internal deadlines for reconciliations are to be completed within one month after DFA closes the period. We will adhere to that deadline as well as initiate a procedure that ensures that the CFO is reviewing these reconciliations and approving them timely.

2016-005 Lack of Review and Approval of Journal Entries (Other Matter)

Condition: During our testwork over journal entries, we noted 2 of 40 journal entries selected for testwork were not signed off by both the preparer and the reviewer. We were therefore unable to determine if the journal entries were properly reviewed and approved.

Criteria: Per Section 6-5-2(C) NMSA 1978, "State agencies shall implement internal accounting to prevent accounting errors and violation of state and federal law and rules related to financial matters. In addition, implement controls to prevent the submission of processing documents to the financial control division that contain errors or that are for a purpose not authorized by law."

Effect: Lack of review of journal entries or lack of supporting documentation can lead to an increased risk of fraud or improper posting of journal entries. The posting of journal entries to the incorrect fund or journal entries that do not balance can cause material misstatement to the financial statements.

Cause: The journal entries noted above were overlooked by the Division.

Recommendation: We recommend that the Division ensure all journal entries are supported, signed by the preparer, and reviewed and approved by an appropriate level of management.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

2016-005 Lack of Review and Approval of Journal Entries (Other Matter)(Continued)

Management's Response: NMDVR is in agreement with finding and recommendation. As a matter of normal operating procedure, all journal entries are reviewed for accuracy and that the necessary documentation is attached. However, management will take action to ensure staff are reminded that all journal entries going forward must have both a preparer and reviewer signature prior to submission to DFA. Management will also ensure as there is staff turnover and new staff is hired they are also trained on the policy and procedures regarding review and approval of journal entries.

2016-006 Controls over Payroll (Other Matter)

Condition: During our testwork over payroll we noted the personnel action form was not signed by the program manager at the time of hire for one out of forty instances tested.

Criteria: Per Division policy, if an employee is to be paid out of a federal program, the program manager is required to sign the employee's personnel action form prior to the employee being hired. Per Section 6-5-2(C) NMSA 1978, "State agencies shall implement internal accounting to prevent accounting errors and violation of state and federal law and rules related to financial matters. In addition, implement controls to prevent the submission of processing documents to the financial control division that contain errors or that are for a purpose not authorized by law."

Effect: The Division is not properly following their own policies and procedures. Additionally, there is an increased risk that an employee may be paid out of federal funds that is not working for a federal program.

Cause: The Division was not aware that the employee's personnel action form was not signed by the program manager.

Recommendation: We recommend that the Division ensure all required signatures are obtain on the personnel action form for all employees prior to hire.

Management's Response: NMDVR agrees with the finding that 1 out of 40 sampled noted personnel action forms was not signed by the program manager/hiring supervisor at the time of hire. Management believes this was an isolated occurrence, and is not indicative of a widespread concern within the DVR.

The current process within HR is that all HR Unit staff must review and ensure that the program manager/hiring supervisor's signature is on all necessary forms prior to routing for approval. If the program manager/hiring supervisor signature is not on the routing sheet the hiring packet will be returned. All HR Staff have been reminded of the process.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

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

PUBLIC EDUCATION DEPARTMENT FINDINGS

2016-003 Subrecipient Monitoring (Federal Non-Compliance)

Federal Program Information:

<i>Funding Agency:</i>	<i>U.S. Department of Agriculture (CFDA#10.553/10.555)</i>
<i>CFDA#:</i>	<i>CFDA# 10.553/10.555</i>
<i>Title:</i>	<i>Child Nutrition Cluster</i>
<i>Award year:</i>	<i>2015/2016</i>

Condition: During our sub-recipient monitoring testwork over the Child Nutrition program we noted one out of twenty six instances tested in which the nutrition program identified findings related to a school through the Department’s monitoring process. It was noted that the school failed to respond to the findings by the required due date. The nutrition program then failed to follow up with the school to obtain a response and ensure the findings had been remediated.

Criteria: Per 2 CFR part 200 Subpart D Section 200.331(d)(2), “Pass-through entity monitoring of the subrecipient must include following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.”

Effect: Funds received by subrecipients may not be expended in accordance with grant requirements resulting in both the subrecipients and the Department not being in compliance.

Cause: Due to employee turnover this instance was never followed up on and closed out by the nutrition program.

Recommendation: We recommend the Department follow up on all findings noted within the monitoring process and ensure they are addressed within the required time frame established by the Department.

Management’s Response: The Coordinated School Health and Wellness Bureau conducted an administrative review with the School during SY 15-16. The bureau did not realize that the school’s corrective action plan had not been returned since there was turnover in the bureau. The Bureau has since followed up with the school, who provided their corrective action plan and provided detailed answers to all their findings. The review has been appropriately closed out.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

DIVISION OF VOCATIONAL REHABILITATION FINDINGS

2014-007 Eligibility (Federal Non-Compliance)

Federal Program Information:

<i>Funding Agency:</i>	<i>U.S. Department of Education</i>
<i>Title:</i>	<i>Rehabilitation Services – Vocational Rehabilitation Grants to States</i>
<i>CFDA Number:</i>	<i>84.126</i>
<i>Award year and number:</i>	<i>2016, H126A160045</i> <i>2015, H126A150045</i>

Condition: During our testing of eligibility controls and compliance it was noted that for 1 out of the 40 individuals tested the eligibility determination was not properly approved within the required 60 days.

Per our discussions with Division Management, in FY 16 the Division implemented procedures to ensure eligible determinations are signed within the required 60-day timeframe. However, the determination for the individual noted above was processed prior to this implementation by the Division.

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

Questioned Costs: None.

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

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

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

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

2014-007 Eligibility (Federal Non-Compliance)(Continued)

Management's Response: NMDVR agrees with the finding that 1 out of 40 sampled individual's eligibility determination was not properly approved within the required 60-day timeframe. As the finding states, the deficient eligibility was processed prior to FY16 when NMDVR implemented controls to ensure eligibility and IPE determination compliance. Depending on the individuals sampled it will take several years for all deficient eligibilities and IPE's to be cleared as these deficiencies were created prior to the controls implemented in FY16. These controls include:

- A statewide caseload review was conducted by January 29, 2016 by counselors and program managers to ensure all eligibilities were brought into compliance, by either getting extensions signed by participants, or completing eligibilities within the required timeframe. Program managers compiled a report, which was reviewed by the Field Operations Directors.
- Field Operations Specialist started weekly audit reviews of participant files to ensure all around fiscal compliance along with Eligibility and IPE determination compliance. Effective May 2016.
- NMDVR's Aware team implemented system alerts for eligibility determinations so that Field Operations Directors are now notified a week in advance of any eligibility that may go into overtime, so that they may take immediate action. Counselors and program managers receive alerts earlier in the 60day timeframe as well. Implemented July 2016.
- RSU unit is being restructured to provide more oversight and management of caseloads. This is currently in progress. As of October 2016, the division has added a forth Field Operations Director, providing much more direct oversight of operational areas and PM's. The Division is currently working on adding a 5th Field Operations Director so that each one will have oversight over 2 operational areas. Prior to this Field Operations directors were overseeing 3-4 areas each. The 5th Field Operations Director implementation is estimated for March 2017.
- RSU unit is in the process of restructuring the Albuquerque Metro area operations to equally distribute the caseload oversight by Program managers. RSU is looking to add a 10th Program manager in the Farmington or Gallup office creating a 10th operational area, which will lower the amount of caseload each PM manages, increasing oversight capabilities. Estimated completion is July 2017.
- FY2016 Internal Auditor was hired and started individual file reviews checking for eligibility and IPE compliance. Effective August 2016.
- Effective in FY2016 program managers were given a 5-7 working day turn around on all approvals for eligibility and IPE. Tracking log was created to ensure compliance and oversight by Field Operations Directors.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

2014-007 Eligibility (Federal Non-Compliance)(Continued)

NMDVR will continue with the above outlined control measures implementation as they are showing significant improvement in overall compliance. During our FY15 audit 3 out of 40 individuals sampled had deficient eligibilities, in FY16 was reduced 1 out of 40, with the one deficiency being determined prior to FY16. NMDVR will continue to monitor progress and make adjustments as necessary, as further oversight is implemented at both the Field Operations Director and Program Manager Level deficiencies in Eligibilities an IPE development should be eliminated. The timeline for this CAP is ongoing with specific target dates outlines above.

2016-007 Controls over Federal Disbursements (Significant Deficiency, Non-Compliance)

Federal Program Information:

<i>Funding Agency:</i>	<i>Social Security Administration</i>
<i>Title:</i>	<i>Social Security – Disability insurance</i>
<i>CFDA Number:</i>	<i>96.001</i>
<i>Award year and number:</i>	<i>2016, 1604NMDI00</i>
	<i>2015, 1504NMDI00</i>

Condition: During our testwork of controls over disbursements we noted the following:

- 3 of 41 disbursements tested did not have documentation of review and approval by the program.
- 2 of 41 disbursements tested did not have supporting documentation for the amount paid to the vendor for a total of \$37.50.

Criteria: Per OMB 2 CFR Section 200.62, “Internal control over compliance requirements for Federal awards means a process implemented by a non-Federal entity designed to provide reasonable assurance regarding the achievement of the following objectives for Federal awards: (a) Transactions are properly recorded and accounted for, in order to: (1) Permit the preparation of reliable financial statements and Federal reports; (2) Maintain accountability over assets; and (3) Demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award; (b) Transactions are executed in compliance with: (1) Federal statutes, regulations, and the terms and conditions of the Federal award that could have a direct and material effect on a Federal program; and (2) Any other Federal statutes and regulations that are identified in the Compliance Supplement; and (c) Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.”

Questioned Costs: None.

Effect: There is an increased likelihood that expenditures allocated to the grant are unallowable or unrelated to the grant. Loss of future funding can result due to potential noncompliance.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

2016-007 Controls over Federal Disbursements (Significant Deficiency, Federal Non-Compliance)

Cause: There was inconsistent review of disbursements related to this program.

Recommendation: We recommend that the Division ensure all expenditures are reviewed and approved by the program prior to payment. Additionally, the Division should ensure that all expenditures are properly supported prior to payment.

Management's Response: NMDVR agrees with the finding that 3 of 41 disbursements tested did not have documentation of review and approval by the program, and that 2 of 41 disbursements tested did not have supporting documentation for the amount paid to the vendor for a total of \$37.50. Management agrees that date stamping and initialing authorizations for payment approval is an important function.

The Division currently has the following process in place for all authorizations. All authorizations and corresponding reports are electronically received and processed through the Social Security Administrations AS400 case tracking and processing system. Before authorizations are received in the fiscal payment queue, reports are reviewed and validated by the adjudicative staff that placed the order for records and/or medical examination. Once the adjudicator has reviewed the report for appropriateness, the report is validated and approved. The file is automatically placed in the fiscal queue for review by the fiscal staff. Fiscal staff approves the payment, based on the adjudicator's approval, and prints out the authorization for attachment to the payment check. For audit purposes, the AS400 system records the date of payment, the amount paid, and the initials of the person making the payment.

Management is implementing the following Corrective Action Plan (CAP): Management has issued an email to staff, reminding them of the current procedure and expectations of the function. The email was sent to staff on 11/21/16, when the finalized audit finding was provided by the external auditors.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

2016-008 Standards for Documentation of Personnel Expenses (Federal Non-Compliance)

Federal Program Information:

<i>Funding Agency:</i>	<i>U.S. Department of Education</i>
<i>Title:</i>	<i>Rehabilitation Services – Vocational Rehabilitation Grants to States</i>
<i>CFDA Number:</i>	<i>84.126</i>
<i>Award year and number:</i>	<i>2016, H126A160045</i> <i>2015, H126A150045</i>

Condition: During our testwork related to standards for documentation of personnel expenses we noted three employees tested were charged 100% to the Rehabilitation Services - Vocational Rehabilitation Grants to States (RSA) award. However, we noted the employees perform job duties for other programs in addition to the RSA program as well as general operating functions of the Division.

Criteria: Per OMB 2 Section 200.430, “Standards for Documentation of Personnel Expenses (1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.”

Questioned Costs: None.

Effect: The Division is not accurately allocating payroll expenses to the program, increasing the risk that costs reported by the grant may be misstated.

Cause: The Division was not aware of this requirement.

Recommendation: We recommend that the Division implement controls to ensure time allocated to each grant award is based on actual time worked on the award. If an employee works on multiple awards, the Division should ensure the employees’ time is properly allocated amongst the various awards.

Management’s Response: NMDVR agrees with the finding that three employees tested were charged 100% to the Rehabilitation Services - Vocational Rehabilitation Grants to States (RSA) award. The Human Resources Staff, the Budget and Grant Staff as well as the General Ledger staff have reviewed all Task Profile Id’s to ensure each DVR position is being allocated to the appropriate funding source. Effective July 1, 2016, all IT staff are currently being charged as indirect expenditures, further for Fiscal Year 2018 DVR has requested a separate program area for Administrative Services Program, this will

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

2016-008 Standards for Documentation of Personnel Expenses (Federal Non-Compliance)

ensure all indirect costs are allocated to a separate program. The Division is also reconciling payroll on a monthly basis to ensure all expenditures are posted correct.

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

PUBLIC EDUCATION DEPARTMENT FINDINGS

2016-002 Controls over the State Equalization Guarantee Calculation (Other Matter and Non Compliance)

Condition: During our testwork over the State Equalization Guarantee calculation (SEG) we noted the training and experience index for one out of sixteen schools tested was incorrect. The amount of the training and experience index used in the calculation was 1.093 causing an overpayment to the District in the amount of \$15,883. However, per review of the training and experience audit conducted by the Department, the index should have been 1.085. Additionally the Department was unable to provide supporting documentation related to the index used of 1.093.

Criteria: Per Section 22-8-25 (C) (4) NMSA 1978, “using the results of the calculations in Paragraph (1), (2) or (3) of this subsection and the instructional staff training and experience index from the October report of the prior school year, establish a total program cost of the school district or charter school;”

Effect: The Department improperly over paid the District \$15,883 in FY 16 related to SEG funds.

Cause: This was oversight by the Department.

Recommendation: We recommend the Department ensure all amounts used within the SEG calculation are reviewed and properly supported.

Management’s Response: Management concurs with this finding. The PED has implemented a four step process to ensure the accuracy of the computation. This involves two independent reviews of the data, separate reviews of the computation and a third review if differences are noted. Once all reviewers are in agreement, the Director of the School Budget and Finance Analysis Bureau will conduct a final review and issue final approval. The existing process for the data to be provided to districts and charter schools for their review will continue. The Operating Budget and Management System (OBMS) is currently being modified to include a new module that will automate the calculation of the State Equalization Guarantee. The Department will continue to work on this process automation to ensure OBMS accuracy in the calculation of the SEG.

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DIVISION OF VOCATIONAL REHABILITATION FINDINGS

2016-009 Improper Disposal of Capital Assets (Other Matter and Non Compliance)

Condition: During our testwork over capital assets, we noted the Division failed to notify the Office of the State Auditor (OSA) at least 30 days prior to the disposition of property for all items disposed in FY 2016.

Criteria: Per 2.2.2.10 (S) NMAC, "At least 30 days prior to any disposition of property on the agency inventory list described in Subsection U of 2.2.2.10 NMAC, written notification of the official finding and proposed disposition duly sworn and subscribed under oath by each member of the authority approving the action must be sent to the state auditor."

Effect: The Division disposed of assets in violation of State statute.

Cause: The Division does not have a process in place to ensure the OSA is notified prior to disposition of the assets.

Recommendation: The Division should develop and implement procedures to ensure OSA is notified in writing at least 30 day prior to disposition of any items included on the Divisions' inventory listing.

Management's Response: NMDVR agrees with the finding that the Division failed to notify the Office of the State Auditor (OSA) at least 30 days prior to the disposition of property for all items disposed in FY 2016. The following corrective action plan is being implemented to improve the situation and will be executed by Fixed Assets Personnel and over seen by the General Services Manager.

The Division currently has a Fixed Assets Policy and Procedure for disposal is in-line with and in accordance with 2.2.2.10 (S) NMAC, which states "At least 30 days prior to any disposition of property on the agency inventory list described in Subsection U of 2.2.2.10 NMAC, written notification of the official finding and proposed disposition duly sworn and subscribed under oath by each member of the authority approving the action must be sent to the state auditor." The Divisions Fixed Assets Policy and Procedure, Section 7.10 and 7.10.1 requires notification to OSA prior to disposition of any fixed assets.

During FY16, the processing of fixed assets for disposal, the fixed assets personnel inadvertently overlooked a step in which the written notification to OSA for disposal was sent after the fact. The fixed assets personnel were notified of the misstep by the procurement manager and a one-on-one training was completed to ensure that adherence to the Policy and Procedure (as stated above) will be followed. Further, a flow chart has been implemented as a "visual guide" for staff to follow. OSA will receive written notification regarding disposition of all fixed assets that are slated for disposal by the Division 30 days prior to disposal processing. Once the letter is sent to the OSA, via certified mail, the Division will have a 30-day waiting period before any further action is taken with regards to disposal of Fixed Assets.

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Discretely Presented Component Unit Findings

ACADEMY OF TRADES AND TECHNOLOGY

2015-001 Purchase Orders – (Significant Deficiency)

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

There was one instance in the amount of \$6,378 in which the Purchase Order was understated by \$151. There was one instance in the amount of \$75 in the Purchase Order date was after the purchase was made.

The School has implemented policies to resolve this finding in the current year.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

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

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

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

Management’s Response: Management will ensure that all school employees follow the policies established by the school, state and federal regulations, assuring compliance with the established policy and procedures. The Business Manager will hold an internal controls review for all staff, during the staff meeting on November 7, 2016, and again on January 9, 2017. Business manager will review in detail school purchasing policy and procedures as established by the school. All staff will be required to sign that they have read and understand the new policy.

ACE LEADERSHIP HIGH SCHOOL

2016-001 Budget Adjustment Requests (Compliance)

Condition: We noted the School budgeted more cash carryover of \$13,728 and \$13,485 than the School had available for the Daniels Fund and Private Dir Grants (Categorical) Fund, respectively.

Criteria: In accordance with Public Education Department (PED) requirements and 6-6-6 NMSA 1978, the School is required to follow PED procedures relating to Budget Adjustment Requests. This includes

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ACE LEADERSHIP HIGH SCHOOL (Continued)

2016-001 Budget Adjustment Requests (Compliance) (Continued)

ensuring that BAR's are included in final budget amounts reported to Schools PED report. Per NMAC 6.20.2.10.B, School districts shall submit budget adjustment requests for the operating budget to the departments for budget increases, budget decreases, transfers between functional categories, and transfers from the emergency reserve account. Expenditures shall not be made by the school district until budget authority has been established and approval received from the department. Budget adjustments shall not be incorporated into the school district's accounting system until approval is received by the department.

Effect: The school is not in compliance with State Statutes.

Cause: The budget was not being properly monitored.

Recommendation: The School must be familiar with Public Education Department (PED) requirements and 6-6-6 NMSA 1978 and follow the requirements for the budgetary system.

Management's Response: The School has knowledge of the state statute regarding budgetary requirements and has adequate procedures in place to review the budget and submit BAR's. The Business Manager will be responsible for the review of budgets. The final budget adjustments for cash will be completed once the audited cash balances are made available. The expected completion of this requirement is June 2017.

2016-002 Chief Procurement Officer (Compliance)

Condition: We noted that that the school did not have a Chief Procurement Officer in place for the year ended June 30, 2016. The individual listed on the New Mexico Chief Procurement Officer List maintained on the New Mexico General Services Department website is no longer an employee of the school.

Criteria: Per 13-1-95.2.A NMSA 1978, "On or before January 1 of each year beginning in 2014, and every time a chief procurement officer is hired, each state agency and local public body shall provide to the state purchasing agent the name of the state agency's or local public body's chief procurement officer and information identifying the state agency's or local public body's central purchasing office, if applicable." Section 13-1-95.2.D NMSA 1978 also requires that the Chief Procurement Officer obtain an initial certification as well as recertification every two years.

Effect: The school is out of compliance with New Mexico statutes requiring the training, certification, and reporting of a Chief Procurement Officer.

Cause: The school has not designated or obtained the necessary training and certification necessary for any of its employees to be a Chief Procurement Officer since the departure of its former Chief Procurement Officer.

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ACE LEADERSHIP HIGH SCHOOL (Continued)

2016-002 Chief Procurement Officer (Compliance) (Continued)

Recommendation: The School should designate an individual with the appropriate skill set and position within the school to be its Chief Procurement Officer. This individual should obtain the necessary certification as soon as possible. Upon certification of a Chief Procurement Officer, the school should register this individual on the New Mexico General Services Department website.

Management's Response: The School is aware of the statutory requirement for Chief Procurement Officer Certification. The Business Manager will ensure the training and certification requirements will be met in accordance with state statute. The expected completion of this requirement is June 2017.

ALBUQUERQUE INSTITUTE FOR MATHEMATICS & SCIENCE

None noted

ALBUQUERQUE SCHOOL OF EXCELLENCE

2015-001 Internal Control Structure (Significant Deficiency)

Condition: During our internal control testwork over a sample of 25 cash disbursements we noted 5 instances totaling \$12,033, where a purchase order was created after the expenditure was incurred. This finding was reported during the 2015 audit. The issue mainly relates to employee reimbursements and the School has provided training to employees to address the issue.

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

Effect: Reimbursements could be made without proper approval and expenditures could be reported inaccurately or misclassified in the improper fund. This could result in funds being overspent and balances misstated.

Cause: The School did not follow their policies and procedures.

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ALBUQUERQUE SCHOOL OF EXCELLENCE (Continued)

2015-001 Internal Control Structure (Significant Deficiency, Other Noncompliance) (Continued)

Recommendation: Ensure a purchase order is prepared and approved for all applicable expenditures. Once completed, all purchase orders should be maintained.

Management's Response: Management met with all returning staff in FY2016 and reviewed the policies and procedures regarding purchasing. Management also met separately with all new staff in both FY2016 and FY2017 to review Business Office concerns including purchasing. Management will continue to work with the school administration and all staff to emphasize the procedures established and ensure that all purchases have an approved purchase order before goods or services are not only received but ordered. The Principal is responsible for correcting the finding and procedures have been implemented and will be monitored going forward.

2016-001 Disbursements (Compliance)

Condition: During our testwork over 25 cash disbursements we noted one instance totaling \$81 where the School paid sales tax for tangible items.

Criteria: Per NMAC 3.2, School districts are exempt from paying sales tax.

Effect: The School is paying for expenditures that are not allowable or applicable.

Cause: Internal controls are not in place to ensure sales tax is not paid on tangible items.

Recommendation: Internal controls should be established to ensure the School does not pay sales tax on tangible items.

Management's Response: As a part of the School's established financial policies and procedures, purchase requisitions are submitted with a request for a Non-Taxable Transaction Certificate (NTTC). In an effort to maximize fiscal responsibility with public funds multiple vendors are often surveyed to ensure the best price. In the identified situation, the vendor in question does not accept purchase orders (PO) and had an online only item that was discounted by \$20 each. A survey of local competitors had this item at \$40-\$60 more per item. The School asked an employee to purchase the items with their personal credit card since the vendor did not accept a PO. The employee purchased and paid for the items with tax included as it was automatically applied. The school picked up the items from a local location of the business where they attempted to have the tax removed. The School was told that because the item was online only the store had no way to refund the tax, and returning the items would not make them available for sale at the local store where the school has a NTTC. The School reimbursed the employee who made the online purchase the full amount as they were assisting the school with a vendor who does not accept purchase orders. The school saved more money by going with the selected vendor with sales tax than if they used a vendor that accepted POs. The School will continue to do due

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ALBUQUERQUE SCHOOL OF EXCELLENCE (Continued)

2016-001 Disbursements (Compliance)(Continued)

diligence on purchases in effort to ensure that the School maximizes their purchase power with the continually limited allocation of public funds. The Principal and Business Manager are responsible for correcting the finding and addressed it in November 2016 so it will not occur again.

ALBUQUERQUE SIGN LANGUAGE ACADEMY

2014-002 Staff Qualifications (Compliance)

Condition: During internal control testwork over a sample of 25 payroll transactions we noted a teacher that did not have a license from the Public Education Department (PED) and another individual employed as an educational assistant that did not have an educational assistant's license from PED. In addition, we noted that a background investigation for the teacher was never completed. Management's prior year corrective action plans have not been fully implemented resulting in this repeat finding.

Criteria: NMAC 6.61.2 through 6.61.12 (Chapter 61) outlines the various licensure requirements for persons seeking an instructor's license. NMAC 6.63.9 establishes three levels of licensure for educational assistants and governs the licensure requirements for persons seeking level 1, level 2, and level 3 educational assistant licensure.

Background checks should be completed for all individuals hired for sensitive positions and in accordance with written policies and procedures as established by the Governing Council.

Effect: The School is not in compliance with applicable requirements of Chapter 61 for the individuals noted above and is not in compliance with the above referenced NMAC statutes. Additionally, the School is not in compliance with requirements to have background checks completed and completed timely.

Cause: The School did not have internal controls in place to ensure all required documentation was obtained prior to hiring the instructor and educational assistant noted above and a process is not in place that would provide periodic reviews of employee personnel files to ensure they are complete.

Recommendation: Develop and implement internal control procedures to ensure all required documents are obtained prior to an employee starting employment with the School. Personnel files should be reviewed periodically to ensure all required employment documents have been obtained and that such documents are complete and accurate.

Management's Response: The administration of the Albuquerque Sign Language Academy has already implemented corrective action. New employees are strictly prohibited from beginning employment until all appropriate licensure, background and other required information and documents have been obtained and reviewed for accuracy and completeness.

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ALDO LEOPOLD CHARTER SCHOOL

None Noted

ALMA D'ARTE CHARTER HIGH SCHOOL

None noted

AMY BIEHL CHARTER SCHOOL

2014-001 Mileage Reimbursements (Compliance)

Condition: For five of five mileage reimbursements tested for the year ended June 30, 2016, it was noted that the School reimbursed employees for mileage at a rate equaling 100% of the internal revenue service standard mileage rate. Amy Biehl High School has made progress in correcting this finding. The School changed its mileage reimbursement policy at the end of the 2015-2016 fiscal year and is now reimbursing at 80% of the Internal Revenue Service standard mileage rate.

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: "unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle."

Effect: The School is not in compliance with New Mexico State Statutes in regards to mileage reimbursement.

Cause: The School contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the school contends that it may reimburse mileage at the full amount authorized by the IRS. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

Recommendation: The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency. The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management's Response: Amy Biehl High School agrees with the finding. In previous years ABHS disputed this finding and requested a new determination be made by the Office of the State Auditor. A previous determination stated that a Charter School was a local public body and was able to

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AMY BIEHL CHARTER SCHOOL

2014-001 Mileage Reimbursements (Compliance)

reimburse at 100% of the IRS authorized rate. The new determination, which was released at the end of the 15-16 school year, changed that determination to be in agreement with the PED. The school changed its policy effective with the new determination at the end of the 15-16 school year and is now reimbursing 80% of the IRS authorized rate. This finding is considered corrected.

2016-001 Vendor Overpayment (Compliance)

Condition: In a sample of seventy cash disbursements we noted one instance where a physical therapist was paid at a rate of \$75 per hour. The contract in place for this service indicates a compensation rate of \$70 per hour. The amount overpaid on this invoice was \$47.

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

Effect: The School's internal control procedures were not effective in this instance. The overpaid monies could have been utilized by the school for another service or product.

Cause: Supporting documentation associated with this disbursement was not reviewed as thoroughly as it could have been.

Recommendation: The School should ensure internal controls are in place to make sure that all services have been performed before payments have been made; and that payments are made in accordance with vendor invoice amounts and contracted rates.

Management's Response: Amy Biehl High School agrees with this finding. When the overpayment (\$265) was discovered during the audit, the Finance Director contacted the vendor and requested a refund of the overpayment. The vendor agreed and a refund was received immediately.

To remedy this for the future, the Finance Director has created a schedule that lists all contracted service agencies/personnel and their hourly rates. When an invoice is received, the agency's billed hourly rate is checked against the spreadsheet to assure that the school is not being overcharged for contracted rates of pay. This new process became effective immediately.

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AMY BIEHL CHARTER SCHOOL (Continued)

2016-002 Timely Deposits (Compliance)

Condition: During our cash receipts testing, we selected fifteen activity fund deposits composed of many individual receipts totaling \$5,336 for testing. In this testing we noted fifteen individual cash receipts totaling \$595 that were not deposited by the end of the next business day; and three individual cash receipts totaling \$165 where there was not sufficient information available to ascertain if the deposit was made timely.

Criteria: Section NMAC 6.20.2.14.C states that “money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day.”

Effect: The School is not in compliance with State statutes regarding the timely deposit of monies received.

Cause: Not all school personnel are familiar with the regulations concerning the timely deposits of money received.

Recommendation: The School should implement policies and procedures that track and maintain all items relating to cash receipts and ensure deposits are made timely.

Management’s Response: Amy Biehl High School agrees with the finding. Upon researching the deposits in question, it was determined that three situations occurred:

Not all staff members who collect money for field trips and other student activities are turning in the money they collect to the Finance Office in a timely manner. When staff are hired, and again when they are given a receipt book for their activity collections, they are instructed to turn in all money at the end of the day, no matter how little money is collected. These procedures are also in the Staff Handbook, which is distributed to all staff upon hire. Although staff members are reminded to do this, they are not following direction. To remedy this, the Finance Director will develop another training to be delivered in January, 2017, during our staff Professional Development week. The Finance Director will also work with the Executive Director to determine if our current procedures should be amended.

Three receipts were not dated. Staff members will be instructed to fully complete receipts and receipts will be reviewed for completeness when received in the Finance Office. This procedure has already been implemented and will also be included as part of the January, 2017 re-training.

For segregation of duties, the school’s part-time bookkeeper is the person designated to make the bank deposits. Any money that is turned in to the Finance Office after the bookkeeper leaves for the day is locked in a fireproof file cabinet and is deposited the next business day. In 3 instances, the following business day was a day that the part-time bookkeeper did not work and there was no other staff member available to go to the bank before the bank closed for the day. The bank that the school currently uses has only one location and does not have a night drop box as a back-up for afterhours banking. Beginning with the 16-17 school year, the bookkeeper’s schedule has been changed to allow for

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AMY BIEHL CHARTER SCHOOL (Continued)

2016-002 Timely Deposits (Compliance)(Continued)

regular daily deposits and a staff member has been designated as a back-up for days when the bookkeeper is not in.

ANTHONY CHARTER SCHOOL

None noted

THE ASK ACADEMY

2015-001 Mileage Reimbursements (Compliance)

Condition: During fiscal year 2016, The ASK Academy used the IRS standard rate for mileage reimbursements. We reviewed one mileage reimbursement for an employee's private vehicle and the reimbursement was paid at the IRS standard rate.

The School has implemented policies to resolve this finding in the current year.

Criteria: NMAC 2.42.11(b)(1) NMAC states that public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Effect: The School is not in compliance with the Per Diem and Mileage Act and is overpaying employees for mileage on behalf of the School.

Cause: Regarding the mileage rate, there has been conflicting guidance issued over the past few years regarding whether the PED Charter Schools should follow the Local Public Body rules and reimburse at 100% of the IRS rate, or if they should follow the State Agency rules and reimburse at 80% of the IRS rate. A final determination was made in August 2016 that the PED Charter Schools should follow the 80% rule. By that time, the fiscal year under audit had already passed and the School had already reimbursed mileage at 100% of the IRS rate.

Recommendation: The School should follow the Per Diem and Mileage Act for local governments when paying for mileage reimbursements; reimburse mileage at 80% of the IRS standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management's Response: There was conflicting guidance from the PED whether the school should reimburse mileage at 100% or 80% of the IRS rate. The school continued to reimburse at 100% of the IRS rate until a final determination came out. After the final determination was made by the PED, the

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THE ASK ACADEMY

2015-001 Mileage Reimbursements (Compliance)(Continued)

school changed its policy to state they will be reimbursing mileage at 80% of the IRS rate. This matter has been resolved.

2016-001 Foundation Bookkeeping (Significant Deficiency)

Condition: During fiscal year 2016, we noted the following regarding the Foundation's bookkeeping:

- Monthly transactions of the checking and savings accounts were recorded and bank reconciliations were prepared, but most months had unreconciled differences due to transactions being left off the list of activity that was provided by the Foundation to the bookkeeper.
- During the year, the transactions in the bond accounts were not recorded in the School's books.
- The Foundation did not prepare or maintain a list of capital assets.

Criteria: Accounting standards require that all transactions for all accounts be recorded in an entity's accounting records, and that each month's statement be reconciled with no unreconciled differences. Any discrepancies should be investigated.

Effect: The Foundation did not have a complete set of accounting records that accurately reflected the year's activity and year-end balances in each account. The Foundation also does not have a list of all capital assets, which would include all costs incurred to construct the new School building.

Cause: The Foundation was providing a list of monthly transactions to the bookkeeper, but the list did not include all activity that posted to the bank account during the month. Also, the list of monthly transactions did not include any activity in the Foundation's bond accounts.

Recommendation: The Foundation should ensure all accounts are reported in the accounting records, including the bond accounts. Additionally, the monthly list of transactions provided to the bookkeeper should include all transactions that occurred during the month. If any transactions cleared the bank that were not included in the list, the Bookkeeper should inquire of the Foundation personnel. The Foundation should maintain a list of all capital assets, as well as the annual depreciation of each asset.

Management's Response: The school has put additional procedures in place to ensure that the monthly transactions for the Foundation are entered correctly and reconciled completely to the monthly bank statements. The Foundation will include all of the bond accounts in the books. The Foundation will maintain a list of all capital assets, along with an annual depreciation of each asset.

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CESAR CHAVEZ COMMUNITY SCHOOL

2016-001 Budgetary Conditions (Compliance)

Condition: During our review of the School's budgetary comparison schedules we noted the following issue where the School did not properly budget prior year cash carry-over:

For fiscal year 2016 the School budgeted a deficit in the Food Services Fund 21000. Prior year cash carry-over was \$0 which was insufficient to cover the current year final budgeted deficit of \$837. It was noted that actual revenues exceeded actual expenditures for the year by \$2,622.

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information.

Effect: The School is not in compliance with New Mexico state statute and the controls established by the use of budgets has been compromised, which could result in deficit fund balances and unnecessary usage of funds to cover the budgeted over-expenditures.

Cause: The budget adjustment request did not consider prior year carry-over amounts for the above noted fund and a budget adjustment request was not prepared and submitted to PED.

Recommendation: We recommend that the School establish a policy where the budget is reviewed at the end of each quarter and give consideration to deficits and ensure that cash is available to cover any such budgeted deficit.

Management's Response: The Business Manager will implement a procedure to review budgeted versus actual cash during the first quarter of the fiscal year. During this review, any differences between budgeted and actual cash will be identified and a BAR will be submitted for Governing Council and PED approval to adjust for any differences. The new procedure will be implemented by the Business Manager with an estimated completion date of December 31, 2016.

CIEN AGUAS INTERNATIONAL SCHOOL

2014-001 Internal Control Structure (Significant Deficiency) (Compliance)

Condition: During our review of the School's internal control procedures over significant transaction cycles we noted the following issues regarding segregation of duties:

The School's Business Manager adds vendors to the accounting system, can create purchase orders, make purchases, prints checks for payment, is an authorized check signer, prepares the outgoing mail, records cash receipts, prepares the deposit and makes bank deposits.

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CIEN AGUAS INTERNATIONAL SCHOOL (Continued)

2014-001 Internal Control Structure (Significant Deficiency) (Continued)

Criteria: Per NMAC 6.20.2.11 every school district shall establish and maintain an internal control structure that will provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP.

In addition, the School's by-laws at Article XII Section 3. – Signatory Authority states, "all checks must be signed by two authorized individuals, neither of which may be the School's business manager."

Effect: Inadequate segregation of duties increases the risk that errors or fraud could occur and not be discovered timely.

Cause: Management has not conducted a basic risk assessment to identify duties that should be segregated to reduce the risk of errors and fraud.

Recommendation: Management should review the current assignment of accounting functions and where feasible, duties should be segregated or mitigating controls implemented that will reduce the risk of errors or fraud. Other review procedures should be implemented to strengthen the School's internal control. The business manager should not be an authorized check signer and checks prepared by the business manager should not be returned to the business manager for mailing, but should be mailed by some other appropriate individual. Vendor and employee system master files should be reviewed periodically for any unusual items by an appropriate individual.

Management's Response: In fiscal year 2015 a new purchase requisition form was created and implemented for procurement purposes. The purchase requisition is completed by the requestor and submitted for approval to the Director of the School. If the purchase has been approved by the Director, the approved purchase requisition is forwarded to the business manager to generate a purchase order. The purchase order is then returned with all backup documentation to the Director for approval. The approved purchase order is filed with a copy given to the requestor to place the order.

As for the accounts payable process, the business manager enters all invoices in the financial management system (AptaFund). After all invoices are entered an accounts payable voucher form is generated listing all checks for that voucher batch. The voucher and all the accompanying documentation (checks, invoices, packing slips, and purchase orders) are passed on to the Director for review and approval. The Director will approve by signing the checks and then all documentation is returned to the business manager who then prepares the checks for mailing. On July 7, 2016, the Assistant Director of the School was added as a check signer. As of October 6, 2016, we inquired about adding a third signer to the account to act as a backup to the director and/or assistant director.

The administrative assistant prepares the receipts for all cash and checks received at the school for lunch and after school fees. The business manager compares the receipts to the cash and checks

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CIEN AGUAS INTERNATIONAL SCHOOL (Continued)

2014-001 Internal Control Structure (Significant Deficiency) (Continued)

received to ensure that they do in fact agree to the adding machine tape total. After verifying the cash/checks, a deposit slip is prepared by the business manager and then deposited.

Further review processes will be performed to strengthen the internal control process and to reduce the risk of fraud and errors by further segregating duties.

The school's business manager and principal are in charge of implementing the corrective actions and anticipate all corrective action to be in place by December 2016.

2014-002 Payroll Transactions (Compliance)

Condition: During internal control testwork over a sample of 25 payroll transactions, we noted the following:

- We noted one employee background check that was not available for review. The School was unable to locate the results.
- We noted one instance of an employee performing and being compensated for added duties as a substitute. However, a properly completed and approved timesheet was not available for our review. Our sample included one other similar instance and a properly completed and approved timesheet was provided to us for our review.

In addition, management's corrective action plan included in management's response to this finding in the 2014 and 2015 report were not fully implemented as this is now the third year that this finding has been reported.

Criteria: Background checks should be completed for all individuals hired for sensitive positions and in accordance with written policies and procedures as established by the Governing Council.

NMAC 6.20.2.18 requires various employee records and documentation to be maintained and available for inspection, including personnel/payroll action forms that properly document employee compensation.

Effect: The School is not in compliance with requirements to have employee background checks completed and completed timely. The School is not in compliance with its payroll processing and payment policies and procedures and NMAC 6.20.2.18.

Cause: The School's policies and procedures are not being enforced.

Recommendation: Personnel files should be periodically reviewed to ensure all required personnel file documents have been obtained and are complete and accurate, including required background investigation documentation. Lastly, employees being compensated on an hourly basis for additional work performed should complete timesheets that are reviewed and approved by the employee's immediate supervisor.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

CIEN AGUAS INTERNATIONAL SCHOOL (Continued)

2014-002 Payroll Transactions (Compliance) (Continued)

Management's Response: All employee files are reviewed at the beginning of the fiscal year to ensure that all documents are in each employee file. The background check for the one individual existed but was misplaced. However, as of August 4, 2016, the employee had a second background check completed and the results are now in her employee file.

Employees who perform additional duties above and beyond their contract are now required to complete a timesheet for the extra hours worked. If the additional duties fall within their regular work hours the employee will be compensated via a stipend. Regardless, the timesheet and/or stipend approval form must be approved by the School Director with a copy of the approved timesheet/stipend form files in the employee personnel file. Both issues have been addressed and corrected as of fiscal year 2017.

The school's business manager and principal are in charge of implementing the corrective actions and anticipate all corrective action to be in place by December 2016.

2015-002 Budgetary Conditions (Compliance)

Condition: During our review of the School's budgetary comparison schedules we noted the following issues where the School did not properly budget prior year cash carry-over:

For fiscal year 2016 the School budgeted a deficit in the SB-9 Capital Improvements Fund 31700. Prior year cash carry-over was \$90,547 which was insufficient to cover the current year final budgeted deficit of \$118,017. It was noted that actual revenues exceeded actual expenditures for the year by \$32,195.

In addition, management's corrective action plan included in management's response to this finding in the 2015 report was not fully implemented as this is now the second consecutive year that this finding has been reported.

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information.

Effect: The School is out of compliance with New Mexico state statute and the controls established by the use of budgets has been compromised, which would result in deficit fund balances and unnecessary usage of funds to cover the budgeted over expenditures.

Cause: The budget adjustment request did not consider prior year carry-over amounts for the above noted funds and budget adjustment requests were not prepared and submitted to PED.

Recommendation: We recommend that the School establish a policy where the budget is reviewed at the end of each quarter and give consideration to deficits and ensure that designated cash is available to cover any such budgeted deficit.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

CIEN AGUAS INTERNATIONAL SCHOOL (Continued)

2015-002 Budgetary Conditions (Compliance) (Continued)

Management's Response: As of June 30, 2016 (fourth quarter cash report) the beginning of year cash balance for fund 31700 was in fact \$90,547 and the budgeted fund balance deficit was \$118,017. However, the expenses for school year 2016 were only \$80,494 which did not exceed the budget. Nonetheless, a review of revenues and expenditures is being conducted on a regular basis to avoid over spending in any fund or account. Budget adjustments and/or journal entries will be presented and approved on an as needed basis to ensure that we are not spending over our budget limits.

The school's business manager and principal are in charge of implementing the corrective actions and anticipate all corrective action to be in place by December 2016.

2016-001 Timely Deposits (Compliance)

Condition: In performing control testwork over a sample of 10 cash receipts, we noted one deposit in the amount of \$2,412 that was made up of several cash receipts received over a four day period. The receipts were dated from February 9 to February 12, 2016, and the deposit was made on February 16, 2016.

Criteria: NMAC 6.20.2 states that "money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day."

Effect: The School is not in compliance with the above referenced state statute.

Cause: Cash receipts for student lunches and activities were collected over a period of four days while the Business Manager was absent attending a conference and was unable to take the deposit until the following school day upon the business manager's return. Controls are not in place that would provide for another appropriate individual to make bank deposits where the business manager is unable to do so.

Recommendation: The School should implement procedures to ensure that receipts are deposited in the bank within the required time frame.

Management's Response: A review process will be implemented to strengthen the internal control process and to reduce the risk of fraud and errors by further segregating duties and also to ensure that all deposits are deposited within 24 hours of being received.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

CORAL COMMUNITY CHARTER SCHOOL

2014-001 Cash Receipts (Compliance)

Condition: During our internal control testwork over a sample of 16 cash receipts, we noted the following occurrences:

Seven receipts tested, totaling \$995, could not be located. As a result, we could not determine if the School met the 24-hour deposit requirement for these deposits.

Three deposits in the amount of \$479, were not deposited in the bank within 24 hour requirement.

The School has implemented procedures to resolve this finding in the current year.

Criteria: Per NMAC 6.20.2.14 A. school districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget (OMB) and Uniform Guidance, and applicable state and federal laws and regulations, and C. Money received and receipted shall be deposited in the bank within 24 hours or one banking day.

Effect: The School is not in compliance with NMAC 6.20.2.14.

Cause: The School was unable to locate documentation for cash receipts from January to February of 2016 and internal controls were not in place to ensure receipts were deposited within 24 hours.

Recommendation: Ensure source documentation related to all cash receipts is maintained and ensure that receipts are deposited in the bank within 24 hours.

Management's Response: Although the School has required the use of a receipt book to log and date all cash received for the 2015-2016 school year, the individual responsible for this activity was not accurately performing this duty. To correct this, subsequent to year end, personnel changes were made to insure procedures are being followed as required by the school's Internal Control Procedures, this was done by Head Administrator. School has also started having the Business Manager reconcile the receipt book daily before deposits are done to insure accurate and timely deposits. School has also started labeling the receipt books and keeping old receipt books in a secure place once they are completed. Further, the school has modified the timing of when deposits are being made to ensure that all cash receipts are deposited within the 24 hour window. Business Manager checks in daily with staff that collects money to make sure deposits are done within 24 hour window. This will be implemented by the School immediately.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

CORAL COMMUNITY CHARTER SCHOOL (Continued)

2016-001 Internal Control Structure (Compliance)

Condition: During our cash disbursements testwork, two of twenty-five disbursements tested in the amount of \$10,079, had purchase orders that were dated after the invoice/contract date. This indicated that the purchase was not properly approved before it was made.

Criteria: Section NMAC 6.20.2.11 (A). Internal Control Structure Standards, “every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management’s authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP.

Effect: The School is not in compliance with NMAC 6.20.2.11 and policies regarding purchases. In addition, purchases could be made without proper approval and expenditures could be reported inaccurately or spent inappropriately.

Cause: The School did not follow internal control purchasing policies and procedures.

Recommendation: Ensure purchase orders are created prior to receiving goods and services.

Management’s Response: The School is revising their procedures in relation to issuing purchase orders and will ensure that purchase orders are signed and approved prior to contracts being signed or procuring other goods and services. Chief Procurement Officer will ensure that purchase orders are signed and approved prior to contracts being signed or procuring other goods and services. This will be supervised by the Head Administrator. This will be implemented by the School immediately.

2016-002-Travel and Per Diem (Compliance)

Condition: From our travel testwork performed, we noted one instance where an employee was reimbursed for mileage at the wrong Internal Revenue Service (IRS) rate. This resulted in this employee being over paid in the amount of \$6.

Criteria: NMAC 2.42.2.11(b)(1) states that public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile at 80% of the IRS standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Effect: The School is not in compliance with the Per Diem and Mileage Act and is overpaying employees for travel on behalf of the school.

Cause: The school did not have internal controls in place to ensure mileage reimbursements were paid in accordance with the New Mexico Per Diem and Mileage Act.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

CORAL COMMUNITY CHARTER SCHOOL (Continued)

2016-002-Travel and Per Diem (Compliance) (Continued)

Recommendation: The School should follow the Per Diem and Mileage Act for local governments when paying for mileage reimbursements at 80% of the IRS standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management's Response: The school has modified its internal controls to provide for a second review to ensure mileage reimbursements are paid in accordance with the New Mexico Per Diem and Mileage Act. The one instance was a mathematical error that we do not expect to occur in the future. The Business Manager will follow the Per Diem and Mileage Act for local governments when paying for mileage reimbursements at 80% of the IRS standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle. Head Administrator will be the second review to ensure mileage reimbursements are paid in accordance with the New Mexico Per Diem and Mileage Act. This will be implemented by the School immediately.

COTTONWOOD CLASSICAL PREPARATORY SCHOOL

2014-002 Compliance with Payroll Recordkeeping (Compliance)

Condition: Out of 40 items tested for controls over payroll, the following exceptions were noted: 6 instances of a Form I-9 section 2 not being completed and 3 instances of documents relating to Form I-9 not sufficiently provided. We also noted one substitute with no signed contract request form.

The School has not yet implemented policies to resolve this finding.

Criteria: Pursuant to 6.20.2.18 NMAC, Form I-9's, among other documents, are required to be included in personnel files. School policy also requires that each substitute have a signed contract request form on file.

Effect: Non-compliance with the aforementioned statute with the potential of hiring a non-eligible employee. Also, without a signed contract request form on file, there could be confusion about a substitute's pay rate or employment with the School.

Cause: Improper oversight over the maintenance of personnel records.

Recommendation: We recommend a periodic re-inspection of personnel files to ensure continuous compliance with the statutory requirements as well as School policies.

Management's Response: Forms I-9 are collected for all employees. However, school personnel were not aware of all technical requirements of the form. All files will be reviewed by personnel assigned oversight responsibilities to ensure compliance. This will be completed by the bookkeeper at the school by March 2017.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

COTTONWOOD CLASSICAL PREPARATORY SCHOOL (Continued)

2015-001 Controls Over Cash Disbursements (Compliance)

Condition: In 5 out of 40 disbursements tested in the amount of \$5,551, in which the purchase order was dated after the invoice date, indicating that the purchase was not properly approved before it was made. In the same disbursements sample, there were 2 disbursements, for a total of \$473, with an invoice amount that was greater than the purchase order.

The School has not yet implemented policies to resolve this finding.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Without proper approval and for the correct amount, purchases for unauthorized goods or services may occur.

Cause: Processes and procedures in place were by-passed by those involved in the purchasing process.

Recommendation: We recommend the School strengthen internal controls over purchasing procedures to ensure that all purchases are approved in accordance with School policies and procedures. Goods and/or services should not be ordered until all required authorizing signatures are obtained. Additionally, in cases where the invoice amount is greater than the purchase order, a change order should be processed so the purchase order amount covers the invoice amount.

Management’s Response: The school has internal controls in place over the purchasing process including the requirement for a purchase order prior to ordering of goods or services. A misunderstanding occurred with personnel believing an approved requisition from the Director gave them authority to order prior to the official purchase order being issued. The school will emphasize the importance of compliance of these requirements with staff. The business manager and bookkeeper will be responsible for this compliance which will be completed by January 2017.

2015-002 Travel and Per-Diem (Compliance)

Condition: During fiscal year 2016, the CCPS used the IRS standard rate for mileage reimbursements. We reviewed one mileage reimbursement for an employee's private vehicle and the reimbursement was paid at the IRS standard rate. In the same sample of travel reimbursements, we noted two cases where the invoices attached to the reimbursement were less than the amount reimbursed.

The School has not yet implemented policies to resolve this finding.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

COTTONWOOD CLASSICAL PREPARATORY SCHOOL (Continued)

2015-002 Travel and Per-Diem (Compliance) (Continued)

Criteria: NMAC 2.42.11(b)(1) NMAC states that public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle. Additionally, all receipts for employee reimbursements should be included as supporting documentation to show the reimbursement was substantiated.

Effect: The CCPS is not in compliance with the Per Diem and Mileage Act and is overpaying employees for mileage on behalf of the School. Also, without proper supporting documentation in place, it appears as though the School is reimbursing employees for amounts in excess of what they expended.

Cause: Regarding the mileage rate, there has been conflicting guidance issued over the past few years regarding whether the PED Charter Schools should follow the Local Public Body rules and reimburse at 100% of the IRS rate, or if they should follow the State Agency rules and reimburse at 80% of the IRS rate. A final determination was made in August 2016 that the PED Charter Schools should follow the 80% rule. By that time, the fiscal year under audit had already passed and the School had already reimbursed mileage at 100% of the IRS rate. Regarding the supporting documentation of employee reimbursements, it appears that the disbursement packet was disassembled and reassembled multiple times and some of the receipts appear to have been lost through that process.

Recommendation: The CCPS should follow the Per Diem and Mileage Act for local governments when paying for mileage reimbursements; reimburse mileage at 80% of the IRS standard mileage rate set

January 1 of the previous year for each mile traveled in a privately owned vehicle. The School should also ensure that all cash disbursement packets contain all related supporting documents and should use care in disassembling and reassembling them.

Management's Response: The school implemented the new direction established by the NM PED upon notification. However, because the notice was received during the year audited it had reimbursed at the previously PED and independent approved rates. The reimbursement rate currently being paid meets the latest interpretation of the PED. The compliance will be monitored and implemented by the business manager.

CREATIVE PREPARATORY INSTITUTE #1

2009-024- PED Cash Report (Material Weakness) (Compliance)

Condition: During our test work it was noted that beginning balances do not agree to the prior year audited financial statements. Large reconciling items were used to adjust the ending cash balances on the PED cash report to the reconciled bank account balance. There was no progress made in this area for FY 2015-2016.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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CREATIVE PREPARATORY INSTITUTE #1 (Continued)

2009-024- PED Cash Report (Material Weakness) (Compliance)(Continued)

Criteria: According to State regulation 6.20.2.11 (B) (6), NMAC and Regulation SBE-6, the reports sent to the New Mexico Public Education Department (PED) must agree to the general ledger. Per the New Mexico State Audit Rule, the audit report of each school district shall include a cash reconciliation schedule which reconciled the cash balance as of the end of the previous fiscal year to the cash balance at the end of the current fiscal year.

Effect: The School's reporting to PED could be incorrect and PED could not have an accurate reflection of the schools cash balances.

Cause: The School does not have a process in place to ensure that bank accounts are being properly reconciled to the general ledger and to the PED cash report.

Recommendation: The School should put in place procedures to ensure that bank reconciliations reconcile to the general ledger and the PED cash report.

Management's Response: The School has ceased operations. Management was not available to respond to audit findings.

2011-001- Internal Control Structure – Repeated and Modified – (Material Weakness) (Compliance)

Condition: During our fieldwork we noted the following:

- The School's fund balance do not agree to prior year audit reports. The School was not able to provide supporting documentation for these differences in fund balance

There was no progress made in this area for FY 2015-2016.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP." Per NMAC 6.20.2.14 (F).1 Cash Control Standards, "posting errors are not to be erased, crossed out, or in any other manner eliminated from the ledger. A separate entry is required to incorporate necessary corrections. Cross-referencing of a correcting entry to the original error should be inserted under the "description" column of the ledger."

Effect: Financial statements could be misstated.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2016

CREATIVE PREPARATORY INSTITUTE #1 (Continued)

**2011-001- Internal Control Structure – Repeated and Modified – (Material Weakness)
(Compliance)(Continued)**

Cause: The school does not have an effective set of procedures in place to review documentation being generated for financial related matters.

Recommendation: All fund balances should be reconciled and agreed to prior year amounts.

Management’s Response: The School has ceased operations. Management was not available to respond to audit findings.

2011-002- Budgetary Conditions (Compliance)

Condition: The School had funds with expenditure functions where actual expenditures exceeded budgetary authority:

Operational Fund	
Other Support Services	\$27,313
CNM Foundation (26207)	
Instruction	\$538

There was no progress made in this area for FY 2015-2016.

Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is out of compliance with State Law and the control established by the use of budgets has been compromised.

Cause: A budget adjustment request was never submitted to account for the additional expenditures incurred for Other Support Services.

Recommendation The School should establish a policy of budgetary review at year-end and make the necessary budgetary adjustments.

Management’s Response: The School has ceased operations. Management was not available to respond to audit findings.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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CREATIVE PREPARATORY INSTITUTE #1 (Continued)

2016-001 (Prior Year Findings 2013-002, 2014-001, 2014-003 and 2015-001) Lack of Internal Controls over Accounting Records (Material Weakness)

Condition: During our test work over the Creative Education Preparatory Institute #1 (CEPI) we were unable to obtain sufficient appropriate audit evidence to perform audit procedures over the following areas: cash, accounts receivables, capital assets, accounts payable, accrued liabilities, net position/fund balance, revenue, and expenditures. CEPI was unable to provide supporting documentation to support the reported balances as a whole and its funds.

Criteria: Pursuant to 6.20.2.11, every school shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations. Additionally, pursuant to 6.20.2.13, the school shall maintain adequate accounting records, prepare financial statements in accordance with GAAP (specifically, GASB 34), and provide complete, accurate, and timely information to the independent public accountant (IPA) as requested.

Effect: CEPI's lack of internal control over accounting records limits management's ability to monitor the accuracy of transactions and provide assurance with respect to public funds. Also, when sufficient controls are not designed, implemented and operating effectively, it increases the risk of financial misstatements going undetected and an increased risk of theft or fraud.

Cause: CEPI did not maintain complete and accurate records.

Recommendation: We recommend that CEPI design and implement controls to ensure adequate accounting records are maintained, complete, and reconciled timely in order to provide complete, accurate, and timely information to the IPA. Furthermore, CEPI should establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations.

Management's Response: The School has ceased operations. Management was not available to respond to audit findings. The NM Public Education Department has also taken over the School's Board of Finance.

STATE OF NEW MEXICO
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

CREATIVE PREPARATORY INSTITUTE #1 (Continued)

2016-002 (Prior Year Findings 2011-003, 2012-003, 2014-002, and 2014-005) State Audit Rule (Compliance)

Condition: As noted within finding 2016-001, during our testwork over Creative Education Preparatory Institute #1 (CEPI) we were unable to obtain sufficient appropriate audit evidence to perform audit procedures over account balances. As such, we were unable to perform audit procedures related to the following state compliance requirements:

- Procurement Code (Sections 13-1-1 to 13-1-199 NMSA 1978) and State Purchasing Regulations 1.4.1 NMAC;
- Per Diem and Mileage Act (Sections 10-8-1 to 10-8-8 NMSA 1978), Regulations Governing the Per Diem and Mileage Act, and 2.42.2.11 NMAC;
- Public Money (Sections 6-10-1 to 6-10-63 NMSA 1978);
- Public School Finance Act (Sections 22-8-1 to 22-8-48 NMSA 1978);
- Investment of Public Money (Sections 6-8-1 to 6-8-21 NMSA 1978);
- Educational Retirement Act (Sections 22-11-1 to 22-11-55 NMSA 1978);
- Sale of Public Property (Sections 13-6-1 to 13-6-8 NMSA 1978);
- Anti-Donation Clause (NM Constitution Article IX, Section 14);
- Budget Compliance (Sections 22-8-5 through 22-8-12.2, NMSA 1978);
- Lease Purchase Agreements (New Mexico Constitution Article IX, Section 8 and 11; Sections 6-6-11 to 6-6-12 NMSA 1978; *Montano v. Gabaldon*, 108 NM 94, 766 P.2d 1328, 1989);
- Retiree Health Care Authority Act (Section 10-7C-1 to 10-7C-19 NMSA 1978);
- Compliance with PED Regulation Section 6.20.2 NMAC, *Governing Budgeting and Accounting for New Mexico Public Schools and School Districts* and the *Manual of Procedures*, primarily Supplement 7, *Cash Controls*;
- Inclusion of the cash reconciliation schedule which reconciles the cash balance as of the end of the previous fiscal year to the cash balance as of the end of the current fiscal year (Section 2.2.2.12 C (4)(b));
- New Mexico Public Schools Insurance Authority (NMPSIA) (Section 2.2.2.12 C (6))
- Annual Physical Inventory (Section 12-6-10 NMSA 1978)

Criteria: Pursuant to 6.20.2.13, the school shall maintain adequate accounting records, prepare financial statements in accordance with GAAP (specifically, GASB 34), and provide complete, accurate, and timely information to the independent public accountant (IPA) as requested.

Effect: CEPI is not in compliance with State law. Additionally, we unable able to perform testwork over compliance with 2.2.2 NMAC.

Cause: CEPI did not maintain complete and accurate records.

Recommendation: We recommend that CEPI design and implement controls to ensure adequate accounting records are maintained, complete, and reconciled timely in order to provide complete, accurate, and timely information to the IPA.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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CREATIVE PREPARATORY INSTITUTE #1 (Continued)

2016-002 (Prior Year Findings 2011-003, 2012-003, 2014-002, and 2014-005) State Audit Rule (Compliance)(Continued)

Management's Response: The School has ceased operations. Management was not available to respond to audit findings. The NM Public Education Department has also taken over the School's Board of Finance.

DREAM DINE CHARTER SCHOOL

2015-001 Payroll and Personnel Files (Compliance)

Condition: For twenty-five payroll transactions tested we noted the following:
Two employees did not have background checks on file.

The School has implemented procedures to resolve this finding in the current year.

Criteria: NMAC 6.20.2.18 requires various employee records and documentation to be maintained and available for inspection, including personnel/payroll action forms that properly document employee compensation. Additionally, the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP.

Pursuant to 22-10.3.3 NMSA 1978, policies and procedures should be developed requiring background checks on an applicant who has been offered employment.

Effect: The School is not in compliance with 22-10-.3.3 NMSA 1978, as it failed to obtain required background checks.

Cause: The School's policies and procedures are not enforced and employee hiring is not being performed according to the School's internal control policies.

Recommendation: Policies and procedures governing background checks should be strictly enforced.

Management's Response: The school will review their own procedures and PED guidance to ensure that they comply with the background check process. This will be implemented by the business manager within ninety days.

2016-001 Pledged Collateral (Compliance)

Condition: The School did not have a pledged collateral agreement in place during fiscal year 2016.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2016**

DREAM DINE CHARTER SCHOOL (Continued)

2016-001 Pledged Collateral (Compliance) (Continued)

Criteria: Section 6-10-17, NMSA 1978, requires pledged collateral for deposits in banks, savings and loan associations, or credit unions, in an aggregate amount equal to one-half of the amount of public money in each account. No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union (NCU) shares insurance.

Effect: Of the School's bank deposit balance of \$291,873 at June 30, 2016, \$250,000 was insured by the FDIC and the remaining amount of \$41,873 was uninsured and uncollateralized. Section 6-10-17, NMSA 1978 requires that half of the uninsured and uncollateralized amount, or \$20,937, to be collateralized.

Cause: Management was under the belief that the FDIC insurance was providing sufficient coverage.

Recommendation: A pledged collateral agreement should be in place at each financial institution used by the School that collateralizes at least one-half of the bank balance not already insured or collateralized.

Management's Response: The school has been set up as a Public Account. When the school inquired on why the collateral had not been pledged as required by state statute, they said they were missing a form from the school. The form has been submitted. The school will continue to monitor that pledged collateral reports are received when funds are more than the \$250,000 FDIC Insurance.

2016-002 Staff Qualifications and Payroll (Compliance)

Condition: For twenty-five payroll transactions tested, we noted one instance when the instructor did not have any license as a Level I Instructor, which was the employee's position.

Criteria: NMAC 6.61.2 through 6.61.12 (Chapter 61) outlines the various licensure requirements for persons seeking an instructor's license.

Effect: The School is not in compliance with applicable requirements of Chapter 61 for the instructor listed above.

Cause: The School did not have internal controls in place to ensure all required documentation was obtained prior to hiring the instructor.

Recommendation: Develop and implement internal control procedures to ensure all instructors are properly licensed prior to hiring.

Management's Response: The instructor identified was hired with an understanding that they were to have proper licensure by 40th day. When that was not completed the Instructor was put on an improvement plan as required by the licensure department. At year end the instructor had not obtained licensure and the contract for that employee was not renewed.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

DREAM DINE CHARTER SCHOOL (Continued)

2016-003 Excess of Expenditures over Budget (Compliance)

Condition: Dream Dine Charter School had expenditure functions where actual expenditures exceeded budgetary authority by the following amounts:

Operational (11000)	
Central Services	\$939
Food Services (21000)	
Food Services Operations	\$8,459
Kellogg Foundation (26121)	
Instruction	\$3,995
Private Direct Grants (29102)	
Support Services	\$611

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: Dream Dine Charter School expenditures in the above function exceeded the total approved budgeted expenditures by \$14,004.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid the amount that actual expenditures exceeded the approved budgets for the Dream Dine Charter School’s Food Services fund.

Recommendation: Controls should be implemented to ensure the budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

Management’s Response: The school will add a monitoring check on budget to actuals to their regular finance committee meetings to ensure that all funds are within approved budget authority for the school. This will be implemented by the business manager within ninety days.

DZIL DITL’OOI SCHOOL OF EMPOWERMENT, ACTION, AND PERSERVERANCE (DEAP)

2016-001 Procurement (Compliance)

Condition: The School does not have a chief procurement officer.

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DZIL DITL'OOI SCHOOL OF EMPOWERMENT, ACTION, AND PERSERVERANCE (DEAP) (Continued)

2016-001 Procurement (Compliance) (Continued)

Criteria: NMSA 13-1-95.2 states "On or before January 1, 2015, the state purchasing agent shall establish a certification program for chief procurement officers that includes initial certification and recertification every two years for all chief procurement officers. In order to be recertified, a chief procurement officer shall pass a recertification examination approved by the secretary of general services."

Effect: The School is not in compliance with NMSA 13-1-95.2.

Cause: Due to the size of the School, it's difficult to find an individual with available time to go through the certification process.

Recommendation: Ensure an individual from the School or associated with the School completes the certification program for chief procurement officers.

Management's Response: The Executive Director is responsible to ensure a trained chief procurement officer is chosen by January 2017.

2016-002 Excess of Expenditures over Budget (Compliance)

Condition: The School has expenditure functions where actual expenditures exceeded budgetary authority:

Operational:	
Instruction	\$4,552
Central Services	\$471
Food Service Operations	\$25,622

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over expenditure of a function shall not be allowed.

Effect: The School expenditures in the above functions exceeded the total approved budgeted expenditures by \$30,645.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid or minimize the amount that actual expenditures exceeded the approved budget.

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DZIL DITL'OOI SCHOOL OF EMPOWERMENT, ACTION, AND PERSERVERANCE (DEAP)

2016-002 Excess of Expenditures over Budget (Compliance) (Continued)

Recommendation: Budget adjustment requests should be presented to and approved by PED before expending funds in excess of budget. Controls should be implemented to ensure that budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

Management's Response: While the budget by Fund was not exceeded, the Function budget was exceeded. At the end of each quarter, the Business Manager will look closely at budget vs. actual spending and prepare any BARs needed to adjust the budget.

2016-003 Internal controls and Accounts Payable (Significant deficiency)

Condition: During accounts payable test work, we noted \$6,373 in unrecorded liabilities as of June 30, 2016.

Criteria: Based on the Schools Financial Policies and Procedures, "A system of authorization and recording procedures to ensure that all transactions are properly approved and recorded."

Effect: The School is not in compliance with internal policies and procedures.

Cause: Proper internal controls were not in place to ensure that all liabilities were recorded at the fiscal year-end.

Recommendation: Ensure that all liabilities are recorded at the fiscal year end.

Management's Response: At the end of the fiscal year the Business Manager who knew how to prepare these entries resigned and her replacement did not know how to make these entries. We now have an experienced school Business Manager to mentor our Business Manager and help with these year-end entries. This will be corrected by the Business Manager for the year ended June 30, 2017.

2016-004 Audit Committee Structure (Compliance)

Condition: During our testing of the audit committee requirements, we noted that the audit committee did not include a parent volunteer.

Criteria: NMAC 22.8.12.3 states "Except as otherwise provided in this section, each local school board shall appoint an audit committee that consists of two board members, one volunteer member who is a parent of a student attending that school district and one volunteer member who has experience in accounting or financial matters. The superintendent and the school district business manager shall serve as ex-officio members of the committee. A local school board with more than five members may appoint more than two board members to its audit committee."

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DZIL DITL'OOI SCHOOL OF EMPOWERMENT, ACTION, AND PERSERVERANCE (DEAP) (Continued)

2016-004 Audit Committee Structure (Compliance) (Continued)

Effect: The School is not in compliance with NMAC 22.8.12.3.

Cause: DEAP has been unsuccessful in recruiting a board member with the required experience.

Recommendation: Ensure that audit committee requirements are followed as to the composition of the audit committee members.

Management's Response: DEAP has made efforts to recruit a parent volunteer to serve on the Audit Committee, but it has been difficult to identify a parent willing to do so and even more difficult to find a parent volunteer with the required experience to serve on such Committee. However, the Executive Director is responsible for recruiting a parent volunteer by the quarter ended March 31, 2017.

ESTANCIA VALLEY CLASSICAL ACADEMY

2015-001 Budget (Compliance)

Condition: During our review of the School's budgetary comparison schedules we noted the following issues:

- For fiscal year 2016, the School budgeted a deficit in the Operational Fund 11000. Prior year cash carry-over was \$98,540 which was insufficient to cover the current year final budgeted deficit of \$99,043. This resulted in a budgeted deficit of \$503.
- The School had an expenditure function where actual expenditures exceeded budgeted authority in the amount of \$159. This occurred in the Teacher Principal Training Fund-24154; Function 1000-Instruction.

The budget overage in the current year is in a different fund and function than in the prior year; however, management is in the process of implementing proper internal controls to ensure this issue does not continue.

Criteria: Per NMAC 6.20.2.9 (A) every School district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The School is not in compliance with New Mexico state statute and the controls established by the use of budgets has been compromised, which could result in deficit fund balances and unnecessary usage of funds to cover the budgeted over-expenditures.

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ESTANCIA VALLEY CLASSICAL ACADEMY (Continued)

2015-001 Budget (Compliance) (Continued)

Cause: The budget adjustment request did not consider prior year carry-over amounts for the above noted fund and a budget adjustment request was not prepared and submitted to PED. Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid or minimize the amount that actual expenditures exceeded the approved budget for the Teacher and Principal Training fund.

Recommendation: We recommend that the School establish a policy where the budget is reviewed at the end of each quarter and give consideration to deficits and ensure that cash is available to cover any such budgeted deficit. Budget adjustment requests should be presented to and approved by PED before expending funds in excess of the budget. Controls should be implemented to ensure that budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

Management's Response: Management will review, on a quarterly basis, OBMS actual and budget reports to the Account Balance Report from Apta Fund to verify the correct balances. Upon review, BARS will then be created to adjust as necessary. This will occur at our next finance meeting on November 17, 2016 and continually after that.

2015-002 - Internal Control Structure over Payroll (Significant Deficiency)

Condition: During our review of twenty-five payroll disbursements, we noted the following:

- 6 instances in the amount of \$8,550, where employee pre-tax payroll deductions were not deducted prior to the assessment of Medicare taxes.
- 1 instance in the amount of \$1,983, where employees should have made Retiree Health Care (RHC) withholdings and contributions but did not.

This finding was reported in 2015 and the School did not correct the deductions in the accounting system during 2016. The school has implemented policies to resolve this finding in current year.

Criteria: NMAC 6.20.2.12 requires every school to conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer programmed controls, management review of reports that summarize the detail of account balances and user review of computer generated reports. The School is also required to maintain an internal control structure to demonstrate the ability to record, process, summarize and report financial data. In addition, the internal control structure shall demonstrate that the school identifies applicable law and regulations, and that procedures are designed to provide reasonable assurance that the school complies with those laws and regulations.

All employees who are entitled to ERB pension benefits must contribute to RHC.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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ESTANCIA VALLEY CLASSICAL ACADEMY (Continued)

2015-002 - Internal Control Structure over Payroll (Significant Deficiency) (Compliance) (Continued)

Effect: The School is not in compliance with NMAC 6.20.2.12. In addition, the School and the employees are not paying the correct amount of taxes and benefits. The School is not in compliance with RHC requirements.

Cause: Internal controls are not in place to ensure deductions are properly entered into the payroll system. Controls are not in place to ensure all required employees and the School are contributing to RHC, where required.

Recommendation: Implement internal controls to ensure deductions and contributions are properly entered into the payroll system. A review should be performed for all employees to ensure deductions are properly calculated and entered.

Management's Response: The business manager and finance team will verify the 125 Cafeteria Plan pre-tax deductions are corrected within APTA Fund by November 22, 2016. All employees NMRHCA withholdings and deductions will be verified by November 22, 2016 as well.

2016-001- Internal Control Structure over disbursements (Significant Deficiency)

Condition: The School's check signers have the ability to perform a wire payment without secondary approval. This includes the business manager who has the ability to pay them self. The School's internal policy states a secondary approval is necessary from an administrator for a wire payment, but the bank does not require it.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP."

Effect: The risk exists that the business manager or administrator could override internal controls and process unauthorized disbursements.

Cause: The School does not have controls in place to ensure that two separate individuals are required to initiate and release wire payments.

Recommendation: The School should contact the banking institution and establish a system that requires two individuals to complete a wire transfer.

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Year Ended June 30, 2016**

ESTANCIA VALLEY CLASSICAL ACADEMY (Continued)

2016-001- Internal Control Structure over disbursements (Significant Deficiency)(Continued)

Management's Response: Management is following the current procedures with approval of a check signer prior to an invoice being paid via a bank ACH. Management has contacted the bank to establish an authorizer from another bank token for ACH approval. This is to be completed by November 28, 2016.

2016-002- Retiree Health Care Contributions (Compliance)

Condition: For the months of August 2015 and September 2015, the monthly RHC contributions were made after the tenth day of the subsequent month.

Criteria: Monthly RHC contributions are required to be remitted no later than the 10th of the following month per NMSA 1978 10-7C-15.

Effect: The School is not in compliance with New Mexico State Statues in regards to RHC contributions being submitted timely.

Cause: Internal controls were not in place to ensure the monthly RHC contributions were submitted timely.

Recommendation: Internal controls should be implemented to ensure that RHC contributions are processed and paid in a timely manner.

Management's Response: This was corrected in October 2015 and there have not been any further instances.

2016-003- Foundation Account Reconciliations (Material Weakness)

Condition: At year-end, the Foundation did not accrue for construction services that were performed during fiscal year 2016. The total amount that should have been accrued was \$153,350.

Criteria: Maintenance of complete and accurate accounting records and preparation of annual financial statements and footnotes in accordance with generally accepted accounting principles (GAAP) ensures that timely, accurate and useful information is available to management, those charged with governance and other interested parties. Internal controls must be in place to safeguard assets and ensure accurate financial accounting and reporting. Fundamental to a good system of internal controls is thorough review processes, accurate record keeping of accounting transactions and preparation of accurate account reconciliations.

Effect: The Foundation's account balances were materially misstated.

Cause: The Foundation inadvertently missed the accrual for construction services at June 30, 2016.

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PUBLIC EDUCATION DEPARTMENT
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ESTANCIA VALLEY CLASSICAL ACADEMY (Continued)

2016-003- Foundation Account Reconciliations (Material Weakness)(Continued)

Recommendation: Ensure payables are properly recorded at year-end and services are recorded in the period incurred.

Management's Response: Although the invoices were not accrued at the time the services were rendered, the invoices were recorded according to the invoice date. This was an unintentional oversight on the treasurer's part and being a professional accountant, the error should not have occurred. Although if any lay-person that was positioned as the treasurer of the Foundation, the error would have inevitably occurred. The treasurer is responsible for correcting the finding and a close review of expenses will be performed at year-end to ensure expenses are recorded in the correct period.

EXPLORE ACADEMY

2015-002 Review and Approval of Purchases (Other Matter)

Condition: During our cash disbursement testwork we tested forty two purchases and noted the following: six items tested, totaling \$6,527, did not have proper approval in the form of a purchase requisition and purchase order before the purchase was made. We also noted one item where the purchase order was \$1,837 more than the purchase requisition. We noted an additional item where the invoice was \$11 more than the purchase order. In four cases, we were not provided with the purchase requisition; these items amounted to \$3,459. There were also two purchases for which we were not provided any supporting documentation, totaling \$141.

The School has implemented procedures to resolve this finding in current year.

Criteria: All purchases must have prior approval by the appropriate level of authority for the proper amount. Any subsequent changes must also be approved and that approval must be documented. All approvals must be maintained on file. Supporting documentation must exist and be maintained on file for each cash disbursement.

Effect: Unbudgeted, unnecessary, unwanted or even fraudulent purchases could be made.

Cause: There was a breakdown in the internal controls surrounding the cash disbursements process.

Recommendation: Purchase requisitions and purchase orders should be created and approved before any purchases are made. Supporting documentation of approvals and purchases must be maintained in purchasing files.

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EXPLORE ACADEMY (Continued)

2015-002 Review and Approval of Purchases (Other Matter)(Continued)

Management's Response: As stated in the criteria, Explore Academy has proper controls in place. These controls have been re-emphasized to staff to ensure compliance throughout the year. The schools Business Manager and Head Administrator will be the responsible party to ensure all controls will be followed.

2016-001 Personnel Files (Other Matter)

Condition: While all forty personnel files we tested included an I-9 form, sixteen of them were not fully completed, four of them did not include proper copies of applicable documents and thirteen were not signed by School personnel.

Criteria: Federal law requires that each employee complete an I-9 upon being hired to determine their eligibility to work in the United States.

Effect: The Explore Academy is non-compliant with Federal employment law.

Cause: Proper attention was not given to the completion and review of I-9 files.

Recommendation: We recommend that the Explore Academy review employee I-9 forms to ensure all are properly completed and approved, and that proper documents are maintained in the files in order to demonstrate compliance with federal laws. The School should also review requirements to ensure future employees' forms are filled out correctly and properly approved.

Management's Response: Additional controls of maintaining all supporting documentation of personnel files and any employee changes have been established. Additional controls of maintaining all supporting documentation of personnel files and any employee changes have been established. The schools Head Administrator will be responsible to ensure that all supporting documentation for each employee is complete and up-to-date by June 2017.

2016-002 Educational Retirement Board (ERB) and Retiree Health Care (RHC) Payroll Deductions (Other Matter)

Condition: We tested forty employee paychecks and noted four cases where the employee's contribution to the Educational Retirement Board (ERB) was calculated using an incorrect rate.

Criteria: The State requires the School to deduct educational retirement board contributions from employee's pay based on their employment status and their rate of pay.

Effect: The School deducted educational retirement board contributions using an incorrect percentage (too high in two cases and too low in two cases). The result is that employees were underpaid and overpaid because of the incorrect rate.

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EXPLORE ACADEMY (Continued)

**2016-002 Educational Retirement Board (ERB) and Retiree Health Care (RHC) Payroll Deductions
(Other Matter)(Continued)**

Cause: ERB has rates for employees based on employment status and rate of pay, and enough attention was not given to ensure that the correct rates were being used for employee paychecks.

Recommendation: We recommend that the School ensure all gross pay has deductions for ERB and RHC when required, and that the proper rates are being used. The rates should be reviewed throughout the year as employee contracts may be revised and a pay change could shift the employee from one rate to another.

Management's Response: Additional controls for oversight / review of each payroll period including each employee's deductions have been established. The schools Business Manager and Payroll Specialist will be the responsible party to ensure that each employee is being deducted at the correct percentage rate throughout the year as of July 2016.

2016-003 Travel and Per-Diem (Compliance)

Condition: During fiscal year 2016, the Explore Academy used the IRS standard rate for mileage reimbursements. We reviewed two mileage reimbursements for an employee's private vehicle and the reimbursements were paid at the IRS standard rate.

Criteria: NMAC 2.42.11(b)(1) NMAC states that public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle

Effect: The School is not in compliance with the Per Diem and Mileage Act and is overpaying employees for travel on behalf of the Charter.

Cause: There has been confusion over the previous years regarding whether the Charter Schools should be reimbursing mileage using the IRS rate, or 80% of that rate. The Explore Academy opted to use 100% of the IRS rate until a final determination was made.

Recommendation: The Explore Academy should follow the Per Diem and Mileage Act for local governments when paying for mileage reimbursements; reimburse mileage at 80% of the IRS standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management's Response: As stated in cause, once the final determination was made and issued by the Office of the State Auditor, the school adjusted its policy to the 80% rule. The schools Business Manager and Head Administrator will be the responsible party to ensure each travel reimbursement that is made during the year is paid out at the correct amount by July 2016.

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EXPLORE ACADEMY (Continued)

2016-004 Timely Deposits (Compliance)

Condition: We tested 15 cash receipts and noted one in the amount of \$920 that was not deposited within 24 hours of being received.

Criteria: Per NMAC 6.20.2.14.C states that “money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day”.

Effect: The Explore Academy is not in compliance with the cash deposit compliance requirements as stated at NMAC 6.20.2.14.C.

Cause: The School does not receive very many funds that come in the form of cash and check, as most deposits are wired into the bank account. Due to the infrequency of deposits, the School does not have a solid structure for ensuring cash receipts are deposited within 24 hours as required by law.

Recommendation: We recommend that Explore Academy review policies and procedures that are already in place to ensure that all cash receipts are deposited within 24 hours.

Management’s Response: Procedures are in place to ensure timely deposits within the required timelines. Compliance with these procedures will be emphasized to staff collection funds. The schools Office Manager and Head Administrator will be the responsible party to ensure all deposits are made within 24 hours of receiving the funds as of July 2016.

GILBERT L. SENA

2015-002- Budget Adjustment Requests (BAR) (Compliance)

Condition: During our testing of 5 Budget Adjustment Requests, we noted there was one instance in the amount of \$4,453 where there was no support showing approval by the charter school’s Governing Council.

The School has implemented policies to resolve this finding in the current year.

Criteria: In accordance with Public Education Department (PED) requirements and 22-8-12 NMSA 1978, the School is required to follow PED procedures relating to Budget Adjustment Requests. This includes ensuring that BAR’s are approved by the New Mexico Public Education Department as well as the governing body of the charter school. Budget adjustments shall not be incorporated into the school district’s accounting system until proper approvals have been taken place.

Effect: The school is not in compliance with State Statutes.

Cause: The budget adjustment requests approval process was not being properly monitored.

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PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

GILBERT L. SENA (Continued)

2015-002- Budget Adjustment Requests (BAR) (Compliance)(Continued)

Recommendation: The School must be familiar with Public Education Department (PED) requirements and 22-8-12 NMSA 1978 and follow the requirements for the budgetary system.

Management's Response: Additional Processes will be put in place as of July 1, 2016 to ensure every BAR that is entered into OBMS is approved by the governing council before it is submitted to PED.

2015-003 Purchase Orders (Significant Deficiency)

Condition: During our testing of 60 cash disbursements we noted there were 7 instances (totaling \$10,066) in which the Purchase Order was prepared subsequent to the vendor's invoice date. Management has made little progress towards implementing the prior year's corrective action plan as these issues occurred throughout the fiscal year.

The School has implemented policies to resolve this finding in the current year.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

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

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

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

Management's Response: Gilbert L. Sena has updated their Internal Controls processes as of September 27, 2016 to ensure procurement policies at the school are being followed. These controls will be re-emphasized to staff to ensure compliance throughout the year.

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PUBLIC EDUCATION DEPARTMENT
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GREAT ACADEMY

2016-001 Procurement Documentation (Compliance)

Condition: During our test-work of 60 cash disbursements the following item was noted: There was one disbursement in the amount of \$80 where the invoice date was before the purchase requisition and purchase order dates.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

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

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

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

Management’s Response: The \$80 disbursement was a reimbursement. Therefore, the invoice date was before the purchase requisition and purchase order dates. This reimbursement was pre-approved by the Executive Director. The Business Manager and Chief Procurement Officer will recommend to the board to approve a revised reimbursement process that requires pre-approval before the purchase occurs. The Business Manager and Chief Procurement Officer will recommend to the board to approve a revised reimbursement process that requires pre-approval before the purchase occurs. Business Manager and Chief Procurement Officer will begin to make open/dollar purchase order and purchase requisition before the reimbursable purchase occurs, corrective action will be completed by November 30, 2016.

2016-002 Nepotism (Compliance)

Condition: During our fieldwork it was noted that the daughter of the Executive Director was hired by the School in July 2016 without board approval of the nepotism waiver.

Criteria: Section NMAC 22-8B-10 (B), states the head administrator of a charter school shall not initially employ or approve the initial employment in any capacity of a person who is the spouse, father, father-in-law, mother, mother-in-law, son, son-in-law, daughter or daughter-in-law of a member of the governing body or the head administrator. The governing body may waive the nepotism for family members of the head administrator.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

GREAT ACADEMY (Continued)

2016-002 Nepotism (Compliance)(Continued)

Effect: Not being in compliance with State policies places the School at risk for fraud or misuse of funds.

Cause: The School did not follow the Administrative Code.

Recommendation: We recommended the governing body take corrective action and get a nepotism waiver in place and follow the Administrative Code in the future.

Management's Response: For the year being audited (FY 15-16), The GREAT Academy Board of Directors waived nepotism at the June 2015 Board Meeting. The school was reminded by the auditor that nepotism was not waived for the current FY 16-17 school year. Immediately, The GREAT Academy Board of Directors took action and held a Special Meeting on October 6th 2016 and waived nepotism retroactively from July 1st 2016.

HEALTH LEADERSHIP HIGH SCHOOL

2015-001 Cash Receipts (Compliance)

Condition: During testwork over cash receipts we noted several instances, as listed below, where cash receipts exceeded \$50 and a deposit was not made in accordance with the School's policy:

A cash receipt in the amount of \$2,737 received on March 23, 2016 was deposited on April 11, 2016.

A cash receipt in the amount of \$58 was received on May 13, 2016. This cash receipt along with several others were collected between May 13 and May 25, 2016, and totaled \$3,083 when they were deposited on May 26, 2016.

The School has implemented policies to resolve this finding in the current year.

Criteria: The School's policy states that, "when the receipts total less than \$50, they will remain in the possession of the business office, locked up in a safe or locked cabinet until the \$50 threshold is met. A deposit will occur once receipts total \$50 or at least once per week, whichever comes first.

Effect: The School is not in compliance with its policies and procedures governing cash receipts.

Cause: Procedures were not in place to enforce the School's policies and procedures with respect to cash receipts.

Recommendation: Ensure deposits are made in accordance with the School's policies and procedures governing cash receipts.

Management's Response: Deposits were not timely due to school being closed for extended breaks. During this closed school time, deposits were locked in a fireproof cabinet and were only

STATE OF NEW MEXICO
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HEALTH LEADERSHIP HIGH SCHOOL

2015-001 Cash Receipts (Compliance) (Continued)

accessible by the Receptionist and Finance Director. Management agrees with this finding and will ensure that deposits take place prior to the school closing for extended breaks. The Finance Director will be responsible for ensuring that the school is in compliance and by October 2016.

2015-005 Budgetary Conditions (Compliance)

Condition: During our review of the School's budgetary comparison schedules we noted the following issues where the School did not properly budget prior year cash carry-over:

- For fiscal year 2016 the School budgeted a deficit in the Instructional Materials Fund 14000. Prior year cash carry-over was \$7,089 which was insufficient to cover the current year final budgeted deficit of \$10,459. It was noted that actual revenues exceeded actual expenditures for the year by \$3,695.
- For fiscal year 2016 the School budgeted a deficit in the Food Services Fund 21000. Prior year cash carry-over was \$438 which was insufficient to cover the current year final budgeted deficit of \$1,772. It was noted that actual expenditures exceeded actual revenues for the year by \$1,474.

The School has not yet implemented policies to resolve this finding.

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information.

Effect: The School is out of compliance with New Mexico state statute and the controls established by the use of budgets has been compromised, which could result in deficit fund balances and unnecessary usage of funds to cover the budgeted over expenditures.

Cause: The budget adjustment request did not consider prior year carry-over amounts for the above noted funds and budget adjustment requests were not prepared and submitted to PED.

Recommendation: We recommend that the School establish a policy where the budget is reviewed at the end of each quarter and give consideration to deficits and ensure that designated cash is available to cover any such budgeted deficit.

Management's Response: Budget Adjustments were made to account for audited cash balances for all funds that required adjustments except Fund 14000-Instructional Materials and 21000-Food Service. A Budget Adjustment Request (BAR) was initiated for Fund 14000 but never submitted, and in Fund 21000, cash of \$1772 was not adjusted to \$0. Management agrees with this finding and will take steps to mitigate the risk of recurrence. The finance director will be responsible for ensuring the school is in compliance and has corrected this issue as of October 2016.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

HEALTH SCIENCES ACADEMY

2016-001 (Prior Year Findings 2015-001 and 2015-002) Lack of Internal Controls over Accounting Records (Material Weakness)

Condition: During our test work over the Health Science Academy (HSA) we were unable to obtain sufficient appropriate audit evidence to perform audit procedures over the following areas: cash, accounts receivables, capital assets, accounts payable, accrued liabilities, net position/fund balance, revenue, and expenditures. HSA was unable to provide supporting documentation to support the reported balances as a whole and its funds.

Criteria: Pursuant to 6.20.2.11, every school shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations. Additionally, pursuant to 6.20.2.13, the school shall maintain adequate accounting records, prepare financial statements in accordance with GAAP (specifically, GASB 34), and provide complete, accurate, and timely information to the independent public accountant (IPA) as requested.

Effect: HSA's lack of internal control over accounting records limits management's ability to monitor the accuracy of transactions and provide assurance with respect to public funds. Also, when sufficient controls are not designed, implemented and operating effectively, it increases the risk of financial misstatements going undetected and an increased risk of theft or fraud.

Cause: HSA did not maintain complete and accurate records.

Recommendation: We recommend that HSA design and implement controls to ensure adequate accounting records are maintained, complete, and reconciled timely in order to provide complete, accurate, and timely information to the IPA. Furthermore, HSA should establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations.

Management's Response: The School has ceased operations. Management was not available to respond to audit findings. The NM Public Education Department has also taken over the School's Board of Finance.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

HEALTH SCIENCES ACADEMY (Continued)

2016-002 (Prior Year Findings 2015-003 and 2015-004) State Audit Rule (Compliance)

Condition: As noted within finding 2016-001, during our testwork over Heath Science Academy (HSA) we were unable to obtain sufficient appropriate audit evidence to perform audit procedures over account balances. As such, we were unable to perform audit procedures related to the following state compliance requirements:

- Procurement Code (Sections 13-1-1 to 13-1-199 NMSA 1978) and State Purchasing Regulations 1.4.1 NMAC;
- Per Diem and Mileage Act (Sections 10-8-1 to 10-8-8 NMSA 1978), Regulations Governing the Per Diem and Mileage Act, and 2.42.2.11 NMAC;
- Public Money (Sections 6-10-1 to 6-10-63 NMSA 1978);
- Public School Finance Act (Sections 22-8-1 to 22-8-48 NMSA 1978);
- Investment of Public Money (Sections 6-8-1 to 6-8-21 NMSA 1978);
- Educational Retirement Act (Sections 22-11-1 to 22-11-55 NMSA 1978);
- Sale of Public Property (Sections 13-6-1 to 13-6-8 NMSA 1978);
- Anti-Donation Clause (NM Constitution Article IX, Section 14);
- Budget Compliance (Sections 22-8-5 through 22-8-12.2, NMSA 1978);
- Lease Purchase Agreements (New Mexico Constitution Article IX, Section 8 and 11; Sections 6-6-11 to 6-6-12 NMSA 1978; *Montano v. Gabaldon*, 108 NM 94, 766 P.2d 1328, 1989);
- Retiree Health Care Authority Act (Section 10-7C-1 to 10-7C-19 NMSA 1978);
- Compliance with PED Regulation Section 6.20.2 NMAC, *Governing Budgeting and Accounting for New Mexico Public Schools and School Districts* and the *Manual of Procedures*, primarily Supplement 7, *Cash Controls*;
- Inclusion of the cash reconciliation schedule which reconciles the cash balance as of the end of the previous fiscal year to the cash balance as of the end of the current fiscal year (Section 2.2.2.12 C (4)(b));
- New Mexico Public Schools Insurance Authority (NMPSIA) (Section 2.2.2.12 C (6))
- Annual Physical Inventory (Section 12-6-10 NMSA 1978)

Criteria: Pursuant to 6.20.2.13, the school shall maintain adequate accounting records, prepare financial statements in accordance with GAAP (specifically, GASB 34), and provide complete, accurate, and timely information to the independent public accountant (IPA) as requested.

Effect: HSA is not in compliance with State law. Additionally, we unable able to perform testwork over compliance with 2.2.2 NMAC.

Cause: HSA did not maintain complete and accurate records.

Management's Response: The School has ceased operations. Management was not available to respond to audit findings. The NM Public Education Department has also taken over the School's Board of Finance.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

HORIZON ACADEMY WEST

2016-001 Collateral Requirement (Compliance)

Condition: As of June 30, 2016 the School's bank balance was under-collateralized by \$62,056. Of the School's bank deposit balance of \$1,143,418 at June 30, 2016, \$250,000 was insured by the FDIC and \$384,653 was covered by pledged collateral; however, the School was required to maintain pledged collateral of \$446,709.

Criteria: Section 6-10-17, NMSA 1978, required pledged collateral for deposits in banks, savings and loan associations, or credit unions, in an aggregate amount equal to one-half of the amount of public money in each account. No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union (NCU) shares insurance.

Effect: The School is not in compliance with state statute.

Cause: The School had budgeted to spend SB-9 funds throughout the year, but funds were not approved prior to year-end, causing the bank balance to exceed the amount of pledged collateral.

Recommendation: The pledged collateral agreement should be reviewed on a monthly basis to ensure that bank balances are properly collateralized.

Management's Response: As of August 2016 the bank balance is no longer under-collateralized. The Business Manager has implemented a monthly review.

THE INTERNATIONAL SCHOOL AT MESA DEL SOL

2016-001 - Journal Entry (Significant Deficiency)

Condition: During our testing of journal entries it was noted that for 5 out of 5 journal entries tested, the journal entry lacked proper approval by a responsible employee other than the preparer. It was also noted that 5 out of 5 journal entries tested did not contain adequate supporting documentation for the journal entry.

Criteria: Appropriate and accurate journal entries are essential in correcting errors, facilitating the month-end closing process, and preparing accurate financial statements. Journal entries should be reviewed by someone other than the preparer and that has the accounting knowledge to determine that the entry is appropriate and correct. The entry should be accompanied by supporting documentation to facilitate the review process. The review should be performed prior to the entry being recorded in the accounting records to reduce the need for additional correcting journal entries.

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PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2016**

THE INTERNATIONAL SCHOOL AT MESA DEL SOL (Continued)

2016-001 - Journal Entry (Significant Deficiency)(Continued)

Effect: Journal entries that are not reviewed or approved by someone with the appropriate level of accounting knowledge may result in entries made in error and could lead to a misstatement of the financial statements. Additionally, a significant amount of time is required to research and correct erroneous journal entry posting.

Cause: The school has not had adequate resources to develop well-established policies and procedures over the journal entry process.

Recommendation: We recommend that the school adopt a policy whereby all journal entries will be approved by a designated member of management with the appropriate level of accounting knowledge. All entries should be initialed by the preparer and the individual approving them in order to attribute responsibility to the appropriate individuals. All journal entries should be accompanied by a full explanation and by reference to adequate supporting documentation.

Management's Response: As of the 2016-17 school year, the school has developed a process to ensure all journal entries are kept on file with adequate supporting documentation. Additionally, all journal entries are prepared by the Business Manager and reviewed by the Head of School and in the monthly Finance Committee meeting. This process was initiated by the Business Manager and Head of School and is complete as of November 30, 2016.

2016-002 Budgetary Condition (Compliance)

Condition: The School had expenditure functions where actual expenditures exceeded budgetary authority:

SB-9 Capital Improvements (31700)	
General Administration	\$ 8

Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is out of compliance with State Law and the control established by the use of budgets has been compromised.

Cause: A budget adjustment request was never submitted to account for the additional expenditures incurred.

Recommendation: The School should establish a policy of budgetary review at year-end and make the necessary budgetary adjustments.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

THE INTERNATIONAL SCHOOL AT MESA DEL SOL (Continued)

2016-002 Budgetary Condition (Compliance) (Continued)

Management's Response: Management will ensure adequate Budget Adjustment Requests are made throughout the year to avoid over budgeting. In addition, a process will be implemented as part of the year-end review to ensure that all overbudget functions are address by submitting a Budget Adjustment Request prior to the PED deadline. This process will be implemented by the Business Manager and completed prior to June 30, 2017.

J. PAUL TAYLOR ACADEMY

2015-002 Budgetary Condition – (Compliance)

Condition: The School had expenditure functions where actual expenditures exceeded budgetary authority:

Operational (11000)	
Instruction	\$ 20,917

We noted the school has taken appropriate action to address the cash carryover issue from FY 15, however corrective action was not taken to address the over expenditure of budget.

Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is out of compliance with State Law and the control established by the use of budgets has been compromised.

Cause: A budget adjustment request was never submitted to account for the additional expenditures incurred.

Recommendation: The School should establish a policy of budgetary review at year-end and make the necessary budgetary adjustments.

Management's Response: Management will ensure adequate Budget Adjustment Requests are made throughout the year to avoid over budgeting. In addition, a process will be implemented as part of the year-end review to ensure that all overbudget functions are address by submitting a Budget Adjustment Request prior to the PED deadline. This process will be implemented by the Business Manager and completed prior to June 30, 2017.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2016**

J. PAUL TAYLOR ACADEMY (Continued)

2016-001 Cash Management (Significant Deficiency)

Condition: The District did not maintain sufficient cash amounts within the General Fund to cover operational and program expenditures. For the year ended June 30, 2016 the General Fund did not maintain enough cash balance to cover program overages of \$(15,880).

Criteria: According to NMAC 6.20.2.14 Cash Control Standards – A, “School district shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the Office of Management and Budget (OMB) Circular A-102, and applicable state and federal laws and regulations” and NMAC 6.20.2.14 Cash Control Standards – E, “The school district shall verify that there is sufficient cash and budget prior to the disbursement of cash. A revenue ledger is required for each revenue code as approved in the finalized budget, and additional revenue ledgers may be added as necessary.

Effect: Improper cash management may result in the need to finance normal operations and may potentially result in going concern issue for the District.

Cause: This was a problem that was caused by funds spent in prior years and determined to be uncollectible.

Recommendation: It is recommended that the School implement policies and procedures to ensure that this situation does not occur in the future. Controls must require the monitoring of cash balances within funds to ensure compliance with state and federal guidelines. Policies and procedures should require the review of budgeted amounts to ensure expenditures do not exceed budgeted amounts and restrictions.

Management’s Response: The school discovered a cash reserve error when closing out the FY16 year. After extensive research, it was discovered that the school had failed to appropriately close out the FY15 school year with the accounting software which resulted in an incorrect and deficit carryover amount. This accounting error was corrected and disclosed by the school to the auditors during their FY16 audit site visit with an explanation. The accounting error was also disclosed to the Public Education Department’s (PED) Deputy Secretary of Finance and to the school’s authorizer, the Public Education Commission, prior to this error being listed as an audit finding. The PED and school established a minimal cash reserve and as of the time of this statement, the school has a cash reserve of \$48,000. It is a school goal to have a reserve equal to one month of the school’s operating budget within three years from the time that the error was discovered.

The School is continuing to work on and is committed to ensuring practices and procedures are in place for the proper management of cash. Specifically, reimbursement requests for federal funds are submitted two times a month, lease reimbursements are submitted monthly, the School meets with the Finance Committee on a monthly basis, and the School is saving each month to establish an adequate reserve. Through discovery, our new Business Manager’s proper tracking of the fiscal year and a

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J. PAUL TAYLOR ACADEMY (Continued)

2016-001 Cash Management (Significant Deficiency)(Continued)

currently realized cash reserve, it is the feeling of the school that we have created an environment to avoid reoccurrence of this audit finding and expect to resolve this finding in the FY 2016-2017.

LA ACADEMIA DOLORES HUERTA CHARTER SCHOOL

None noted

LA JICARITA COMMUNITY SCHOOL

2014-003 Payroll (Compliance)

Condition: During internal control test-work over a sample of 25 payroll transactions we noted the following:

- 1 instance where a stipend in the amount \$96 was paid to an employee without documentation to support the payment.
- 1 employee received \$376 more than the approved annual contracted amount. There was no documentation to support the rate paid to the employee.
- 1 employee received \$100 less than the approved annual contracted amount. There was no documentation to support the rate paid to the employee.

La Jicarita Community School was closed by the Public Education Commission effective June 30, 2016.

Criteria: NMAC 6.20.2.18 requires various employee records and documentation to be maintained and available for inspection, including personnel/payroll action forms that properly document employee compensation.

Effect: The School is not in compliance with its payroll processing and payment policies and procedures and NMAC 6.20.2.18.

Cause: Adequate policies and procedures have not been developed and implemented to ensure compliance with the above rules and regulations.

Recommendation: Implement and enforce policies and procedures that ensure amounts paid to employees are properly supported by employee contracts and other authorizing documents.

Management's Response: La Jicarita Community School was closed by the Public Education Commission effective June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2016

LA JICARITA COMMUNITY SCHOOL (Continued)

2016-001 Budgetary Conditions (Compliance)

Condition: During our review of the School's budgetary comparison schedules we noted the following issues where the School did not properly budget prior year cash carry-over:

- For fiscal year 2016 the School budgeted a deficit in the Bond Building Fund 31100. Prior year cash carry-over was \$0 which was insufficient to cover the current year final budgeted deficit of \$95,716. It was noted that actual revenues did not exceed actual expenditures for the year.
- For fiscal year 2016 the School budgeted a deficit in the SB-9 Capital Improvements Fund 31700. Prior year cash carry-over was \$11,375 which was insufficient to cover the current year final budgeted deficit of \$15,055. It was noted that actual revenues exceeded actual expenditures for the year by \$5,523.

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information.

Effect: The School is out of compliance with New Mexico state statute and the controls established by the use of budgets has been compromised, which would result in deficit fund balances and unnecessary usage of funds to cover the budgeted over expenditures.

Cause: The budget adjustment request did not consider prior year carry-over amounts for the above noted funds and budget adjustment requests were not prepared and submitted to PED.

Recommendation: We recommend that the School establish a policy where the budget is reviewed at the end of each quarter and give consideration to deficits and ensure that designated cash is available to cover any such budgeted deficit.

Management's Response: La Jicarita Community School was closed by the Public Education Commission effective June 30, 2016.

2016-002 Excess of Expenditures over Budget (Compliance)

Condition: The School has the following expenditure function where actual expenditures exceeded budgetary authority:

Teacher/Principal Training	
Support Services-School Administration	\$396
Operational	
Central Services	\$366

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PUBLIC EDUCATION DEPARTMENT
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LA JICARITA COMMUNITY SCHOOL (Continued)

2016-002 Excess of Expenditures over Budget (Compliance)(Continued)

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over expenditure of a function shall not be allowed.

Effect: The School expenditures in the above functions exceeded the total approved budgeted expenditures by \$396 and \$366.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid or minimize the amount that actual expenditures exceeded the approved budget for the Operational and Teacher/Principal Training funds.

Recommendation: Budget adjustment requests should be presented to and approved by PED before expending funds in excess of budget. Controls should be implemented to ensure that budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

Management's Response: La Jicarita Community School was closed by the Public Education Commission effective June 30, 2016.

2016-003 Timely Deposits (Compliance)

Condition: During our review of ten cash receipts, we noted three deposits that were not deposited within twenty-four hours of receipt.

Criteria: NMAC 6.20.2.14 C states "money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day."

Effect: The School was not in compliance twenty-four hour deposit requirement.

Cause: The School's policies and procedures regarding cash receipts are not being enforced.

Recommendation: Implement internal controls to ensure deposits are made and documented in accordance with cash receipting requirements.

Management's Response: La Jicarita Community School was closed by the Public Education Commission effective June 30, 2016.

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LA PROMESA EARLY LEARNING CENTER

2014-001 Purchase Orders (Significant Deficiency)

Condition: In a sample of 60 cash disbursements: 2 Purchase Orders (payment total \$2,475) were issued after the purchase was made; 2 Purchase Orders (payment total \$7,329) were for an amount less than the amount paid to the vendor; a signed copy of the Purchase Order was not available for 8 Purchase Orders (payment total \$94,077); 9 Purchase Orders (payment total \$71,536) could not be located; 12 purchase requisitions totaling \$109,791 could not be located.

In a sample of 24 disbursements to administrators: 1 Purchase Order (payment total \$150) was issued after the purchase was made; 1 Purchase Order (payment total \$1,404) could not be located; 2 purchase requisitions totaling \$1,256 could not be located.

In a sample of 10 student activity disbursements: 1 Purchase Order (payment total \$210) was issued after the payment was made; 1 Purchase Order (payment total \$1,310) was not signed; 2 purchase requisitions totaling \$677 were not available.

In a sample of 3 travel and per diem disbursements tested there was 1 Purchase Order in the amount of \$532 that could not be located. There was also 1 purchase requisition in the amount of \$2,249 that could not be located.

The School did not make any progress in addressing this prior year finding.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

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

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

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

Management’s Response: Management is aware of the issues concerning the issuance of purchase orders prior to ordering services or goods. Currently, management is working alongside the governance council to review policies and procedures that are in place. Once review is completed, the school’s current director and contracted business manager will take responsibility for the implementation of any

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Year Ended June 30, 2016**

LA PROMESA EARLY LEARNING CENTER (Continued)

2014-001 Purchase Orders (Significant Deficiency) (Continued)

new policies or revision of policies as well as the responsibility of reinforcing current policies and procedures that do not need revision. The anticipated completion of this process is June 2017.

2015-001 Internal Control Over Cash Disbursements (Significant Deficiency)

Condition: In a sample of 24 disbursements to administrators: We noted a payment to a vendor where there is a discrepancy in what service was performed and for whom the service was performed in the amount of \$342. The invoice has been possibly altered. There was 1 payment in the amount of \$150 for product that was shipped to an unknown address. There was 1 reimbursement for a payment of \$300 which was paid late to a vendor. In this case \$10 in late fees were paid. There was 1 reimbursement which was overpaid by \$8. There were 4 purchase requisitions not dated or dated after the purchase (payment total \$531).

In a review of 6 vendor files: we noted 23 instances (payment total \$92,934) where payments were made late to the vendor. We noted the school paid \$557 in late fees for these particular invoices.

In a sample of 21 disbursements after year end: we noted 3 checks totaling \$35,499 that were paid after the due date.

In a sample of 60 cash disbursements: There was 1 instance where the school paid gross receipts tax in the amount of \$76 because it did not provide evidence of its tax exempt status to a vendor in a timely manner. There were 3 purchase requisitions (payment total \$55,235) which were not signed off to approve the purchase. There were 3 purchase requisitions (payment total \$4,821) dated after the purchase. For 4 disbursements totaling \$86,029 there was no evidence of written quotes being obtained by the school. For 2 disbursements totaling \$21,690 the amounts paid to vendors did not agree to the amounts stated in their contracts with the school. For 5 payments totaling \$105,352 there was not a contract available to determine if the payments were valid.

In a sample of 10 student activity disbursements: There were 3 purchase requisitions which were not signed or were signed after the purchase (purchase amount \$1,841).

The school did not make any progress in correcting this prior year audit finding.

Criteria: NMAC 2.42.6.20.2.11 requires that schools establish and maintain an internal control structure to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use. "The internal control structure shall include written administrative controls (rules, procedures, practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP."

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PUBLIC EDUCATION DEPARTMENT
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LA PROMESA EARLY LEARNING CENTER (Continued)

2015-001 Internal Control Over Cash Disbursements (Significant Deficiency) (Continued)

Effect: Unsupported cash disbursements and late payments put the School at risk for unauthorized purchases.

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

Recommendation: The School should follow its own internal policy. All cash disbursements should be properly supported and paid timely.

Management's Response: Management is aware of the issues concerning cash disbursements. Management is currently working on resolving cash flow issues caused by delayed reimbursement from the K-3+ summer program. Management is also currently under direct oversight from the PED to ensure that there are no questionable or unallowable expenditures. Management is also currently working on review of current policies and procedures to determine if any revision needs to occur. Once review is completed, the school's current director and contracted business manager will take responsibility for the implementation of any new policies or revision of policies as well as the responsibility of reinforcing current policies and procedures that do not need revision. The anticipated completion of this process is June 2017.

2015-002 Travel & Per Diem (Compliance)

Condition: In a sample of 12 travel and per diem disbursements: we noted 1 item where a Per Diem reimbursement was overpaid by \$29. There were 2 instances totaling \$2,781 where there was not sufficient documentation available to determine if the amount paid was correct and who was traveling.

The School has not implemented policies to resolve this finding in the current year.

Criteria: In regards to the partial day per diem rates, per NMAC 2.42.2.8 B(3) provides that on the last day of travel when overnight lodging is no longer required, partial day reimbursement shall be made. To calculate the number of hours in the partial day, begin with the time the traveler initially departed. Divide the number of hours traveled by 24. The hours remaining constitute the partial day which shall be reimbursed as follows:

- a) For less than 2 hours, none;
- b) For 2 hours, but less than 6 hours, \$12;
- c) For 6 hours or more, but less than 12 hours, \$20
- d) For 12 hours or more \$30

Effect: The school could be in violation of the anti-donation rules and could be paying for costs that are not considered allowable. The school is in violation of the NMAC.

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

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

LA PROMESA EARLY LEARNING CENTER (Continued)

2015-002 Travel & Per Diem (Compliance)(Continued)

Recommendation: We recommend that the school establish procedures to ensure personnel are aware of the current per diem available per NMAC.

Management's Response: Management is aware of the issues concerning cash disbursements. Management is currently operating under direct oversight from the PED to ensure that all travel has prior approval and has a direct correlation with having added benefit to the school's program, goal and vision. Management is also currently working on review of current policies and procedures to determine if any revision needs to occur. Once review is completed, the school's current director and contracted business manager will take responsibility for the implementation of any new policies or revision of policies as well as the responsibility of reinforcing current policies and procedures that do not need revision. The anticipated completion of this process is June 2017.

2016-001 Internal Control Structure (Material Weakness)

Condition: During our test work, we were not able to obtain sufficient appropriate audit evidence to test the account balances and transactions selected. As such, we noted the following discrepancies which lead us to believe the school was "un-auditable":

- Journal entries and the associated supporting documentation could not be located.
- Bank reconciliations were done outside of the accounting software. A reconciliation between the "outside" bank reconciliations and the reconciliations within the accounting software was not available.
- In a sample of twenty-five revenue items, the supporting documentation could not be located.
- In a sample of ten activity fund receipts, the supporting documentation could not be located.
- The federal Form 941 for the quarters ended March 31, 2016 and June 30, 2016 could not be located.
- Education Retirement Board Contribution forms for June and July 2016 could not be located.
- In a sample of sixty cash disbursements, there were fifteen payments totaling \$78,935 where the supporting documentation could not be located. There were also ten payments totaling 98,428 where there was insufficient documentation available to determine if the payment was for the correct amount.
- In a sample of twenty-four disbursements to administrators there were eleven payments totaling \$9,677 where no documentation could be located. There were also ten payments totaling \$2,148 where there was insufficient documentation available to determine if the payment was for the correct amount.
- In a sample of twenty-one disbursements subsequent to year end there were four instances totaling \$36,744 where there was not sufficient documentation to determine if the payments were made timely or which fiscal year the disbursement applied to. There were also seven disbursements totaling \$152,462 where there was no supporting documentation available.

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PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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LA PROMESA EARLY LEARNING CENTER (Continued)

2016-001 Internal Control Structure (Material Weakness) (Continued)

Criteria: NMAC 6.20.2.17 states that each school shall establish and implement written policies and procedures for purchasing, which shall be in compliance with the procurement code Section 13-1-21, NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school district policy, and state and federal regulations. Per the school's Purchasing policy, "The Business Manager then approves the Purchase Requisition, which is then created into a Purchase Order. The PO is then printed and given to the Office Manager to order supplies that have been approved."

Effect: The proper maintenance of supporting documentation relating to financial transactions is necessary to mitigate possible dual payment of invoices and to resolve possible disputes with vendors, etc.

Cause: School personnel did not follow established internal control policies and procedures of the School.

Recommendation: We recommend the school review its policies and procedures to ensure that all policies and procedures created by the school are being properly followed.

Management's Response: Management is aware of the issues concerning internal controls. Management, in conjunction with its contracted business manager, is working to utilize the school's financial software and its systematic processes rather than relying on journal entries and reconciliations done "offline". Management is also currently working on review of current policies and procedures regarding internal controls in specific in order to determine if any revision needs to occur. Once review is completed, the school's current director and contracted business manager will take responsibility for the implementation of any new policies or revision of policies as well as the responsibility of reinforcing current policies and procedures that do not need revision. The anticipated completion of this process is June 2017.

2016-002 Chief Procurement Officer (Compliance)

Condition: It was noted that the school did not have a Chief Procurement Officer in place for the year ended June 30, 2016. The individual listed on the New Mexico Chief Procurement Officer List maintained on the New Mexico General Services Department website is no longer an employee of the school.

Criteria: Per 13-1-95.2.A NMSA 1978, "On or before January 1 of each year beginning in 2014, and every time a chief procurement officer is hired, each state agency and local public body shall provide to the state purchasing agent the name of the state agency's or local public body's chief procurement officer and information identifying the state agency's or local public body's central purchasing office, if applicable." Section 13-1-95.2.D NMSA 1978 also requires that the Chief Procurement Officer obtain an initial certification as well as recertification every two years.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2016**

LA PROMESA EARLY LEARNING CENTER (Continued)

2016-002 Chief Procurement Officer (Compliance)(Continued)

Effect: The school is out of compliance with New Mexico statutes requiring the training, certification, and reporting of a Chief Procurement Officer.

Cause: The school has not designated or obtained the necessary training and certification necessary for any of its employees to be a Chief Procurement Officer since the departure of its former Chief Procurement Officer.

Recommendation: The School should designate an individual with the appropriate skill set and position within the school to be its Chief Procurement Officer. This individual should obtain the necessary certification as soon as possible. Upon certification of a Chief Procurement Officer, the school should register this individual on the New Mexico General Services Department website.

Management's Response: Management is aware of the requirement for having a CPO and the school's current director has taken the responsibility of ensuring that the school has a listed CPO in place as soon as classes are available to attain the CPO designation. The expected completion of this requirement is June 2017.

2016-003 Budgetary Condition (Compliance)

Condition: The school had funds where actual expenditures exceeded budgetary authority:

Operational (Fund 11000)	
Instruction (Function 1000)	\$ 4,301
Support Services (Function 2000)	11,824
Operation of Non-Instructional Services (Function 3000)	<u>28,867</u>
	\$ <u>44,992</u>
Title I – IASA (Fund 24101)	
Instruction	\$ <u>4,336</u>
Kindergarten-Three Plus (Fund 27166)	
Support Services (Function 2000)	\$ <u>470</u>

Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is out of compliance with State Law and the control established by the use of budgets has been compromised.

Cause: A budget adjustment request was never submitted to account for the additional expenditures incurred.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

LA PROMESA EARLY LEARNING CENTER (Continued)

2016-003 Budgetary Condition (Compliance)(Continued)

Recommendation: The school should establish a policy of budgetary review at year-end and make the necessary budgetary adjustments.

Management's Response: The school will ensure the controls are being followed and that the budget is being reviewed on a regular basis. The school will create BARs as needed to make sure that the actual expenditures do not exceed the budget.

The Business Manager will be responsible for correcting this audit finding and it will be fixed by June 30, 2017.

2016-004 Personnel Files (Compliance)

Condition: In a payroll test of twelve personnel files, we noted the following items:

- 3 personnel files were missing authorization for payroll deductions.
- 3 personnel files were missing a signed employment contract.
- 2 personnel files were missing evidence of proper certification.
- 1 personnel file was missing the Form I-9
- 1 personnel file was missing the Form W-4.
- 3 personnel files selected for testing were not available.

Criteria: NMAC 6.20.2.18 requires that schools maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (Federal Form I-9), federal and state withholding certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Effect: The School is not in compliance with New Mexico State Statutes in regards to employee record documentation.

Cause: School is not properly maintaining personnel files or reviewing them to make sure they are in compliance with the required statutes.

Recommendation: The School should review all personnel files to ensure that required documentation required by NMAC 6.20.2.18 is available.

Management's Response: Management has been made aware of the issues surrounding employee files and the lack of appropriate documentation as required by law. The school's director, along with the school's contracted business manager, have taken responsibility to review employee files on a regular basis to ensure that all employee files are complete and up to date. Review is an on-going process throughout the fiscal year and completion is expected by June 2017.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2016**

LA PROMESA EARLY LEARNING CENTER (Continued)

2016-005 Cash Management (Compliance)

Condition: The School did not maintain sufficient cash amounts within the General Fund to cover operational and program expenditures. For the year ended June 30, 2016, the total of all cash accounts on the general ledger totaled a negative balance of \$88,249.

Criteria: According to NMAC 6.20.2.14 Cash Control Standards - A, "School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the Office of Management and Budget (OMB) Circular A-102, and applicable state and federal laws and regulations." and NMAC 6.20.2.14 Cash Control Standards-E, "The school district shall verify that there is sufficient cash and budget prior to the disbursement of cash. A revenue ledger is required for each revenue code as approved in the finalized budget, and additional revenue ledgers may be added as necessary."

Effect: Improper cash management may result in the need to finance normal operations and may potentially result in a going concern issue for the school. Also, the School was not in compliance with cash control standards as stated in NMAC 6.20.2.14.

Cause: The cash balance in the General Fund was not monitored to ensure that it had sufficient cash balances to cover any program overages in other funds.

Recommendation: It is recommended that the School implement policies and procedures to ensure that this situation does not occur in the future. Controls must require the monitoring of cash balances within funds to ensure compliance with state and federal guidelines. Policies and procedures should require the review of budgeted amounts to ensure expenditures do not exceed budgeted amounts and restrictions.

Management's Response: Management are aware of the finding and Issues that created the condition. Management is addressing the issue by ensuring that each fund is within budget and that cash flows are appropriately considered with Operational SEG balances covering any negative balances in other funds. The school's contracted business manager along with the school's director are working closely to attempt to have this resolved by June 2017. Being that both the director and the school's current business manager were put in their current capacities after time had already passed in FY17, it may be unrealistic to expect that all cash flow and budgetary issues are resolved by June 2017. It is the complete expectation that a budget built by the current director and business manager for FY18 will be able to be followed completely so that these issues are fully resolved by June 2018.

2016-006 Audit Committee Member (Compliance)

Condition: During our test-work, we noted that the school did not have all four required audit committee members during the year.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

LA PROMESA EARLY LEARNING CENTER (Continued)

2016-006 Audit Committee Member (Compliance)(Continued)

Criteria: Per NM State Statute 22-8-12.3: "Each local school board shall appoint an audit committee that consists of two board members, one volunteer member who is a parent of a student attending that school district and one volunteer member who has experience in accounting or financial matters. The superintendent and the school district business manager shall serve as ex-officio members of the committee. "

Effect: The school is not in compliance with state statute.

Cause: The school has failed to recruit all required audit committee members during the fiscal year.

Recommendation: We recommend the school recruit all required members as soon as possible for the audit committee to meet state statute requirements.

Management's Response: The school currently has all audit committee members as required by statute. This finding was addressed and completed prior to the entrance conference for the FY16 audit.

LA RESOLANA LEADERSHIP ACADEMY

2016-001 Purchase Orders – Modified and Repeated – (Significant Deficiency)

Condition: During our testing of sixty cash disbursements we noted the following: There were three instances (totaling \$342) where the purchase order was dated after the invoice date. In addition, there were also two instances (totaling \$5,622) where no purchase orders were created for purchases. Management has made little progress towards implementing the prior year's corrective action plan as these issues occurred throughout the fiscal year.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that "the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction."

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

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

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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LA RESOLANA LEADERSHIP ACADEMY (Continued)

2016-001 Purchase Orders – Modified and Repeated – (Significant Deficiency)(Continued)

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

Management’s Response: The school understands the purchasing process and works hard to implement and follow that process to ensure accuracy and fidelity in expenditures for the school. The errors found in the auditing process are due to human error and instances where an unexpected expenditure occurred due to an immediate need for services or repairs at the school. Improving the communication between the school and the business manager will help to eliminate these instances in which the purchasing process was not followed accurately. The business manager will send a monthly open purchase order’s report to the office manager at the school and discuss what PO’s are close to being expended so a PO will always be in place and/or a change order can be done to increase a purchase order if necessary in a timely manner.

LA TIERRA MONTESSORI SCHOOL FOR THE ARTS AND SCIENCES

2016-001 Expenditures Exceed Budget (Compliance)

Condition: La Tierra Montessori School for the Arts and Sciences had the following funds with expenditures in excess of the budget during the year ended June 30, 2016:

Title XIX Medicaid 3/21 Years	
Support Services: Students	\$ 8,219
Private Direct Grants	
Instruction	6,927
City/County Grants	
Food Services Operations	348
Total	<u>\$ 15,494</u>

Criteria: According to 6.20.2.9 NMAC, budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The Charter School is non-compliant with State Law.

Cause: A budget adjustment request was not submitted to account for additional expenditures incurred in the funds as listed above.

Recommendation: We recommend that the School establish a policy of budgetary review at year-end to make the necessary budgetary adjustments.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

LA TIERRA MONTESSORI SCHOOL FOR THE ARTS AND SCIENCES (Continued)

2016-001 Expenditures Exceed Budget (Compliance) (Continued)

Management's Response: The school will add a monitoring check on budget to actuals to their regular finance committee meetings to ensure that all funds are within approved budget authority for the school.

(Person Responsible): Director/Business Manager/Finance Committee.

(Estimated Completion Date): On-Going.

2016-002 Travel and Per-Diem (Compliance)

Condition: Out of 5 employee reimbursements tested, we noted 1 instance where the School reimbursed an employee for mileage and used the wrong year's IRS mileage rate to calculate the employee's reimbursement.

Criteria: NMAC 2.42.11(b)(1) NMAC states that public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Effect: The School is not in compliance with the Per Diem and Mileage Act and is under and over paying employees for travel on behalf of the School.

Cause: The School was not consistent in ensuring the correct year's IRS rate for mileage reimbursements was used.

Recommendation: The School should carefully review each mileage reimbursement to ensure the correct year's rate is being used. The reimbursement request form should be updated annually to reflect the correct rate, and only the updated form should be used.

Management's Response: The school will make sure to check mileage rates at the beginning of every calendar year to make sure to be in compliance with the required mileage rates for reimbursement.

(Person Responsible): Director/Business Manager/Finance Committee/Office Manager.

(Estimated Completion Date): On-Going.

LAS MONTANAS CHARTER SCHOOL

None noted

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2016**

THE MASTERS PROGRAM

2014-002 Procurement Documentation (Significant Deficiency)

Condition: During our test-work of 60 cash disbursements the following items were noted:

- There was 1 disbursement in the amount of \$1,538 where the purchase requisition was after the invoice date.
- There was 1 disbursement in the amount of \$450 where the invoice exceeded the purchase requisition amount by \$50.
- There was 1 disbursement in the amount of \$119 where there was no proof the item purchased was received.
- There was 1 purchase in the amount of \$1,520 where the amount was overpaid by \$40.
- There was 1 purchase for hours performed in the amount of \$795 where the time submitted was not properly approved by the program manager.

The School has implemented policies to resolve this finding in the current year.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

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

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

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

Management Response: School policies conform to the State Procurement Code and the New Mexico Manual of Procedures for Public School Accounting and Budgeting Supplement 13. The School’s business office will make every reasonable effort to ensure compliance with state purchasing requirements. Management reviewed policies with staff on August 11, 2016. All staff have signed acknowledgement of procurement policies.

2014-003 Personnel Files (Compliance)

Condition: In a payroll test of 10 personnel files, 1 personnel file was missing evidence of a background check.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

THE MASTERS PROGRAM (Continued)

2014-003 Personnel Files (Compliance)(Continued)

Criteria: NMAC 6.20.2.18 requires that schools maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (Federal Form I-9), federal and state withholding certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Effect: The School is not in compliance with New Mexico State Statutes in regards to employee record documentation.

Cause: School personnel failed to obtain a back ground check from the individual when they were hired.

Recommendation: The School should review all personnel files to ensure that required documentation required by NMAC 6.20.2.18 is available.

Management Response: The employee in the sample without a background check was a part time tutor who worked less than two months. We cannot obtain a current background check on the individual as they are no longer employed at The Masters Program. Management has reviewed all current personnel files for the background checks and all have one.

MCCURDY CHARTER SCHOOL

2014-003 Cash Deposits (Compliance)

Condition: For 3 of the 15 cash receipts tested totaling \$205, it was noted that deposit of funds into a financial institution was not completed within 24 hours.

The School has implemented procedures to resolve this finding in the current year.

Criteria: Cash receipts shall be deposited into a financial institution within 24 hours of receipt

Effect: Public monies are susceptible to theft or misappropriation if not deposited in a timely manner.

Cause: The School did not have a systematic process in place to be in compliance with this requirement.

Recommendation: We recommend that the School augment their internal policy to comply with state statutes, specifically regarding the deposit of cash receipts into a financial institution within 24 hours of receipt, and follow the aforementioned policy going forward.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

MCCURDY CHARTER SCHOOL (Continued)

2014-003 Cash Deposits (Compliance)(Continued)

Management's Response: MCS takes in a large amount of cash during the month. Management continues to reinforce the procedures in place for deposits. The finance committee will add an additional internal audit check for cash receipt/deposit compliance during the regular meetings of the committee.

(Person Responsible): Director/Business Manager/Finance Committee/Business Office.

(Estimated Completion Date): On-Going.

2014-007 Expenditures in Excess of Budgeted Amounts (Compliance)

Condition: McCurdy Charter School had the following funds with expenditures in excess of the budget during the year ended June 30, 2016:

IDEA-B Entitlement		
Support Services: Students	\$	60
Title XIX Medicaid 3/21 Years		
Support Services: Students		7,634
LANL Foundation		
Instruction		580
Private Direct Grants		
Instruction		17,088
SB-9 Capital Improvements		
Instruction		75,313
Total	\$	<u>100,675</u>

The School has implemented procedures to resolve this finding in the current year.

Criteria: According to 6.20.2.9 NMAC, budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The Charter School is non-compliant with State Law.

Cause: A budget adjustment request was not submitted to account for additional expenditures incurred in the funds as listed above.

Recommendation: We recommend that the School establish a policy of budgetary review at year-end to make the necessary budgetary adjustments.

Management's Response: The school will add a monitoring check on budget to actuals to their regular finance committee meetings to ensure that all funds are within approved budget authority for the school. (Person Responsible): Director/Business Manager/Finance Committee.(Estimated Completion Date): On-Going.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

MEDIA ARTS COLLABORATIVE CHARTER SCHOOL

None noted

MISSION ACHIEVEMENT AND SUCCESS

2016-001 Procurement (Compliance)

Condition: During our testing of seventy-three cash disbursements, we noted three vendors that received more than \$20,001 and less than \$60,000 in compensation for the fiscal year ended June 30, 2016; where the school did not obtain written quotes for the goods and services provided. The auditors were advised that quotes were not required as these goods and services were provided under Sole Source procurement. However, the school was not able to provide documentation that these purchases met the requirements of Sole Source procurement.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Mission Achievement and Success Charter School Internal Controls which were approved by Governing Council state in the "Requirements for Purchasing" section that "Purchases between \$20,001 - \$60,000 require that three written quotes shall be obtained for goods and services. For these purchases, quotes must be in writing from the proposed vendor."

Section 13-1-126 NMSA 1978 documents the requirements needed to meet Sole Source procurement in the State of New Mexico.

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

Cause: School personnel did not fully understand the requirements needed to comply with Sole Source procurement.

Recommendation: The school should follow its established internal control procedures for purchasing. The school should comply with the requirements of Section 13-1-126 NMSA 1978 if it determines that a vendor is a "Sole Source."

Management Response: The school did follow its established internal control procedures for purchasing. In the Internal Controls, it states that Professional Service contracts under \$60,000 will only require the approval of the Principal/Executive Director. The three vendors in question would be considered Professional Services therefore did not require to get three written quotes. The school will comply with the requirements if they determine a vendor to be a "Sole Source."

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

MISSION ACHIEVEMENT AND SUCCESS (Continued)

2016-001 Procurement (Compliance) (Continued)

The Procurement Officer will be responsible for correcting this audit finding. This will be corrected by January 2017.

2016-002 Budgetary Condition (Compliance)

Condition: The school had a fund where actual expenditures exceeded budgetary authority:

Entitlement IDEA-B (Fund 24106)

Instruction (Function 1000)	\$ 2,059
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Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is out of compliance with State Law and the control established by the use of budgets has been compromised.

Cause: A budget adjustment request was never submitted to account for the additional expenditures incurred.

Recommendation: The school should establish a policy of budgetary review at year-end and make the necessary budgetary adjustments.

Management Response: The school will ensure the controls are being followed and that the budget is being reviewed on a regular basis. The school will create BARs as needed to make sure that the actual expenditures do not exceed the budget.

The Business Manager will be responsible for correcting this audit finding and it will be fixed by June 30, 2017.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2016**

MONTE DEL SOL CHARTER SCHOOL

2016-001 Expenditures Exceed Budget (Compliance)

Condition: The Charter School has expenditure functions where actual expenditures exceeded budgetary authority:

Fund	Excess of Expenditures over Appropriations
Food Services (21000)	
Food Services Operations	\$ (3,541)

Criteria: According to 6.20.2.9 NMAC, budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The Charter School is non-compliant with State Law.

Cause: A budget adjustment request was not submitted to account for additional expenditures incurred for Food Services.

Recommendation: We recommend that Monte del Sol should establish a policy of budgetary review at year-end to make the necessary budgetary adjustments.

Management’s Response: A review will be completed in May of all funds, in order to submit Budget Adjustments for approval to the board and PED to keep funds from exceeding budgetary authority by the business manager.

2016-002 Controls Over Cash Disbursements (Significant Deficiency)

Condition: In 2 out of 40 disbursements tested in the amount of \$21,209, the purchase order was dated after the invoice date, indicating that the purchase was not properly approved before it was made. In 3 out of 40 disbursements tested in the amount of \$184, the invoice was not signed off as being ok to pay by the Principal or Business Manager. In 1 out of 40 disbursements tested in the amount of \$146, the account code used did not appear to be correct.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.” School policies require that the Principal or Business Manager review and indicate written approval on invoices before payment. Lastly, expenditures should be recorded in the correct account within PED’s chart of accounts.

**STATE OF NEW MEXICO
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

MONTE DEL SOL CHARTER SCHOOL (Continued)

2016-002 Controls Over Cash Disbursements (Significant Deficiency) (Continued)

Effect: Without proper approval, purchases for unauthorized goods or services may occur. Also, the financial statements could be misstated if transactions are not recorded in the proper account.

Cause: Processes and procedures in place were by-passed by those involved in the purchasing process. Also, the account code was not verified through the review process.

Recommendation: We recommend the Charter School strengthen internal controls over purchasing procedures to ensure that all purchases are approved in accordance with School policies and procedures. Goods and/or services should not be ordered until all required authorizing signatures are obtained. Written approval should be indicated on invoices before payment in accordance with School policies, and those reviewing and recording transactions should ensure the proper account coding.

Management's Response: Changes in procedures have been implemented in July 2016 by the Business Manager in order to have all disbursements reviewed for approval prior to payment: The ABM submits all invoices to be paid for review through the accounting program Apta. The BM reviews and approves the voucher in Apta. During the review process the BM also verifies the account codes to be correct and documentation of items or services received are noted and the PO is issued prior to invoice dates. ABM does not have access to approve AP Vouchers, these must be approved by the BM in Apta.

2016-003 Payroll Processing and Personnel File Maintenance (Compliance)

Condition: Out of 40 items tested for controls over payroll, we noted 14 instances where the payroll register was not signed by the Business Manager. Also, we noted one Form I-9 that was not signed.

Criteria: School policies require the Business Manager to sign each payroll register to indicate review and approval. Federal law and 6.20.2.18 NMAC requires Form I-9's, among other documents, to be included in employee personnel files.

Effect: Incorrect or unauthorized paychecks could be processed without the Business Manager's review and approval of payroll before it is processed. Non-compliance with Form I-9 requirements could cause the hiring of a non-eligible employee or could result in fines and penalties in case of an I-9 audit.

Cause: In the past, the Business Manager was not always available to review payroll before it was processed due to the short time frame between when it was ready and when it had to be submitted for processing. Regarding the I-9, there was improper oversight over the maintenance of personnel records.

Recommendation: We recommend payroll be processed in a timeframe that allows for a proper review and approval process. We also recommend a periodic re-inspection of personnel files to ensure continuous compliance with the statutory requirements.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

MONTE DEL SOL CHARTER SCHOOL (Continued)

2016-003 Payroll Processing and Personnel File Maintenance (Compliance) (Continued)

Management's Response: Assistant BM submits payroll in APTA and presents a packet for review by the BM. Once BM has reviewed and approved payroll in Apta, the payroll packet is emailed or hand delivered to the Head Learner for review. The Head Learner approves the payroll packet and then the ABM completes the payroll process. ABM does not have access to approve payroll in the accounting system. Responsible Person - Business Manager and Head Learner - Completed 07/2016.

2016-004 Timely Deposits (Compliance)

Condition: During our cash receipt testing, we reviewed 15 cash receipts and noted one deposit in the amount of \$270 that was not made within 24 hours after being received.

Criteria: Per NMAC 6.20.2.14.C states that "money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day".

Effect: The School is not in compliance with the cash deposit compliance requirements as stated at NMAC 6.20.2.14.C.

Cause: Individuals who collect funds outside of the Business Office are not aware of the State requirements to deposit funds within 24 hours of receipt. In this case, funds were received by the Athletics department.

Recommendation: We recommend that the School train other departments on policies and procedures that are in place to ensure that all cash receipts are deposited within 24 hours.

Management's Response: All staff have been notified with written procedures to turn in all monies received to the school registrar who receipts the payments and creates the deposit. A separate person reviews the receipts and deposits for accuracy and makes the deposit at the bank. Alternate people are in place in the event the registrar or bank runner are not available. Responsible Individual - Head Learner - Completed 8/2016.

2016-005 Travel and Per-Diem (Compliance)

Condition: Out of 5 travel reimbursements tested, we noted 3 instances where the School used the wrong year's IRS mileage rate to calculate the employee's reimbursement.

Criteria: NMAC 2.42.11(b)(1) NMAC states that public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

MONTE DEL SOL CHARTER SCHOOL (Continued)

2016-005 Travel and Per-Diem (Compliance)(Continued)

Effect: The School is not in compliance with the Per Diem and Mileage Act and is under and over paying employees for travel on behalf of the School.

Cause: The School was not consistent in ensuring the correct year's IRS rate for mileage reimbursements was used.

Recommendation: The School should carefully review each mileage reimbursement to ensure the correct year's rate is being used. The reimbursement request form should be updated annually to reflect the correct rate, and only the updated form should be used.

Management's Response: The mileage worksheet used by the school has been updated and verified to have the correct calculation for the mileage reimbursement rate, and with the BM will review the correct rate is being paid out when reviewing the AP disbursements for mileage to employees.
Responsible Person - Business Manager - Completed 07/2016

2016-006 Bank Reconciliations (Other Matter)

Condition: The June 2016 bank reconciliation for the Activities account included 3 outstanding checks totaling \$333 that are considered to be "stale" as they have been outstanding for more than one year.

Criteria: Good internal controls include a monthly bank reconciliation of every bank account, and that items outstanding for more than ninety day be investigated. Items should be researched to determine if checks need to be voided and re-issued, or dealt with in another appropriate way.

Effect: The School's cash balances may not be correctly stated if stale items are included in the bank reconciliation. There is also a chance that vendors have not received payment, or cash and checks may have been misappropriated or lost if not posted by the bank timely.

Cause: The School has not reviewed items that have not cleared the bank in a timely manner.

Recommendation: The School should keep an eye on items outstanding in each month's bank reconciliation, and should research items that have been outstanding more than ninety days.

Management's Response: BM now reviews all bank reconciliations for stale dated checks on a monthly basis, any outstanding checks over 90 days will have contact with the vendor to clear checks.
Responsible Person - Business Manager - Completed November 2016.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2016**

MONTESSORI ELEMENTARY SCHOOL

2016-001 Budgetary Condition (Compliance)

Condition: The School had a fund where actual expenditures exceeded budgetary authority:

Special Capital Outlay – State (Fund 31400)	
Capital Outlay (Function 4000)	\$ 10,135

Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is out of compliance with State Law and the control established by the use of budgets has been compromised.

Cause: A budget adjustment request was never submitted to account for the additional expenditures incurred.

Recommendation: The School should establish a policy of budgetary review at year-end and make the necessary budgetary adjustments.

Management's Response: The Schools Audit Committee and Management are aware of the finding and are making changes to address the issue. The condition will be corrected and reviewed on a quarterly basis by the Director of Finance.

2016-002 Cash Management (Compliance)

Condition: The School did not maintain sufficient cash amounts within the General Fund to cover operational and program expenditures. For the year ended June 30, 2016 the General Fund did not maintain enough cash balance to cover program overages of \$(128,783). The HB-33 Capital Improvement Fund had to loan other funds \$128,783 at year end because the General Fund did not have sufficient cash balances at June 30, 2016.

Criteria: According to NMAC 6.20.2.14 Cash Control Standards – A, "School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the Office of Management and Budget (OMB) Circular A-102, and applicable state and federal laws and regulations" and NMAC 6.20.2.14 Cash Control Standards-E, "The school district shall verify that there is sufficient cash and budget prior to the disbursement of cash. A revenue ledger is required for each revenue code as approved in the finalized budget, and additional revenue ledgers may be added as necessary."

Effect: Improper cash management may result in the need to finance normal operations. Also, the School was not in compliance with cash control standards as stated in NMAC 6.20.2.14.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

MONTESSORI ELEMENTARY SCHOOL (Continued)

2016-002 Cash Management (Compliance) (Continued)

Cause: The cash balance in the General Fund was not monitored to ensure that it had sufficient cash balances to cover any program overages in other funds.

Recommendation: It is recommended that the School implement policies and procedures to ensure that this situation does not occur in the future. Controls must require the monitoring of cash balances within funds to ensure compliance with state and federal guidelines. Policies and procedures should require the review of budgeted amounts to ensure expenditures do not exceed budgeted amounts and restrictions.

Management's Response: The Schools Audit Committee and Management are aware of the finding and Issues that created the condition. We are making changes to address the condition which will be corrected at year end by the Director of Finance. The funds in question were booked as a receivable and received in July of 2016.

NEW AMERICA SCHOOL

2016-001 Computer Dispositions (Compliance)

Condition: During our review of computer disposals, we noted that documentation was not maintained to support that the Office of the State Auditor ("State Auditor") was notified at least thirty days prior to processing the disposals.

Criteria: 2.2.2.10(T)(3) NMAC Requirements for Contracting and Conducting Audits of Agencies, requires the agency to certify in writing the proper erasure of any digital equipment with storage capabilities, and submit the certification along with the notification of the proposed disposition of property to the State Auditor at least thirty days prior to taking action. This is a special requirement of the State Auditor and it applies even if the original purchase price of the digital equipment was less than \$5,000.

Effect: The School is not in compliance with the requirements for the disposition of computers.

Cause: School management represented a letter was sent to the State Auditor; however documentation was not maintained to substantiate this.

Recommendation: Ensure the School's asset disposition policy is followed and documentation is maintained to support the policy was followed.

Management's Response: We have a draft copy of the letter that was sent out, however, we failed to keep a copy of the final letter and we did not send it certified return receipt. The office of the State Auditor could not verify they had received the letter. All other documentation and requirements were met. We will maintain copies and send out certified return receipt in the future.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

NEW AMERICA SCHOOL (Continued)

2016-001 Computer Dispositions (Compliance) (Continued)

CAP: School administration has taken responsibility for this finding and has implemented the requirement to send the letters to the Office of the State Auditor for dispositions as certified with return receipt.

2016-002 Internal Control Structure (Compliance)

Condition: During our review of twenty-five payroll disbursements, we noted one instance where Education Retirement Board (ERB) and Retiree Health Care (RHC) contributions should have been made but were not.

Criteria: ERB and RHC contributions are required to be made for all employees who work more than 25% of a full time equivalent (FTE) position.

Effect: The School is not in compliance with ERB and RHC requirements.

Cause: Controls are not in place to ensure all required employees and the School are contributing to ERB and RHC, where required.

Recommendation: A review should be performed for all employees to ensure deductions are properly calculated and entered.

Management's Response: The employee tested that did not have withholdings deducted is a unique classification that does not occur on a regular basis (employee retired from PERA and returned to work for a public school). During the time that this employee was entered, the business manager had the responsibility to set all ERB designations for new hires as The Vigil Group was in a transition to a new payroll team. The Vigil Group now has a fully staffed payroll team with checks and balances in place for ERB designations as well as all other new hire payroll deduction entries. The employee tested has also been corrected to have ERB withholdings on the employer side only per the ERB requirements.

CAP: Since the time of this finding, The Vigil Group has fully staffed its payroll team which has implemented many processes over the past year. These processes fully address the issue of ensuring that all employees have ERB designations entered correctly on the school's financial system.

2016-003 Timely Deposits (Compliance)

Condition: During our review of eleven cash receipts, we found one deposit totaling \$205 that did not have the dated receipts to support the date funds were received. As such, compliance with the twenty-four hour deposit requirement could not be determined. In addition, some of the receipts included in this deposit were not deposited within twenty-four hours.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

NEW AMERICA SCHOOL (Continued)

2016-003 Timely Deposits (Compliance)(Continued)

Criteria: NMAC 6.20.2.14 C states “money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day.”

Effect: The School was not in compliance twenty-four hour deposit requirement.

Cause: The School’s policies and procedures regarding cash receipts are not being enforced.

Recommendation: Implement internal controls to ensure deposits are made and documented in accordance with cash receipting requirements.

Management’s Response: We do follow the (24) hour deposit rule, however in this case the receipts were not in numeric order and some were not dated. Originally students would come in groups to have an ID taken, as they were in the line the campus monitor would start a receipt, at times the students didn’t have the cash to pay for the ID so the receipt would not be completed until the student came back with the money.

CAP: School administration and the business office have changed the process so that no receipt is written until the student has the cash in hand and the receipt is completed entirely.

NEW AMERICA SCHOOL OF LAS CRUCES

None noted

NEW MEXICO CONNECTIONS ACADEMY

2016-001 Background Check (Compliance)

Condition: Through our testing procedures performed, we noted the following

- In a sample of 25 disbursements tested, we noted two instances where there was not a valid background check on file.

Criteria: NMAC 6.20.2.18 requires that if an employee terminated and returns, a new background check is required.

Effect: As a safety measure, people with serious criminal records may not be fit to have responsibility for the safety and wellbeing of children.

Cause: Management was not aware a new background check was required if an employee returns to work.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

NEW MEXICO CONNECTIONS ACADEMY (Continued)

2016-001 Background Check (Compliance) (Continued)

Recommendation: Training and supervision is necessary to avoid all of the above issues.

Management Response: The school will implement procedures to ensure compliance with background check requirements. They will be given a new hire checklist to help with the new hire process to ensure all documents are completed timely. The employee whose background check was missing is no longer employed at the school. The principal and office manager will do a review of the employee folders semi-annually to ensure all employee documents are up to date and complete. This process will start January 1, 2017.

2016-002 Travel and Per Diem Calculation (Compliance)

Condition: Out of a sample of twenty five, Travel and Per Diem disbursements tested, we noted the following:

- There was one expenditure where an employee received the daily cap for meals but did not accrue the daily max per receipt totals. Employee was overpaid for meals by \$1.

Criteria: In order to ensure proper Travel & Per Diem expenditures, the NMCA must comply with NMAC 2.42.2, New Mexico Per Diem and Mileage Act

Cause: Overlook of re-calculation and review of employee travel request receipts.

Effect: Noncompliance with NMAC 2.42.2, New Mexico Per Diem and Mileage Act

Recommendation: Review receipts and employee calculations to ensure it abides with New Mexico Per Diem and Mileage Act.

Management Response: The school will put additional procedures in place to ensure overpayment will not happen. A second review will ensure reimbursements are calculated correctly and not overlooked. The business manager is responsible this gets completed by December 31, 2016.

2016-003 Disbursement for Unallowable Cost (Compliance)

Condition: During our dual internal control and risk assessment and compliance test work over disbursements, we noted that one of forty disbursements tested included reimbursement for alcohol. Total disbursement was for \$695.92, portion related to alcohol was approximately \$5.00.

Criteria: Fund 11000 – New Mexico Connection Academy is required to comply with NMSA 13-1-25 and 1.4.1.48 - 52 NMAC Procurement Code regulations. Sound accounting practices dictate that Fund 11000 – New Mexico Connections Academy have internal controls over assertions significant to the financial statements and compliance related to laws, regulations, and contract and grant provisions.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

NEW MEXICO CONNECTIONS ACADEMY (Continued)

2016-003 Disbursement for Unallowable Cost (Compliance)(Continued)

Cause: Pay receipt was overlooked.

Effect: Noncompliance related to laws, regulations, and contract and grant provisions, specifically, NMSA 13-1-25 and 1.4.1.48 – 52 NMAC.

Recommendation: Greater oversight of reimbursements to exclude payments for unallowable costs per NMSA 13-1-25 and 1.4.1.48-52 NMAC.

Management Response: The school will put additional procedures in place to ensure unallowable expenses do not get reimbursed. The employee will cross out all alcohol charges. A second review will take place. The business manager is responsible this gets completed by December 31, 2016.

NEW MEXICO INTERNATIONAL SCHOOL

2016-001 Cash Receipts (Compliance)

Condition: During our test-work over cash receipts we noted one instance where a deposit was in excess of \$100 and per review of the cash receipt supporting documentation the deposit was not made within the twenty-four hour requirement. The deposit was made on April 29, 2016 and totaled \$1,310.

Criteria: NMAC 6.20.2.14.C requires that money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day. If the distance to the bank is considerable, or the cash collection is limited to small amounts and/or low volume and it is impractical to meet the twenty-four hour/one banking day requirement, the local board may request approval from the department for an alternative plan.

Effect: The School is not in compliance with the cash deposits compliance requirements as stated at NMAC 6.20.2.14.C.

Cause: Procedures were not in place to ensure timely deposit of cash receipts in accordance with NMAC 6.20.2.14.C.

Recommendation: Ensure deposits are made in accordance with NMAC 6.20.2.14.C.

Management's Response: As a charter school with limited staffing and resources there are times when all office staff are busy assisting with other school duties, making it difficult to make timely deposits. Every effort is made to make deposits within the NMAC requirements as we understand not doing this increases the risk of loss and/or fraud – a risk we wish to keep at an absolute minimum. The number of these incidences has decreased from year to year.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

NEW MEXICO SCHOOL FOR THE ARTS

2016-001 – Payroll Transactions (Compliance)

Condition: During our testwork of payroll and payroll related liabilities, we noted one individual on long-term leave whose insurance benefits were continually being paid by the School. We reviewed the School's internal policies and procedures and noted the following in regards to extended leave. "Employees on unpaid leave of more than one month of consecutive work-days may continue group insurance by timely payment of the full premium, with no NMSA High School contribution."

Criteria: Per State Regulation NMAC 6.20.2.18, the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP.

School policy states that employees on unpaid leave of more than one month of consecutive work-days may continue group insurance provided the employee remit timely payment of the full premium, with no School contribution.

Effect: The School was not in compliance with State Statute. Additionally, the School incurred additional expenditures.

Cause: The School's policies and procedures are not being enforced.

Recommendation: Ensure the School's policies and procedures are followed.

Management's Response: For future occurrences, management will seek written governing council approval to waive School policy in similar circumstances. In this instance, the employee received in a rare opportunity to participate in the distinguished National Fullbright Program, which in turn offered a professional enhancement due to the training and experience the teacher would receive. The principal and business manager will implement this immediately for any future occurrences.

2016-002 – Timely Deposits (Compliance)

Condition: During our cash receipts testwork, we noted that a cash receipt in the amount of \$625 was collected and not deposited within twenty-four (24) hours after being received.

Criteria: Per NMAC 6.20.2.14.C states "money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day."

Effect: The School was not in compliance with State Statute. Additionally, the School has exposed itself to possible misappropriation of assets.

Cause: The School did not follow their internal controls which are in place to ensure that NMAC 6.20.2.14.C is followed.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

NEW MEXICO SCHOOL FOR THE ARTS (Continued)

2016-002 – Timely Deposits (Compliance)(Continued)

Recommendation: The school should implement procedures to ensure that receipts are deposited in the bank within the required time frame.

Management's Response: The School has since modified the cash receipts process that addresses: 1) cash collected after School is deposited timely; and 2) identifies responsible employees in the event the primary employee is out on leave. This will be implemented by the business manager immediately.

NORTH VALLEY ACADEMY

2015-001 Procurement Documentation (Compliance)

Condition: The school has made progress on correcting this audit finding. However, during our test-work of sixty-two cash disbursements we noted one disbursement in the amount of \$146.56 where the purchase order was prepared subsequent to the vendor's invoice date.

The School has implemented policies to resolve this finding in the current year.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

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

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

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

Management Response: The school will continue to provide training to employees in regards to purchasing procedures, with a specific focus on the process for employee reimbursements and the required steps that must be followed prior to a purchase. The Business Manager and Principal will be responsible for this process. An additional purchasing training will be offered no later than January 31, 2017.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

NORTH VALLEY ACADEMY (Continued)

2016-001 Receiving Documentation (Compliance)

Condition: In a sample of sixty-two cash disbursements, there was one instance in the amount of \$1,556 where the receiving documentation was not available for review by the auditors.

Criteria: Per Section 13-1-157 NMSA 1978, "If the delivery does conform to the quantity and quality specified in the purchase order or contract, the using agency shall certify to the central purchasing office that delivery has been completed and is satisfactory." Also per PSAB Supplement 13, "Upon verifying and recording the receipt of all items or services ordered, the receiving instrument shall be manually or electronically signed by authorized receiving personnel and processed for payment according to procedures established by the school district or charter school board's of education local procedures."

Effect: The School is not in compliance with State statute and has exposed itself to possibly paying for items that were not received.

Cause: The receiving documentation was not forwarded to the Business Manager as required by the schools internal control policies.

Recommendation: The School should implement policies and procedures to ensure that the Business Manager receives all documentation verifying the receipt of items or services ordered.

Management Response: In the future, receipt of goods/services will be verified by the Business Office staff prior to payments being processed. In cases where packing slips are not provided by the vendor or submitted by the receiving employee, the invoice and PO will be provided to the principal for review and approval of payment to ensure that the school does not pay for goods or services not received. The Business Manager will be responsible for implementing this process, with a completion date of December 31, 2016.

RED RIVER VALLEY CHARTER SCHOOL

2015-001 Procurement (Compliance)

Condition: The School does not have a chief procurement officer. This finding was reported during the 2015 audit. The School's principal is in the process of scheduling the training to become a chief procurement officer. The School has implemented procedures to resolve this finding in the current year.

Criteria: NMSA 13-1-95.2 states "On or before January 1, 2015, the state purchasing agent shall establish a certification program for chief procurement officers that includes initial certification and recertification every two years for all chief procurement officers. In order to be recertified, a chief procurement officer shall pass a recertification examination approved by the secretary of general services."

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

RED RIVER VALLEY CHARTER SCHOOL (Continued)

2015-001 Procurement (Compliance)(Continued)

Effect: The School is not in compliance with NMSA 13-1-95.2.

Cause: Management has represented that due to the size of the School, it's difficult to find an individual with available time to go through the certification process.

Recommendation: Ensure an individual from the School or associated with the School completes the certification program for chief procurement officers.

Management's Response: The Red River Valley Charter School's Principal has been designated as the individual who will obtain training and complete the state certification program as chief procurement officer for the 2017 school year. The responsible person is the Principal and this will be completed during fiscal year 2017.

2015-002 Payroll (Significant Deficiency)

Condition: During our testwork over payroll expenditures we noted one employee that was working more than 25% of a full time equivalent (FTE) but was not contributing to the New Mexico Education Retirement Board (NMERB). This finding was reported during the 2015 audit. The School is in the process of implementing changes to more closely monitor part-time employees as the current year finding related to a different part-time employee.

Criteria: Employees working more than 25% of a FTE are considered Educational Retirement Act covered employees.

Effect: The School is not in compliance with the Educational Retirement Act and the employee and the School are not making required contributions.

Cause: Internal controls were not in place to ensure employees working more than 25% of a FTE were making the required contributions to the NMERB.

Recommendation: Implement internal controls to ensure all employees working more than 25% of a FTE are making the required contributions to the NMERB. When employees change their percentage of time worked, ensure these changes are properly reflected in the payroll system.

Management's Response: Red River Valley Charter School has implemented changes in the payroll procedures to ensure all employees working at least ten hours a week are required to make contributions to the NMERB. The responsible person is the Business Manager and the procedures have been implemented.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

RED RIVER VALLEY CHARTER SCHOOL (Continued)

2016-001 ERB & RHC Contributions and Reports (Compliance)

Condition: For the month of May 2016, the monthly Retiree Health Care (RHC) contribution was made after the tenth day of the subsequent month and the Educational Retirement Board (ERB) contribution was made after the 15th day of the subsequent month.

Criteria: Monthly contributions to RHC are required to be remitted no later than the 10th of the following month per NMSA 1978 10-7C-15 and ERB instructions for preparing the contribution form 100 report states that the contributions covered by the report are to be transmitted no later than the 15th of the subsequent month.

Effect: The School is not in compliance with New Mexico State Statutes in regards to Retiree Health Contributions and with ERB rules for transmitting and reporting contributions on a timely basis. The School could be subject to penalties.

Cause: The School did not have sufficient cash flow to remit the contribution payments in a timely manner.

Recommendation: Ensure ERB and RHC contributions comply with applicable requirements.

Management's Response: Red River Valley Charter School delayed payments for RHCA and ERB until receipt of its final FY16 SEG allocation to ensure final payout of employee contracts at the end of May and will monitor all future payments to ensure compliance with prescribed payment dates. The person responsible is the Business Manager and this will be monitored on an ongoing basis.

2016-002 School Business Official Licensure (Compliance)

Condition: The School's Business Manager did not have a valid business license for the entire fiscal year.

Criteria: NMAC 6.63.12.8 states "Any person serving or seeking to serve as the school business official of a local school district, including charter schools, and any person seeking to serve in a local school district, including charter schools, in the capacity of a business manager, or any district official charged with the direct management of the business of a school district, excluding the superintendent, or a supervisor or director or manager of accounting or bookkeeping shall be required to hold this license."

Effect: The School is not in compliance with NMAC 6.63.12.8 in regards to individuals seeking initial or continuing school business licensure in public schools.

Cause: The Business Manager's license expired on June 30, 2015 and did not renew the license during the year.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

RED RIVER VALLEY CHARTER SCHOOL (Continued)

2016-002 School Business Official Licensure (Compliance) (Continued)

Recommendation: The School's Business Manager should renew their business license in a timely manner. In addition, School management should ensure the Business Manager holds a current business license each year.

Management's Response: Red River Valley Charter School will ensure that the Business Manager has an authorized business license for fiscal year 2017. The person responsible is the Business Manager.

SAGE MONTESSORI CHARTER SCHOOL

2014-002 Personnel Files (Compliance)

Condition: During our testwork of twenty-five payroll transactions, we noted the following:

- One employee did not properly complete the New Mexico Educational Retirement Board (NMERB) employee checklist and certification form.
- The School used an employee's expired driver's license as one of the forms of identification required to complete Form I-9. The license had been expired for over a year. This is not an acceptable form of verification according to the Form I-9 instructions.
- One I-9 form reviewed was not verified within the 3 business day requirement as the verification did not happen until eleven days after the employee began employment.
- One employee received a stipend for obtaining the Montessori Accreditation Council for Teacher Education (MACTE) Certification; however, the School did not maintain documentation, such as the certificate, within the employee file.

A finding related to personnel files was reported in 2015 and 2014, the School is in the process of ensuring all required documents are maintained.

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

Effect: The School is not in compliance with NMAC 6.20.2.18 in regards to maintaining employee records and documentation.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

SAGE MONTESSORI CHARTER SCHOOL (Continued)

2014-002 Personnel Files (Compliance) (Continued)

Cause: Internal controls were not in place to ensure required documentation is obtained and/or properly maintained for all employees.

Recommendation: Personnel files should be periodically reviewed to ensure all required personnel file documents have been obtained and are complete and accurate. The School should ensure controls are in place to obtain required payroll documents when employees initially begin employment.

Management's Response: The school and business office will ensure that controls are in place so that all personnel files are properly completed. The business office will also ensure that files are being periodically reviewed and that all paperwork is up to date. This will be completed by December 2016.

2015-002 Payroll Transactions (Compliance)

Condition: During our testwork of payroll expenditures, we noted one employee that was working more than 25% of a full time equivalent (FTE) but was not contributing to the New Mexico Education Retirement Board (NMERB) or to the Retiree Health Care Authority (RHCA).

Criteria: Employees working more than 25% of a FTE are considered Educational Retirement Act and RHCA covered employees.

Effect: The School is not in compliance with the Educational Retirement Act and the employee and the School are not making required contributions.

Cause: Internal controls were not in place to ensure employees working more than 25% of a FTE were making the required contributions to the NMERB and RHCA.

Recommendation: Implement internal controls to ensure all employees working more than 25% of a FTE are making the required contributions to the NMERB and RHCA. When employees change their percentage of time worked, ensure these changes are properly reflected in the payroll system.

Management's Response: The business office and school administration will ensure that internal controls are properly in place. The business office will ensure that when there is a change in the percentage of time worked for any employee they will ensure that changes are appropriately made in the payroll system. This will be completed by December 2016.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

SAGE MONTESSORI CHARTER SCHOOL (Continued)

2016-001 Internal Control Structure (Compliance)

Condition: During our testwork of 25 disbursements, we noted one instance where the School paid approximately \$60 of sales tax for tangible items. In addition, there was no invoice or receipt for this transaction which totaled approximately \$900. The only support provided was a "Warehouse Item Inquiry Print" from the vendor. Lastly, School personnel were refunded approximately \$10 of cash from this transaction; however, there is no accounting of this \$10 and it was not deposited back into the School's bank account.

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

Per NMAC 3.2, School districts are exempt from paying sales tax on tangible items.

Effect: The School is not in compliance with NMAC 6.20.2.11 and NMAC 3.2.

Cause: The School did not follow purchasing policies and procedures and internal controls were not in place to ensure proper support was obtained and sales tax was not paid on tangible items.

Recommendation: Ensure proper support is maintained for all purchases and that the School does not pay sales tax on tangible items. In addition, ensure monies that are refunded to School employees are properly accounted for and deposited back into the School bank account.

Management's Response: The school and business office will ensure that they follow the policies and procedures already in place. This will help ensure that no tax will be paid on any tangible items. This will be completed by December 2016.

SANDOVAL ACADEMY OF BILINGUAL EDUCATION

2016-001 Procurement (Compliance)

Condition: The School does not have a Chief Procurement Officer (CPO).

Criteria: NMSA 13-1-95.2 states "On or before January 1, 2015, the state purchasing agent shall establish a certification program for chief procurement officers that includes initial certification and recertification every two years for all chief procurement officers. In order to be recertified, a chief procurement officer shall pass a recertification examination approved by the secretary of general services."

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SANDOVAL ACADEMY OF BILINGUAL EDUCATION (Continued)

2016-001 Procurement (Compliance) (Continued)

Effect: The School is not in compliance with NMSA 13-1-95.2.

Cause: Due to the size of the School, it's difficult to find an individual with available time to go through the certification process.

Recommendation: Ensure an individual from the School or associated with the School completes the certification program for chief procurement officers.

Management's Response: Fiscal year 2016 was the School's first year in operations. Due to limited of Administrators the School was not able to obtain a CPO Certification. The School is aware of the statute and will have the Principal of the School obtain this CPO Certification as of February 10, 2017.

2016-002 Timely Deposits (Compliance)

Condition: During our cash receipts testwork, we noted three of eleven cash receipts tested in the amount of \$2,996, which were not deposited within the required twenty-four hour requirement.

Criteria: Per NMAC 6.20.2 states that "money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day."

Effect: The School was not in compliance with State Statute and has exposed itself to possible misappropriation of funds.

Cause: The school did not follow their internal controls which are in place to ensure that NMAC 6.20.2 is followed.

Recommendation: Ensure cash receipts are deposited within the required twenty-four hour timeframe.

Management's Response: The School will put processes in place as of July 1, 2016 to ensure deposits are made within the twenty-four hour requirement. Once these controls are completed they will be emphasized to staff to ensure compliance throughout the year.

2016-003 Internal Control Structure and disbursements (Compliance)

Condition: The School made a payment for utility services of \$10,205 to PNM. However, these expenditures were to be paid by the landlord and reimbursed through the common area allocations within the monthly rental amount based on the lease agreement.

Criteria: NMAC 6.20.2.12 requires every school to conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer-programmed controls, management review of reports that summarize the detail of account balances, and user review of computer generated reports."

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SANDOVAL ACADEMY OF BILINGUAL EDUCATION (Continued)

2016-003 Internal Control Structure and disbursements (Compliance)

Criteria: NMAC 6.20.2.12 requires every school to conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer-programmed controls, management review of reports that summarize the detail of account balances, and user review of computer generated reports.”

Effect: The School is not in compliance with NMAC 6.20.2.12. As a result, the School overpaid for utilities.

Cause: Internal controls were not in place to ensure utility payments were made in accordance with New Mexico State guidelines and lease agreement.

Recommendation: Implement internal controls to ensure all payments are made in accordance with state laws and the lease agreement.

Management’s Response: Management was unaware that the utility bill was being paid through the landlord and the School would pay a portion through the lease itself. The School was credited for the payment and the credit is being applied by the School not having to pay the current utility bill until the credit is used up. Management will fully review all signed agreements to ensure that all items in the agreement are being followed correctly and appropriately.

2016-004 Excess of Expenditures over Budget (Compliance)

Condition: The School has expenditure functions with actual expenditures that exceeded budgetary authority:

Operational (11000)

Instruction	\$ 5,388
Support Services:	
Support Services – Student	5,226
Support Services – Instruction	10,214
Support Services – General Administration	1,556
Support Services – School Administration	5,889
Central Services	28,892
Other Support Services Operation	5
Operation & Maintenance of Plant	53,271

IDEA-B Entitlement (24106)

Support Services	
Support Services – Students	\$ 3,116

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SANDOVAL ACADEMY OF BILINGUAL EDUCATION (Continued)

2016-004 Excess of Expenditures over Budget (Compliance) (Continued)

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over expenditure of a function shall not be allowed.

Effect: The School expenditures in the above functions exceeded the total approved budgeted expenditures by \$113,557.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid or minimize the amount that actual expenditures exceeded the approved budget for the School.

Recommendation: Budget adjustment requests should be presented to and approved by New Mexico Public Education Department before expending funds in excess of budget. Controls should be implemented to ensure that budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

Management's Response: The School has since monitored their budget more closely and has put additional procedures in place as of July 1, 2016 to avoid going over budget for FY 2017. The will be implemented by the business manager immediately.

2016-005 Cash control (Compliance)

Condition: The School did not adequately control expenditures in relation the budgeted revenues, which led to the School having to record a \$120,470 liability at year end relating to State Equalization Guarantee (SEG) funding that should have been returned to the New Mexico Public Education Department, but the School did not have adequate cash on hand to return this funding.

Criteria: Per NMAC 6.20.2.14(E), "The school district shall verify that there is sufficient cash and budget prior to the disbursement of cash. A revenue ledger is required for each revenue code as approved in the finalized budget, and additional revenue ledgers may be added as necessary."

Effect: The School is not in compliance with NMAC 6.20.2.14(E). The School will have to negate the effects in subsequent fiscal years.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid or minimize the amount that actual expenditures exceeded the approved budget for the School.

Recommendation: Budget adjustment requests should be presented to and approved by PED before expending funds in excess of budget. Controls should be implemented to ensure that budgeted amounts

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SANDOVAL ACADEMY OF BILINGUAL EDUCATION (Continued)

2016-005 Cash control (Compliance) (Continued)

are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

Management's Response: Procedures have been put in place as of July 1, 2016 and a payment schedule has been submitted to New Mexico Public Education Department to ensure the School stays within budget as well as being able to return the excess of SEG funds to the state paid to the School in FY 2016. This will implemented and followed up on by the business manager.

SCHOOL OF DREAMS ACADEMY

2015-001 CONTROLS OVER CASH DISBURSEMENTS (Other Matter)

Condition: Through testing procedures performed, we noted the following:

- In a sample of 25 disbursements tested, we noted five instance where the invoice was dated prior to the purchase order for a total of \$7,557.

No progress has been made in the current year in regards to this finding.

Criteria: Per NMAC 6.20.2.11 Internal Control Structure Standards, every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP.

Effect: Without proper approval, purchases for unauthorized goods or services may occur.

Cause: Processes and procedures in place were by-passed by those involved in the purchasing process.

Recommendation: We recommend that SODA develop and implement internal controls over purchasing procedures to ensure that all purchases are approved in accordance with SODA policies and procedures. Goods and/or services should not be ordered by the Administrative Assistant or Principal until all required authorizing signatures are obtained.

Management Response: The audit committee has reviewed and will continue to implement and improve procedures to address the purchase request be completed, before any services or good are ordered. Additionally, the Principal and the Business Manager in January of 2017 will conduct additional training regarding the purchasing procedures.

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SCHOOL OF DREAMS ACADEMY (Continued)

2015-002 EXPENDITURES EXCEED BUDGET (Other Matter)

Condition: The Charter has expenditure functions where actual expenditures exceeded budgetary authority:

Fund	Excess of Expenditures over Appropriations
Operational (11000) Instruction	\$ (4,506)

No progress has been made in the current year in regards to this finding.

Criteria: According to 6.20.2.9 NMAC, budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The Charter is non-compliant with State Law.

Cause: A budget adjustment request (BAR) was not submitted to account for additional expenditures incurred.

Recommendation: We recommend that SODA establish a policy of budgetary review at year-end to make the necessary budgetary adjustments.

Management Response: The Business Manager and finance committee will work along with the Principal to continue to monitor changes & decision that will affect the budget. The NMPED has an end of year deadline to transfer out of function early June, management will continue to stress the importance meeting the deadline for BAR transfers in an effort to keep the charter in compliance.

SOUTH VALLEY PREPARATORY SCHOOL

2016-001 Purchase Requisition (Compliance)

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

- There was one instance in the amount of \$219.00 in which there was no purchase requisition or equivalent.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations.

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SOUTH VALLEY PREPARATORY SCHOOL (Continued)

2016-001 Purchase Requisition (Compliance)(Continued)

Effect: Not being in compliance with the School's internal control procedures for purchasing places the School at risk for fraud or misuse of public funds.

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

Recommendation: The School should follow its established internal control procedures for purchasing.

Management Response: South Valley Preparatory School will maintain an internal procedure on how purchase orders will be issued. At the December 2016 GC meeting, our purchasing policy will be revised to align more with NM State Procurement Purchasing regulations and some internal policies could be revised. Business Office Records now maintain copies of purchase requisitions; however, going forward upon approval of the revised policy, keeping copies of purchase requisitions or other written requests will be preferred, but could be changed to allow verbal purchase authorization for certain items.

SOUTHWEST AERONAUTICS, MATHEMATICS, AND SCIENCE ACADEMY

2016-001 Capital Assets (Material Weakness)

Condition: During the year ended June 30, 2016, the School contracted with a Company to perform an inventory of all of the School's capital assets. The procedures, however, did not include assigning a value to each asset so there is no dollar amount to be included in the School's financial statements and no way for the auditors to perform testwork on the listing.

Criteria: State statutes require each entity to maintain a capital asset listing to include cost of each item as well as a calculation of each item's depreciation expense annually and cumulatively.

Effect: The financial statements for SAMS do not include an accurate value of capital assets and do not include any depreciation expense.

Cause: The School has not maintained a capital asset listing in recent years, partially due to changes in administration and partially due to FBI confiscation of records from the School's offices.

Recommendation: We recommend the School use the current inventory list as a starting point and assign values to each item based on historical data if possible. Alternatively, another method may be used as long as it is in accordance with accounting standards and is reasonable and consistently applied. Once values are assigned, depreciation calculations need to be prepared for each item on the list with a value in excess of \$5,000. Moving forward, the School should update the list for any new capital assets purchased or any that are disposed of.

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SOUTHWEST AERONAUTICS, MATHEMATICS, AND SCIENCE ACADEMY (Continued)

2016-001 Capital Assets (Material Weakness) (Continued)

Management Response: Starting with the state takeover of the school in the fall of 2014, the entire business office and administrative team that was with the school has almost completely turned over. In this turnover, along with a document seizure as a part of an ongoing criminal investigation, prior inventory and accounting records, client prepared audit work papers, and institutional knowledge were all lost. New administration and management were brought in during FY2016. Management, along with assistance from the Public Education Department, contracted with Weiner and Company to perform a quantitative physical inventory of the Schools assets. As of November 2016, that same firm has been contacted to perform a valuation of said assets along with a schedule deprecating them accordingly. The Anticipated completion is expected to be June 30, 2017.

2016-002 Pledged Collateral (Compliance)

Condition: As of June 30, 2016, the School's cash balances were under collateralized by \$152,114.

Criteria: The Public Money Act (Sections 6-10-1 to 6-10-63 NMSA 1978) requires governmental entities to maintain pledged collateral on at least 50% of cash balances that are not insured by FDIC.

Effect: The School's assets could be exposed to custodial credit risk if not sufficiently insured and collateralized. Additionally, the School is not in compliance with State requirements.

Cause: The School's financial institution did not provide the School with the proper collateralization for its deposits. In addition, the School management did not properly monitor this requirement to ensure compliance.

Recommendation: We recommend the School work with its financial institution to ensure cash balances are collateralized in accordance with State requirements.

Management Response: The school will work with the New Mexico Public Education Department and their financial institution to ensure the collateralization of the bank accounts are analyzed multiple times a year to ensure the school has pledged collateral amounts that meet the requirement. Expected to be completed by management by January of 2017.

2016-003 Controls Over Cash Disbursements (Significant Deficiency)

Condition: In 2 out of 40 disbursements tested, the purchase order was dated after the invoice date, indicating that the purchase was not properly approved before it was made. The amount of the 2 disbursements noted equals \$2,377.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and

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SOUTHWEST AERONAUTICS, MATHEMATICS, AND SCIENCE ACADEMY (Continued)

2016-003 Controls Over Cash Disbursements (Significant Deficiency)(Continued)

maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Without proper approval, purchases for unauthorized goods or services may occur.

Cause: Processes and procedures in place were by-passed by those involved in the purchasing process.

Recommendation: We recommend the School strengthen internal controls over purchasing procedures to ensure that all purchases are approved in accordance with School policies and procedures. Goods and/or services should not be ordered until all required authorizing signatures are obtained.

Management Response: The school’s administration along with contracted business managers will continue to work with the NM Public Education Department to establish an internal control environment and structure that will safeguard the assets of the school while maintaining compliance with legal and regulatory requirements and appropriately recording and reporting financial activities of the school. In the spring of 2016 all staff were notified that until an approved Purchased Order is issued and received by the New Mexico Public Education Department that no service or good can be purchased for any reason; failure to comply would result in official reprimand and may result in the employee(s) either returning ordered items or paying for them solely. Management will review the environment as well as requirements surrounding procurement with all staff and governance. Expected completion will be January 2017.

2016-004 Cash deposit requirements (Compliance)

Condition: For 3 of the 15 cash receipts tested totaling \$298, it was noted that deposit of funds into a financial institution was not completed within 24 hours.

Criteria: Cash receipts shall be deposited into a financial institution within 24 hours of receipt

Cause: The School did not have a systematic process in place to be in compliance with this requirement.

Effect: Public monies are susceptible to theft or misappropriation if not deposited in a timely manner.

Recommendation: We recommend that the School augment their internal policy to comply with state statutes, specifically regarding the deposit of cash receipts into a financial institution within 24 hours of receipt, and follow the aforementioned policy going forward.

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SOUTHWEST AERONAUTICS, MATHEMATICS, AND SCIENCE ACADEMY (Continued)

2016-004 Cash deposit requirements (Compliance) (Continued)

Management Response: The school has reviewed and modified their policies surrounding deposits. A policy is now in place that ensures that once money is received it is counted and recorded in a numbered receipt book. Once this is done the funds are verified by another party and then deposited by each school, if needed more than once a day. In the fall of 2015 a "Site" based Business Manager was hired whose duties and responsibilities include making the necessary deposits. Management will review the policies and procedures, and statutory requirements with the business office and administration by January of 2017.

2016-005 Payroll – Significant Deficiency

Condition: We tested 45 payroll transactions and noted the following:

- One employee was overpaid by \$824
- One employee was overpaid by \$569
- One employee was underpaid by \$288
- \$3,537 of an employee's contract was paid out of another charter school
- An administrator approved his own leave
- In 7 cases, the Form I-9 or Form W-4 was from another charter school
- In 8 cases, documents relating to Form I-9 were not sufficiently provided
- In 3 cases, the Form I-9 was not signed / completed by the Head Administrator or Business Manager

Criteria: Each employee should have signed, written documentation to support their salary or hourly pay, and should be paid according to that documentation. Schools should only pay wages of employees who are employed by that particular school. Individuals should not approve their own leave; there should be another individual designated to approve leave of individuals who usually approve leave. Personnel files should be prepared for each individual school and documents should not be shared by other schools. Form I-9 should be completely filled out and signed, and appropriate supporting documentation should be maintained on file to show such compliance.

Effect: Without proper controls in place, employees can be overpaid and underpaid, and paid out of the wrong school. Without proper documentation in personnel files, the School could be subject to fines and penalties in case of a labor or Immigration audit.

Cause: The School has a shared administration, and did not have sufficient internal controls in place to ensure personnel were paid the correct amounts from the correct schools. The school also did not ensure all schools had separate personnel files relating only to that school's employment. It appears as though there was a lack of training on Form I-9, and how it should be completed and what documents are acceptable forms of identification.

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SOUTHWEST AERONAUTICS, MATHEMATICS, AND SCIENCE ACADEMY (Continued)

2016-005 Payroll – Significant Deficiency (Continued)

Recommendation: We recommend the School strengthen internal controls over payroll, including implementation of policies and procedures to ensure employees are not overpaid, underpaid, or paid by the wrong school. We also recommend each school maintain an entirely separate personnel file with all required documents properly filled out. We recommend the School implement leave approval procedures so no one approves their own leave.

Management Response: Previous administration typically utilized other Southwest affiliated schools to “modify” staffing between all schools on an “as needed” basis even if the employee did not have a contract or employment file with all of the locations that they worked. Upon takeover from the PED and the recruitment of contracted business managers, employee contracts were compared against the employee’s actual duties and location of duties. Throughout FY2016 management met with administration, employees, the PED, and governance to properly align FTE and salary for all employees that worked at more than one SW location. In aligning the contracts correctly multiple contract amendments were made, and not all of the versions of the contracts were received by the business office. As of FY 17 employee’s salary amounts have been verified and reflect properly in payroll with the correct school and FTE. All employee files have reviewed and have been updated with the required documentation per school. Management will review the payroll requirements and procedures with administration and governance. This is expected to happen by January of 2017.

SOUTHWEST INTERMEDIATE LEARNING CENTER

2016-001 Capital Assets (Material Weakness)

Condition: During the year ended June 30, 2016, the School contracted with a Company to perform an inventory of all of the School’s capital assets. The procedures, however, did not include assigning a value to each asset so there is no dollar amount to be included in the School’s financial statements and no way for the auditors to perform testwork on the listing.

Criteria: State statutes require each entity to maintain a capital asset listing to include cost of each item as well as a calculation of each item’s depreciation expense annually and cumulatively.

Effect: The financial statements for SILC do not include an accurate value of capital assets and do not include any depreciation expense.

Cause: The School has not maintained a capital asset listing in recent years, partially due to changes in administration and partially due to FBI confiscation of records from the School’s offices.

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SOUTHWEST INTERMEDIATE LEARNING CENTER (Continued)

2016-001 Capital Assets (Material Weakness) (Continued)

Recommendation: We recommend the School use the current inventory list as a starting point and assign values to each item based on historical data if possible. Alternatively, another method may be used as long as it is in accordance with accounting standards and is reasonable and consistently applied. Once values are assigned, depreciation calculations need to be prepared for each item on the list with a value in excess of \$5,000. Moving forward, the School should update the list for any new capital assets purchased or any that are disposed of.

Management Response: Starting with the state takeover of the school in the fall of 2014, the entire business office and administrative team that was with the school has almost completely turned over. In this turnover, along with a document seizure as a part of an ongoing criminal investigation, prior inventory and accounting records, client prepared audit work papers, and institutional knowledge were all lost. New administration and management were brought in during FY2016. Management, along with assistance from the Public Education Department, contracted with Weiner and Company to perform a quantitative physical inventory of the Schools assets. As of November 2016, that same firm has been contacted to perform a valuation of said assets along with a schedule deprecating them accordingly. The Anticipated completion is expected to be June 30, 2017.

2016-002 Pledged Collateral (Compliance)

Condition: As of June 30, 2016, the School's cash balances were under collateralized by \$124,568.

Criteria: The Public Money Act (Sections 6-10-1 to 6-10-63 NMSA 1978) requires governmental entities to maintain pledged collateral on at least 50% of cash balances that are not insured by FDIC.

Effect: The School's assets could be exposed to custodial credit risk if not sufficiently insured and collateralized. Additionally, the School is not in compliance with State requirements.

Cause: The School's financial institution did not provide the School with the proper collateralization for its deposits. In addition, the School management did not properly monitor this requirement to ensure compliance.

Recommendation: We recommend the School work with its financial institution to ensure cash balances are collateralized in accordance with State requirements.

Management Response: The school will work with the New Mexico Public Education Department and their financial institution to ensure the collateralization of the bank accounts are analyzed multiple times a year to ensure the school has pledged collateral amounts that meet the requirement. Expected to be completed by management by January of 2017.

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SOUTHWEST INTERMEDIATE LEARNING CENTER (Continued)

2016-003 Payroll (Significant Deficiency)

Condition: We tested 40 payroll transactions and noted the following:

- An employee was paid \$4,532 for a stipend, but no contract could be found
- \$2,318 was paid out of SILC for another school's employee
- One employee was overpaid by \$838
- \$160 was paid out of SILC for another school's employee
- In 13 cases, the Form I-9 was not signed / completed by the Head Administrator or Business Manager
- In 2 cases, an invalid form of ID was provided for Form I-9
- In 5 cases, no second form of ID was provided for Form I-9
- In 1 case, section 2 of Form I-9 was not completed
- In 17 cases, there were no copies of documents on file to support Form I-9
- In 2 cases, the employee's contract was not signed
- In 3 cases, the employee's personnel file was missing and could not be reviewed

Criteria: Each employee should have signed, written documentation to support their salary or hourly pay, and should be paid according to that documentation. Schools should only pay wages of employees who are employed by that particular school. Form I-9 should be completely filled out and signed, and appropriate supporting documentation should be maintained on file to show such compliance.

Effect: Without proper controls in place, employees can be overpaid and underpaid, and paid out of the wrong school. Without proper documentation in personnel files, the School could be subject to fines and penalties in case of a labor or Immigration audit.

Cause: The School has a shared administration, and did not have sufficient internal controls in place to ensure personnel were paid the correct amounts from the correct schools. It appears as though there was a lack of training on Form I-9, and how it should be completed and what documents are acceptable forms of identification.

Recommendation: We recommend the School strengthen internal controls over payroll, including implementation of policies and procedures to ensure employees are not overpaid, underpaid, or paid by the wrong school. We also recommend each school maintain a complete personnel file with all required documents properly filled out.

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SOUTHWEST INTERMEDIATE LEARNING CENTER (Continued)

2016-003 Payroll (Significant Deficiency) (Continued)

Management Response: Previous administration typically utilized other Southwest affiliated schools to “modify” staffing between all schools on an “as needed” basis even if the employee did not have a contract or employment file with all of the locations that they worked. Upon takeover from the PED and the recruitment of contracted business managers, employee contracts were compared against the employee’s actual duties and location of duties. Throughout FY2016 management met with administration, employees, the PED, and governance to properly align FTE and salary for all employees that worked at more than one SW location. In aligning the contracts correctly multiple contract amendments were made, and not all of the versions of the contracts were received by the business office. As of FY 17 employee’s salary amounts have been verified and reflect properly in payroll with the correct school and FTE. All employee files have reviewed and have been updated with the required documentation per school. Management will review the payroll requirements and procedures with administration and governance. This is expected to happen by January of 2017.

SOUTHWEST PRIMARY LEARNING CENTER

2016-001 Capital Assets (Material Weakness)

Condition: During the year ended June 30, 2016, the School contracted with a Company to perform an inventory of all of the School’s capital assets. The procedures, however, did not include assigning a value to each asset so there is no dollar amount to be included in the School’s financial statements and no way for the auditors to perform testwork on the listing.

Criteria: State statutes require each entity to maintain a capital asset listing to include cost of each item as well as a calculation of each item’s depreciation expense annually and cumulatively.

Effect: The financial statements for SPLC do not include an accurate value of capital assets and do not include any depreciation expense.

Cause: The School has not maintained a capital asset listing in recent years, partially due to changes in administration and partially due to FBI confiscation of records from the School’s offices.

Recommendation: We recommend the School use the current inventory list as a starting point and assign values to each item based on historical data if possible. Alternatively, another method may be used as long as it is in accordance with accounting standards and is reasonable and consistently applied. Once values are assigned, depreciation calculations need to be prepared for each item on the list with a value in excess of \$5,000. Moving forward, the School should update the list for any new capital assets purchased or any that are disposed of.

Management Response: Starting with the state takeover of the school in the fall of 2014, the entire business office and administrative team that was with the school has almost completely turned over. In

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SOUTHWEST PRIMARY LEARNING CENTER (Continued)

2016-001 Capital Assets (Material Weakness) (Continued)

this turnover, along with a document seizure as a part of an ongoing criminal investigation, prior inventory and accounting records, client prepared audit work papers, and institutional knowledge were all lost. New administration and management were brought in during FY2016. Management, along with assistance from the Public Education Department, contracted with Weiner and Company to perform a quantitative physical inventory of the Schools assets. As of November 2016, that same firm has been contacted to perform a valuation of said assets along with a schedule deprecating them accordingly. The Anticipated completion is expected to be June 30, 2017.

2016-002 Pledged Collateral (Compliance)

Condition: As of June 30, 2016, the School's cash balances were under collateralized by \$4,063.

Criteria: The Public Money Act (Sections 6-10-1 to 6-10-63 NMSA 1978) requires governmental entities to maintain pledged collateral on at least 50% of cash balances that are not insured by FDIC.

Effect: The School's assets could be exposed to custodial credit risk if not sufficiently insured and collateralized. Additionally, the School is not in compliance with State requirements.

Cause: The School's financial institution did not provide the School with the proper collateralization for its deposits. In addition, the School management did not properly monitor this requirement to ensure compliance.

Recommendation: We recommend the School work with its financial institution to ensure cash balances are collateralized in accordance with State requirements.

Management Response: The school will work with the New Mexico Public Education Department and their financial institution to ensure the collateralization of the bank accounts are analyzed multiple times a year to ensure the school has pledged collateral amounts that meet the requirement. Expected to be completed by management by January of 2017.

2016-003 Controls Over Cash Disbursements (Significant Deficiency)

Condition: In 3 out of 40 disbursements tested, the purchase order was dated after the invoice date, indicating that the purchase was not properly approved before it was made. The amount of the 3 disbursements noted equals \$8,672.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing,

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SOUTHWEST PRIMARY LEARNING CENTER (Continued)

2016-003 Controls Over Cash Disbursements (Significant Deficiency) (Continued)

states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Without proper approval, purchases for unauthorized goods or services may occur.

Cause: Processes and procedures in place were by-passed by those involved in the purchasing process.

Recommendation: We recommend the School strengthen internal controls over purchasing procedures to ensure that all purchases are approved in accordance with School policies and procedures. Goods and/or services should not be ordered until all required authorizing signatures are obtained.

Management Response: The school’s administration along with contracted business managers will continue to work with the NM Public Education Department to establish an internal control environment and structure that will safeguard the assets of the school while maintaining compliance with legal and regulatory requirements and appropriately recording and reporting financial activities of the school. In the spring of 2016 all staff were notified that until an approved Purchased Order is issued and received by the New Mexico Public Education Department that no service or good can be purchased for any reason; failure to comply would result in official reprimand and may result in the employee(s) either returning ordered items or paying for them solely. Management will review the environment as well as requirements surrounding procurement with all staff and governance. Expected completion will be January 2017.

2016-004 Payroll (Significant Deficiency)

Condition: We tested 42 payroll transactions and noted the following:

- \$3,537 was paid out of SPLC for another school’s employee
- \$69 was paid out of SPLC for another school’s employee
- One employee was underpaid by \$3
- One employee’s contract included a pro-rated amount that was allocated between schools, but the calculations were not correct
- In 1 case, an employee’s ERB withholding was calculated at an incorrect rate
- In 9 cases, Form I-9 or Form W-4 was not in the personnel file, or were for the individual’s employment at another school
- In 3 cases, documents relating to Form I-9 were not sufficiently provided
- In 6 cases, the employee’s contract was not signed by the school Head Administrator
- In 5 cases, the Form I-9 was not signed / completed by the Head Administrator or Business Manager
- In 2 cases, an employee’s leave slip was not approved

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SOUTHWEST PRIMARY LEARNING CENTER (Continued)

2016-004 Payroll (Significant Deficiency)

Criteria: Each employee should have signed, written documentation to support their salary or hourly pay, and should be paid according to that documentation. Schools should only pay wages of employees who are employed by that particular school. All employee leave should be approved in writing. Personnel files should be prepared for each individual school and documents should not be shared by other schools. Form I-9 should be completely filled out and signed, and appropriate supporting documentation should be maintained on file to show such compliance. Employees should have ERB withheld at a rate based on their annual pay.

Effect: Without proper controls in place, employees can be overpaid and underpaid, and paid out of the wrong school. ERB withholdings can also be under or over withheld from employees. Without proper documentation in personnel files, the School could be subject to fines and penalties in case of a labor or Immigration audit.

Cause: The School has a shared administration, and did not have sufficient internal controls in place to ensure personnel were paid the correct amounts from the correct schools. It appears as though there was a lack of training on Form I-9, and how it should be completed and what documents are acceptable forms of identification.

Recommendation: We recommend the School strengthen internal controls over payroll, including implementation of policies and procedures to ensure employees are not overpaid, underpaid, or paid by the wrong school. The School should perform a periodic review of ERB withholdings to ensure the correct rates are being used. We also recommend each school maintain a complete personnel file with all required documents properly filled out.

Management Response: Previous administration typically utilized other Southwest affiliated schools to “modify” staffing between all schools on an “as needed” basis even if the employee did not have a contract or employment file with all of the locations that they worked. Upon takeover from the PED and the recruitment of contracted business managers, employee contracts were compared against the employee’s actual duties and location of duties. Throughout FY2016 management met with administration, employees, the PED, and governance to properly align FTE and salary for all employees that worked at more than one SW location. In aligning the contracts correctly multiple contract amendments were made, and not all of the versions of the contracts were received by the business office. As of FY 17 employee’s salary amounts have been verified and reflect properly in payroll with the correct school and FTE. All employee files have reviewed and have been updated with the required documentation per school. Management will review the payroll requirements and procedures with administration and governance. This is expected to happen by January of 2017.

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SOUTHWEST SECONDARY LEARNING CENTER

2016-001 Capital Assets (Material Weakness)

Condition: During the year ended June 30, 2016, the School contracted with a Company to perform an inventory of all of the School's capital assets. The procedures, however, did not include assigning a value to each asset so there is no dollar amount to be included in the School's financial statements and no way for the auditors to perform testwork on the listing.

Criteria: State statutes require each entity to maintain a capital asset listing to include cost of each item as well as a calculation of each item's depreciation expense annually and cumulatively.

Effect: The financial statements for SSLC do not include an accurate value of capital assets and do not include any depreciation expense.

Cause: The School has not maintained a capital asset listing in recent years, partially due to changes in administration and partially due to FBI confiscation of records from the School's offices.

Recommendation: We recommend the School use the current inventory list as a starting point and assign values to each item based on historical data if possible. Alternatively, another method may be used as long as it is in accordance with accounting standards and is reasonable and consistently applied. Once values are assigned, depreciation calculations need to be prepared for each item on the list with a value in excess of \$5,000. Moving forward, the School should update the list for any new capital assets purchased or any that are disposed of.

Management Response: Starting with the state takeover of the school in the fall of 2014, the entire business office and administrative team that was with the school has almost completely turned over. In this turnover, along with a document seizure as a part of an ongoing criminal investigation, prior inventory and accounting records, client prepared audit work papers, and institutional knowledge were all lost. New administration and management were brought in during FY2016. Management, along with assistance from the Public Education Department, contracted with Weiner and Company to perform a quantitative physical inventory of the Schools assets. As of November 2016, that same firm has been contacted to perform a valuation of said assets along with a schedule deprecating them accordingly. The Anticipated completion is expected to be June 30, 2017.

2016-002 Pledged Collateral (Compliance)

Condition: As of June 30, 2016, the School's cash balances were under collateralized by \$522,918.

Criteria: The Public Money Act (Sections 6-10-1 to 6-10-63 NMSA 1978) requires governmental entities to maintain pledged collateral on at least 50% of cash balances that are not insured by FDIC.

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SOUTHWEST SECONDARY LEARNING CENTER (Continued)

2016-002 Pledged Collateral (Compliance) (Continued)

Effect: The School's assets could be exposed to custodial credit risk if not sufficiently insured and collateralized. Additionally, the School is not in compliance with State requirements.

Cause: The School's financial institution did not provide the School with the proper collateralization for its deposits. In addition, the School management did not properly monitor this requirement to ensure compliance.

Recommendation: We recommend the School work with its financial institution to ensure cash balances are collateralized in accordance with State requirements.

Management Response: The school will work with the New Mexico Public Education Department and their financial institution to ensure the collateralization of the bank accounts are analyzed multiple times a year to ensure the school has pledged collateral amounts that meet the requirement. Expected to be completed by management by January of 2017.

2016-003 Controls Over Cash Disbursements (Significant Deficiency)

Condition: In 1 out of 40 disbursements tested, the purchase order was dated after the invoice date, indicating that the purchase was not properly approved before it was made. The amount of the disbursement noted equals \$351. Also in the sample of 40 cash disbursements tested, we noted 5 instances where the purchase requisition didn't include a signature by the Principal or Business Manager as required by the School's policies. The amount of the five disbursements noted equals \$33,007.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Without proper approval, purchases for unauthorized goods or services may occur.

Cause: Processes and procedures in place were by-passed by those involved in the purchasing process.

Recommendation: We recommend the School strengthen internal controls over purchasing procedures to ensure that all purchases are approved in accordance with School policies and procedures. Goods and/or services should not be ordered until all required authorizing signatures are obtained.

Management Response: The school's administration along with contracted business managers will continue to work with the NM Public Education Department to establish an internal control

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SOUTHWEST SECONDARY LEARNING CENTER (Continued)

2016-003 Controls Over Cash Disbursements (Significant Deficiency)

environment and structure that will safeguard the assets of the school while maintaining compliance with legal and regulatory requirements and appropriately recording and reporting financial activities of the school. In the spring of 2016 all staff were notified that until an approved Purchased Order is issued and received by the New Mexico Public Education Department that no service or good can be purchased for any reason; failure to comply would result in official reprimand and may result in the employee(s) either returning ordered items or paying for them solely. Management will review the environment as well as requirements surrounding procurement with all staff and governance. Expected completion will be January 2017.

2016-004 Cash deposit requirements (Significant Deficiency)

Condition: For 2 of the 15 cash receipts tested, the total of the receipts included with the deposit was \$20 greater than the amount of the deposit that posted to the bank account. This was noted in two cases, with a total discrepancy of \$40.

Criteria: Internal controls over cash receipts should ensure that all funds collected be safeguarded and deposited in full into the School's bank accounts.

Cause: The School did not have appropriate controls and safeguards in place to prevent cash receipts from being misappropriated or lost.

Effect: Public monies are susceptible to theft or misappropriation if not appropriately safeguarded.

Recommendation: We recommend that the School strengthen internal controls over cash receipts to ensure all funds received by the School are safeguarded while in the School's possession, and that all cash is timely and accurately deposited into the School's bank accounts.

Management Response: The school has reviewed and modified their policies surrounding deposits. A policy is now in place that ensures that once money is received it is counted and recorded in a numbered receipt book. Once this is done the funds are verified by another party and then deposited by each school, if needed more than once a day. In the fall of 2015 a "Site" based Business Manager was hired whose duties and responsibilities include making the necessary deposits. Management will review the policies and procedures, and statutory requirements with the business office and administration by January of 2017.

2016-005 Payroll (Significant Deficiency)

Condition: We tested 42 payroll transactions and noted the following:

- An employee was underpaid by \$7
- \$160 of an employee's stipend was paid out of another charter school
- \$69 of an employee's stipend was paid out of another charter school

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SOUTHWEST SECONDARY LEARNING CENTER (Continued)

2016-005 Payroll (Significant Deficiency) (Continued)

- In 1 case, an employee's ERB withholding was calculated at an incorrect rate
- In 3 cases, the Form I-9 or Form W-4 was not signed/completed by the employee and/or School Head Administrator
- In 18 cases, documents relating to Form I-9 were not sufficiently provided
- In 3 cases, the employee's contract was not signed by the school Head Administrator
- In 9 cases, section 2 of Form I-9 was not completed
- In 1 case, the employee's personnel file was missing and could not be reviewed

Criteria: Each employee should have signed, written documentation to support their salary or hourly pay, and should be paid according to that documentation. Schools should only pay wages of employees who are employed by that particular school. Form I-9 should be completely filled out and signed, and appropriate supporting documentation should be maintained on file to show such compliance. Employees should have ERB withheld at a rate based on their annual pay.

Effect: Without proper controls in place, employees can be overpaid and underpaid, and paid out of the wrong school. ERB withholdings can also be under or over withheld from employees. Without proper documentation in personnel files, the School could be subject to fines and penalties in case of a labor or Immigration audit.

Cause: The School has a shared administration, and did not have sufficient internal controls in place to ensure personnel were paid the correct amounts from the correct schools. It appears as though there was a lack of training on Form I-9, and how it should be completed and what documents are acceptable forms of identification.

Recommendation: We recommend the School strengthen internal controls over payroll, including implementation of policies and procedures to ensure employees are not overpaid, underpaid, or paid by the wrong school. The School should perform a periodic review of ERB withholdings to ensure the correct rates are being used. We also recommend each school maintain a complete personnel file with all required documents properly filled out.

Management Response: Previous administration typically utilized other Southwest affiliated schools to "modify" staffing between all schools on an "as needed" basis even if the employee did not have a contract or employment file with all of the locations that they worked. Upon takeover from the PED and the recruitment of contracted business managers, employee contracts were compared against the employee's actual duties and location of duties. Throughout FY2016 management met with administration, employees, the PED, and governance to properly align FTE and salary for all employees that worked at more than one SW location. In aligning the contracts correctly multiple contract amendments were made, and not all of the versions of the contracts were received by the business office. As of FY 17 employee's salary amounts have been verified and reflect properly in payroll with the

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SOUTHWEST SECONDARY LEARNING CENTER (Continued)

2016-005 Payroll (Significant Deficiency) (Continued)

correct school and FTE. All employee files have reviewed and have been updated with the required documentation per school. Management will review the payroll requirements and procedures with administration and governance. This is expected to happen by January of 2017.

TAOS ACADEMY

2016-001 Excess of Expenditures over Budget (Compliance)

Condition: The School has expenditure functions where actual expenditures exceeded budgetary authority:

Title XIX Medicaid	
Support Services	\$3,411
Private Direct Grants	
Instruction	\$1,655

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The School's expenditures in the above functions exceeded the total approved budgeted expenditures.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid or minimize the amount that actual expenditures exceeded the approved budget for the School's Title XIX Medicaid and Private Direct Grant funds.

Recommendation: Budget adjustment requests should be presented to and approved by PED before expending funds in excess of the budget. Controls should be implemented to ensure that budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

Management's Response: The School will add a monitoring check on budget-to-actuals to their regular finance committee meetings to ensure that all funds are within approved budget authority for the School. The personnel responsible for correcting the finding are the Director, Business Manager and Finance Committee. The corrective action was immediate and the review is ongoing.

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TAOS ACADEMY (Continued)

2016-002 Disposition of Computers (Compliance)

Condition: During fiscal year 2016, the School disposed of various computers that had become obsolete. A letter was not sent to the New Mexico Office of the State Auditor to inform them of the intent to dispose of the computers.

Criteria: Section 2.2.10(T)(3) NMAC Requirements for Contracting and Conducting Audits of Agencies, requires the agency to certify in writing the proper erasure of any digital equipment with storage capabilities, and submit the certification along with the notification of the proposed disposition of property to the State Auditor at least thirty days prior to taking action. This applies even if the original purchase price of the digital equipment was less than \$5,000.

Effect: The School is not in compliance with the requirements for dispositions of computers.

Cause: The School did not follow applicable requirements when disposing of computers.

Recommendation: We recommend that internal controls be established to ensure that computer disposals follow all required regulations.

Management's Response: The School was not aware of the disposal requirements for computers. The School will establish procedures for the disposal to ensure that they comply with required regulations. The Director and Technology Administrator are responsible for the correction. The corrective action took place immediately with a revision of policy.

TAOS INTEGRATED SCHOOL OF THE ARTS

2016-001 Internal Control Structure (Material Weakness)

Condition: During our review of 60 disbursements, we noted an instance where the School made a payment to a vendor totaling \$5,768; however, the vendor invoices only totaled \$1,313. The School overpaid this vendor in the amount of \$4,455. This occurred in January 2016 and the School is now attempting to receive reimbursement for this overpayment.

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

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TAOS INTEGRATED SCHOOL OF THE ARTS (Continued)

2016-001 Internal Control Structure (Material Weakness) (Continued)

Effect: The School is not in compliance with NMAC 6.20.2.11.

Cause: School personnel entered an extra digit in the quantity line of the accounting software which resulted in an overpayment to a vendor in the amount of \$4,455.

Recommendation: Implement internal controls to ensure vendors aren't paid more than the invoice amount.

Management's Response: The School has implemented more procedures to ensure that the issue does not continue to happen. All invoices are now required to be submitted to the Business Manager before an approval is given for the checks to be printed. Check signers are also receiving more training on what must be reviewed prior to their signature. The School has also issued a letter to the vendor that was overpaid and have asked for restitution of the overpayment. The personnel responsible for correcting the finding are the Director, Business Manager and Check Signers. The School immediately added the review of accounts payable by the Business Manager and the training is continuous.

2016-002 ERB Contributions and Reports (Compliance)

Condition: The New Mexico Educational Retirement Board (ERB) instructions for preparing Contribution Form 100 indicates that the summer accrued payrolls are to be included in the June form 100 report. From review of the June 2016 report submitted by the School, it did not include the summer accrued payroll information. Therefore, the contributions related to the June accrued payrolls were submitted late in August 2016.

Criteria: ERB instructions for preparing contribution form 100 report.

Effect: The School is not in compliance with the ERB rules for transmitting and reporting contributions and may be subject to penalties.

Cause: At year-end, the School inadvertently did not include the summer payrolls with the final June 2016 form 100 report.

Recommendation: Ensure ERB contributions and reports are completed in accordance with the ERB rules and regulations.

Management's Response: The issue was a result of beginning and ending dates of payroll liabilities not being correct. They ended before the final payroll. Therefore, the final payroll did not have the proper deductions for ERB. The issue was noticed when submitting the file for direct deposit (final summer payroll – August 5, 2016). When the issue was noticed it was immediately corrected. The School will continue to review payroll registers for accuracy. The personnel responsible for correcting this finding

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TAOS INTEGRATED SCHOOL OF THE ARTS (Continued)

2016-002 ERB Contributions and Reports (Compliance)(Continued)

are the Business Manager and Director. The issue was corrected immediately and there is ongoing monitoring.

TAOS INTERNATIONAL SCHOOL

2016-001- Internal Control Structure and Payment for Services (Compliance)

Condition: During the fiscal year 2016, Taos International School reimbursed an employee \$39 for meals for one instance of overnight travel. Additionally, we noted that employees were not required to provide support for mileage traveled such as odometer readings or NM DOT map mileage.

Criteria: NMAC 2.42.2.9(B)(2) states that actual expenses for meals are limited by Section 10-8-4(K)(2) NMSA 1978 (1995 Repl. Pamp.) to a maximum of \$30.00 for in-state travel for a 24-hour period. NMAC 2.42.2.11(D)(1 & 2) states that for conveyance in the discharge of official duties by privately owned automobile, mileage accrued shall be reimbursed at the rate set as pursuant to the mileage chart of the official state map published by the state highway and transportation department for distances in New Mexico or pursuant to actual mileage if the beginning and ending odometer reading is certified as true and correct by the traveler.

Effect: The School is not in compliance with the Per Diem and Mileage Act and is overpaying employees for meals and not obtaining the appropriate certification of miles traveled.

Cause: The School did not have internal controls in place to ensure meal reimbursements were paid in accordance with the New Mexico Per Diem and Mileage Act and that mileage reimbursed was being certified in accordance with New Mexico Per Diem and Mileage Act.

Recommendation: The School should ensure they have policies in place to ensure that all travel related reimbursements are made and supported in accordance with New Mexico Per Diem and Mileage Act.

Management's Response: The business manager will ensure state statutes are followed for travel reimbursements. Odometer readings of travel reimbursements will be implemented immediately.

2016-002- Internal Control Structure and Payroll (Compliance)

Condition: During our review of twenty-five payroll disbursements we noted the following:

- We noted two instances when employees had their pretax health benefits deducted post tax.
- We noted one instance when an employee's health benefits was withheld at the incorrect rate based on their income.

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TAOS INTERNATIONAL SCHOOL (Continued)

2016-002- Internal Control Structure and Payroll (Compliance) (Continued)

Criteria: Per NMAC 6.20.2.11 the School District shall conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer programmed controls, management review of reports that summarize the details of accounts balances and user review of computer generated reports. The School is also required to maintain an internal control structure to demonstrate the school ability to record, process, summarize and report financial data. In addition, the internal control structure shall demonstrate that the school district identifies applicable laws and regulations, and that procedures are designed to provide reasonable assurance that the school district complies with those laws and regulations.

Effect: The School is not in compliance with the requirements of NMAC 6.20.2.11.

Cause: Internal controls were not in place to ensure that employees had necessary deduction withheld at the proper and other deductions were withheld as a pretax deduction.

Recommendation: System parameters surrounding pre-tax payroll deductions should be reviewed to ensure that all deductions are processed in accordance with IRS guidelines. In addition, employees' insurance rates should be compared to the employee's salary for correct withholding.

Management's Response: The business office has reviewed all current employees to ensure their benefits are deducted correctly. Additional review procedures have been put in place as of July 1, 2016 to ensure all employee benefits are deducted and taxed correctly. An employee checklist for payroll documents will be implemented as soon as possible.

2016-003 - Internal Control Structure and Retiree Health Care Contributions (Compliance)

Condition: During our test of twelve months of Retiree Health Care contributions we noted three instances when an employee and the school did not contribute to RHC when the employee was contributing to ERB.

Criteria: NMSA Section 10-7c-15 states as a condition of employment, each participating employee of an employer that chooses to become a participating employer after January 1, 1998 shall contribute to the fund an amount that is determined to be appropriate by the board. Each month, participating employers shall deduct the contribution from the participating employee's salary and shall remit it to the board as provided by any procedures that the board may require. Additionally per NMAC 6.20.2.11, the internal control structure shall demonstrate that the school district identifies applicable laws and regulations, and that procedures are designed to provide reasonable assurance that the school district complies with those laws and regulations. Internal control procedures shall be established, implemented and documented through school district correspondence, manuals, training, and other additional methods. Appropriate internal control procedures shall be adopted by the local board within a school district to safeguard its assets, check the accuracy and reliability of its accounting data, promote operational

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TAOS INTERNATIONAL SCHOOL (Continued)

2016-003 - Internal Control Structure and Retiree Health Care Contributions (Compliance) (Continued)

efficiency, and encourage adherence to prescribed managerial policies. The internal control structure shall address all school district transactions.

Effect: The School is not in compliance with the requirements of NMSA Section 10-7c-15 and NMAC 6.20.2.11.

Cause: Internal controls were not in place to ensure that employee was contributing to RHC when they were contributing to ERB.

Recommendation: Procedures should be implemented to ensure that all employees contributing to RHC are also contributing to ERB.

Management's Response: The business office has corrected the employee benefits in question. Additional review procedures have been put in place as of July 1, 2016 to ensure all employees who are eligible for ERB and RHC will be deducted correctly. An employee checklist for payroll documents will be implemented as soon as possible.

TECHNOLOGY LEADERSHIP HIGH SCHOOL

2016-001 Procurement Code (Compliance)

Condition: During our test work of twenty-five cash disbursements we noted the following items:

- The School did not follow proper procurement procedures when it purchased forty I-pads in the amount of \$23,920. The School did not obtain the required number of formal bids or proposals.
- The School purchased a server in the amount of \$13,341 and was required to obtain three written quotes. During our test work we noted the school did not obtain the proper number of quotes required prior to this purchase.
- The School did not follow proper procurement procedures when obtaining food vendor services in the amount of \$30,015. The School requires three written quotations be obtained, however, the School did not obtain quotes.
- The School did not follow proper procurement procedures when obtaining janitorial services in the amount of \$10,800. The School requires three written quotations be obtained, however, the School did not obtain quotes.

Criteria: Section NMAC 6.20.2.17(A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section

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TECHNOLOGY LEADERSHIP HIGH SCHOOL (Continued)

2016-001 Procurement Code (Compliance)(Continued)

13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, state and federal regulations. The School's purchasing policies state, "Goods or non-professional services of \$10,000 to \$20,000 must obtain three quotes, Professional services \$10,000 to \$50,000 must obtain three quotes, goods or services more than \$20,000 requires formal bid/proposal."

Effect: The school is not in compliance with their purchasing policies and procedures. The school could be over paying for goods and services.

Cause: Internal controls are not in place to ensure the School's purchasing policies and procedures are followed.

Recommendation: Establish proper internal controls to ensure they follow the proper purchasing policies and solicit the proper number of vendors when required.

Management's Response: The Executive Director and the Director of Finance will follow the internal policies and procedures for purchases and services. Currently, internal policies and procedures are more stringent than the state's procurement code. The finance committee will discuss amending the internal procedures to be in compliance with the New Mexico procurement code.

2016-002 Disbursements (Compliance)

Condition: During our test-work of twenty-five cash disbursements we noted one instance when sales tax of \$873 was paid.

Criteria: Per NMAC 3.2 section 7-9-13, School districts are exempt from paying sales tax.

Effect: The School paid for an expenditure that is not allowed.

Cause: Internal controls were not in place to ensure sales tax is not paid on tangible items.

Recommendation: Establish internal controls to ensure the School does not pay sales tax on tangible items.

Management's Response: The school will ensure sales tax is not paid on tangible items. The vendor has agreed to refund the sales tax. This will be implemented by the business manager immediately.

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TECHNOLOGY LEADERSHIP HIGH SCHOOL (Continued)

2016-003 Internal Control (Compliance)

Condition: During our test-work of twenty-five cash disbursements we noted that the school made a payment in the amount of \$23,920 to a vendor based on a quote prior to the issuance and receipt of an invoice.

Criteria: Section NMAC 6.20.2.17(A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, state and federal regulations.

Effect: The School did not comply with state purchasing requirements and, if paying based on a quote rather than an invoice, may pay an amount different from the required invoice amount.

Cause: The School did not follow their purchasing policies and procedures.

Recommendation: Ensure a payments are made based on invoices rather than a quote.

Management's Response: The payment terms to the vendor is "prepaid" since the school does not have a payment history. The school will ensure an invoice is received prior to making a prepayment. This will be implemented by the business manager immediately.

2016-004 ERB Contributions (Compliance)

Condition: During our payroll transaction testwork we noted one employee who received \$20,000 in wages. This individual was contributing 10.70% to the Education Retirement Board rather than the required 7.90%. From this the employee contributed \$560 more to the Education Retirement board than required.

Criteria: Charter 22, Article 11 NMSA 1978 "Educational Retirement Act" established guidelines for contributions and the calculation of qualifying wages.

Effect: The School is not in compliance with the Educational Retirement Act referenced above.

Cause: The school did not use the appropriate methodology for determining wages for ERB contributions in accordance with ERB guidance.

Recommendation: Implement internal controls to ensure the appropriate amounts are remitted to ERB each month.

Management's Response: The school will implement internal controls to ensure the appropriate contribution rate is remitted for employees. This will be done by the business manager immediately.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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TECHNOLOGY LEADERSHIP HIGH SCHOOL (Continued)

2016-005 Lack of Internal Controls over Accounting Records (Compliance)

Condition: Based on payroll transaction test work performed, for one of twenty-five payroll disbursements tested, the employee's annual contract amount was not consistent with the actual amount paid. This resulted in the employee being under paid by approximately \$600.

Criteria: NMAC 6.20.2.11 (B)(6) Each school district shall develop, establish and maintain a structure of internal accounting controls and written procedures to provide for segregation of duties, a system of authorization and recording procedures, and sound accounting practices in performance of duties and functions. The duties to be segregated are the authorization to execute a transaction, recording the transaction, and custody of assets involved in the transaction. School districts shall conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer-programmed controls, management review of reports that summarize the detail of account balances, and user review of computer generated reports.

Effect: Employee's at the school could be over/under paid, this could result in the school over/under paying fringe benefits.

Cause: The school did not follow proper internal control policies and procedures.

Recommendation: The school should establish the proper internal control policies and procedures along with conducting annual reconciliations of employee contracts with the accounting system.

Management's Response: The school will update the internal controls for payroll management to ensure the amount of an employee contract is paid. This will be completed by the business manager by the quarter ended March 31, 2017.

THE LEARNING COMMUNITY CHARTER

2016-001 Timely Deposits (Compliance)

Condition: During our cash receipts test work we noted that one cash receipt in the amount of \$56.30 was deposited on May 12, 2015 when correspondence indicated that the receipt was received on May 5, 2015.

Criteria: NMAC 6.20.2.14.C states that "money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day.

Effect: The School was not in compliance with State Statute and has exposed itself to possible misappropriation of assets.

Cause: After the closure of the School, mail was no longer received and processed timely.

**STATE OF NEW MEXICO
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THE LEARNING COMMUNITY CHARTER (Continued)

2016-001 Timely Deposits (Compliance)(Continued)

Recommendation: The School should have created a procedure to ensure that all funds were properly deposited within 24 hours and supporting documentation was properly maintained.

Managements Response: The Learning Community Charter School was closed by the Public Education Commission effective June 30, 2014. New Mexico Public Education Department has taken over close out operations and will ensure proper controls are implemented during the close out.

TIERRA ADENTRO

2015-001 - Internal Control Structure and Payroll – Modified and Repeated (Compliance)

Condition: During our review of twenty-five payroll disbursements, we noted eleven instances where the School was improperly calculating employee and employer FICA taxes for certain insurance deductions. These employee deductions should have been treated as pre-FICA tax deductions; however, the School treated them as post-FICA tax deductions. This finding was reported during the 2015 audit. Nine of the eleven instances occurred before the School was notified of this finding and two of the eleven instances occurred after the School was notified of this finding. The school is in the process of ensuring all pre-tax payroll deductions are being deducted properly.

The School is in the process of implementing procedures to clear this finding.

Criteria: NMAC 6.20.2.11 Internal Control Structure Standards, requires every School to maintain an internal control structure that will provide management with reasonable assurance assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP.

Effect: The School is not in compliance with NMAC 6.20.2.11 and employees paid more in taxes than what should have been paid.

Cause: Internal controls are not in place to ensure deductions are properly entered into the payroll system.

Recommendation: Implement internal controls to ensure deductions are properly entered into the payroll system. A review should be performed for all employees to ensure deductions are properly calculated.

Management's Response: The business office will review all deductions to ensure that they are all being properly calculated. The business office will be responsible for correcting this finding and this will be completed by December 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2016

TIERRA ADENTRO (Continued)

2016-001 Excess of Expenditures over Budget (Compliance)

Condition: The School has an expenditure function where actual expenditures exceeded budgetary authority:

After School Enrichment Program (27168)

Instruction	\$13,661
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Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The School's expenditures in the above function exceeded the total approved budgeted expenditures.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid or minimize the amount that actual expenditures exceeded the approved budget for the After School Enrichment Program.

Recommendation: Budget adjustment requests should be presented to and approved by PED before expending funds in excess of the budget. Controls should be implemented to ensure that budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

Management's Response: The School did provide a BAR to PED but was denied because the award was for FY15. But due to the PED not funding RfR's in a timely manner the school had a cash flow issue and could not pay all the bills by the end of FY15. The school does have controls in place and will ensure that BARs and RfR's are completed in a timely manner.

The business office will be responsible for ensuring that all BARs and RfR's are submitted in a timely manner and this will be completed by December 2016.

2016-002- Internal Control Structure (Significant Deficiency)

Condition: During our review of 25 disbursements, 25 payroll transactions, and a review of travel expenditures, we noted the following:

- One employee resigned from the School effective August 12, 2015 and continued to be compensated two subsequent pay periods while no longer employed at the School. The School incurred payroll expenditures of \$5,031 during this time when the employee was no longer employed. The School was refunded approximately \$2,100 of the \$5,031, which included \$1,123 repaid by the employee. The remaining amount of approximately \$3,000 was not repaid to the School.

STATE OF NEW MEXICO
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Year Ended June 30, 2016

TIERRA ADENTRO (Continued)

2016-002- Internal Control Structure (Significant Deficiency) (Continued)

- The School coded student travel expenditures in the amount of \$882 to general supplies and materials rather than the account of student travel. These expenditures consisted of food, parking, gas, and renting items for the trip.
- The School had expenditures of \$2,521 in the After School Enrichment Program. From review of the grant documentation these expenditures were unallowable costs and the state denied these expenditures. An adjusting entry was needed to move these costs from the After School Enrichment Program to the School's operational fund.

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

Effect: The School is not in compliance with NMAC 6.20.2.11.

Cause: Internal controls are not in place to ensure compliance with NMAC 6.20.2.11.

Recommendation: Management should ensure administrative controls and accounting controls are implemented properly and in accordance with GAAP.

Management's Response: The School will review its system of internal controls to ensure compliance with GAAP and other regulatory matters.

The School and Business Office will make sure there is better communication so that no employee will continue to get paid after they have resigned or been terminated. It should be noted the employee repaid all amounts received by the employee. Amounts were also collected from other benefit deductions.

The items noted were supplies purchased during a student trip. The impact of this coding has no effect on the financial reporting as the function rolls in the financial statements.

The PED's inconsistency in determining what was allowable is the issue with these expenditures. The School worked with PED to determine what expenditures were going to be allowed. While waiting for PED direction the School had to pay vendor invoices. Upon notification from the PED that they had determined the items unallowable the School provided an AJE to move those expenditures to the Operational Fund. It is our opinion that the PED is wrong on some of their determinations on the allowability of the expenditures. However, the School will comply with their decision.

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PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

TIERRA ADENTRO (Continued)

2016-002- Internal Control Structure (Significant Deficiency) (Continued)

The School administration and business office will be responsible for correcting this finding and ensuring that the School's internal controls are being implemented properly. This will be corrected by December 2016.

TIERRA ENCANTADA CHARTER SCHOOL

2016-001 Purchase Orders (Significant Deficiency)

Condition: During our testing of sixty cash disbursements we noted there were eleven instances (totaling \$10,549) in which the Purchase Order was prepared subsequent to the vendor's invoice date.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

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

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

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

Management Response: Management will follow the written policies and procedures associated with the internal controls of the Business Office and The State Procurement code regarding the process of purchasing goods and services per Section 13-1-21 of the State Procurement Code. Management understands that the authorization to purchase via Purchase order must precede the placement of the order for goods, services and construction.

2016-002 Athletic Equity Act (Compliance)

Condition: It was determined that the School was subject to the School Athletics Equity Act. During our review of the requirements under this Act, we noted that the School did not comply with the annual assurance requirement.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2016**

TIERRA ENCANTADA CHARTER SCHOOL (Continued)

2016-002 Athletic Equity Act (Compliance)

Criteria: In accordance with Public Education Department (PED) requirements and 22-31-5 NMSA 1978, the school is required, no later than August 31st each year to submit an assurance of compliance with Title 9 to its governing body and provide a copy to the department.

Effect: The school is not in compliance with State Statutes.

Cause: The school did not comply with PED requirements and State Statutes.

Recommendation: The School must be familiar with Public Education Department (PED) requirements and 22-31-5 NMSA 1978 and follow the requirements for the School Athletics Equity Act.

Management Response: Management understands the timelines and requirements of compliance with PED requirements and 22-31-5 NMSA 1978 to submit assurance of compliance with Title 9 to its Governance body and provide a copy to PED no later than August 31 of each year.

2016-003 Journal Entry (Significant Deficiency)

Condition: During our testing of journal entries it was noted that for 10 out of 10 journal entries tested, the journal entry lacked proper approval by a responsible employee other than the preparer. It was also noted that 5 out of 10 journal entries tested did not contain adequate supporting documentation for the journal entry.

Criteria: Appropriate and accurate journal entries are essential in correcting errors, facilitating the month-end closing process, and preparing accurate financial statements. Journal entries should be reviewed by someone other than the preparer and that has the accounting knowledge to determine that the entry is appropriate and correct. The entry should be accompanied by supporting documentation to facilitate the review process. The review should be performed prior to the entry being recorded in the accounting records to reduce the need for additional correcting journal entries.

Effect: Journal entries that are not reviewed or approved by someone with the appropriate level of accounting knowledge may result in entries made in error and could lead to a misstatement of the financial statements. Additionally, a significant amount of time is required to research and correct erroneous journal entry posting.

Cause: The school has not had adequate resources to develop well-established policies and procedures over the journal entry process.

Recommendation: We recommend that the school adopt a policy whereby all journal entries will be approved by a designated member of management with the appropriate level of accounting knowledge. All entries should be initialed by the preparer and the individual approving them in order to attribute responsibility to the appropriate individuals. All journal entries should be accompanied by a full explanation and by reference to adequate supporting documentation.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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TIERRA ENCANTADA CHARTER SCHOOL (Continued)

2016-003 Journal Entry (Significant Deficiency)(Continued)

Management Response: Management will develop a policy to require a second person review and sign off on Journal entries monthly. The policy will require that the journal entry have adequate supporting documentation and an explanation as to the reason for the journal entry. The policy will also require that all journal entries be taken to the finance Committee meeting monthly for further review by a member of the committee with appropriate accounting knowledge. Management understands that erroneous journal entries can lead to a misstatement of financial statements. This practice will be implemented upon Board approval of a Journal Entry Policy.

TURQUOISE TRAIL CHARTER SCHOOL

2016-001 Payroll (Compliance)

Condition: During our testwork of twenty-five payroll transactions, we identified the following:

Approval of timesheets

- The School Director's timesheet was not approved by another member of management or a member of the board of directors.
- An employee's timesheet was not signed by the employee but was approved by the employee's supervisor.
- An employee's timesheet was not approved by the employee's supervisor.

Employee contracts and agreements

- An employee received a stipend and salary differential for the Teaching English to Speakers of Other Languages (TESOL) certification. However, their contract did not contain any acknowledgment that this employee should receive this compensation.

Criteria: Per the NMAC 6.20.2.12, the School District shall conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer programmed controls, management review of reports that summarize the detail of account balances and user review of computer generated reports. The School is also required to maintain an internal control structure to demonstrate the School's ability to record, process, summarize and report financial data. In addition, the internal control structure shall demonstrate that the school district identifies applicable law and regulations, and that procedures are designed to provide reasonable assurance that the school district complies with those laws and regulations.

Effect: The School was not in compliance with applicable New Mexico State laws and regulations under NMAC sections 6.

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TURQUOISE TRAIL CHARTER SCHOOL (Continued)

2016-001 Payroll (Compliance) (Continued)

Cause: The School did not maintain adequate internal controls over employee timesheets, contracts and agreements and other payroll items. In addition, during the year the School experienced turnover in their finance department which caused applicable review not to be monitored.

Recommendation: Implement internal controls to make all time sheets are reviewed and signed off accordingly. In addition make sure contracts are reviewed to make sure all applicable terms are followed.

Management's Response: There were no noted errors from the auditors regarding deductions, but the Business Manager will ensure that all timesheets are properly submitted and signed beginning in FY2017. In the previous three years, the absence of a timesheet for the Director was not noted as an audit finding or even noted as a required item, but going forward a timesheet will be signed by the Director and approved by either the Data Manager or the Business Manager. As for the contract that failed to note the TESOL endorsement, additional procedures to verify contracts against the first payroll of the new fiscal year were implemented by the Business Manager in August 2016.

2016-002 Disbursements (Compliance)

Condition: During our testwork of twenty-five cash disbursements, there was an instance when the School paid \$514.65 to a vendor without an authorized purchase order.

Criteria: Per the NMAC 2.42.6.20.2.11 requires that schools establish and maintain an internal control structure to provide management with reasonable assurance that assets are safeguarded against unauthorized use. "The internal control structure shall include written administrative controls (rules, procedures, practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP."

Effect: Unsupported disbursements or lack of approval places the School at risk for unauthorized purchases.

Cause: Internal controls are not in place to ensure the School is paying the correct amounts and with adequate approvals.

Recommendation: The School should follow their Purchasing Procedures established to ensure all purchases from the School are made in accordance with applicable statutes and regulations.

Management's Response: The transaction in question was missing one of the two required signatures on the properly issued purchase order. The Business Manager will strive to ensure that all future purchase orders have both signatures.

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Year Ended June 30, 2016**

TURQUOISE TRAIL CHARTER SCHOOL (Continued)

2016-003 Cash Receipts – (Compliance)

Condition: During cash receipts testwork, we identified the following:

For three out of twenty cash receipts transactions tested, there was no support provided for the full amount of the deposit.

For two out of twenty cash receipts transactions tested, the School did not issue receipts for cash collect during fundraising events in two instances.

Criteria: NMAC 6.20.2 states “School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget (OMB) and Uniform Guidance, and applicable state and federal laws and regulations.”

Effect: The School is not in compliance with the compliance requirements as stated at NMAC 6.20.2.

Cause: Procedures were not in place to ensure adequate support for cash receipts was maintained in accordance with NMAC 6.20.2.

Recommendation: Ensure deposits are made in accordance with NMAC 6.20.2.

Management’s Response: The school updated its procedures in October 2016 to require that all deposits have a full listing of payers going forward, and that the Assistant Business Manager submits deposit documentation to the Business Manager for review prior to each deposit being taken to the bank. This procedure has been reviewed with the audit team to ensure it will meet their standards for next year.

2016-004 Travel and Per Diem (Compliance)

Condition: During our testing of travel and per diem and disbursements, we noted six instances when mileage was reimbursed at the 2015 rate and not the 2014 rate. (The travel took place during calendar year 2015.)

Criteria: NMAC 2.42.2.11(b)(1) states that public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile at 80% of the IRS standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Effect: The School is not in compliance with the Per Diem and Mileage Act and is overpaying employees for travel on behalf of the School.

Cause: The School did not have internal controls in place to ensure mileage reimbursements were paid in accordance with the New Mexico Per Diem and Mileage Act.

Recommendation: The School should follow the Per Diem and Mileage Act for local governments when paying for mileage reimbursements.

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TURQUOISE TRAIL CHARTER SCHOOL (Continued)

2016-004 Travel and Per Diem (Compliance)(Continued)

Management's Response: The school did pay the wrong mileage rate and the Business Manager has updated the travel reimbursement forms in October 2016 to indicate the correct per mile rate.

2016-005 Internal Controls and Capital Assets (Compliance)

Condition: During our testwork of repairs and maintenance, the School did not capitalize \$46,021 in construction and equipment purchases.

Criteria: Based on the State capitalization policy, the School should capitalize items that are over \$5,000.

Effect: The School is not in compliance with State policies and procedures relating to capital assets.

Cause: The School did not have internal controls in place to ensure that all capital expenditures were capitalized.

Recommendation: Follow the State policies and procedures in place to ensure that all capital expenditures are appropriately accounted for.

Management's Response: The new Business Manager had asked the audit team for guidance on what to do regarding year-end adjustments and entries for assets, but it was after the audit team had arrived so those adjustments were not provided in a timely fashion. Currently, the Business Manager is working to obtain guidance from the auditors regarding what is required in terms of documentation of Capital Assets prior to their arrival.

2016-006 Annual Inventory (Compliance)

Condition: The School did not perform an annual inventory of its capital assets during fiscal year 2016.

Criteria: Section 12-6-10(A) NMSA 1978 requires each agency to conduct an annual physical inventory of moveable chattels and equipment on the inventory list at the end of each fiscal year. The agency shall certify the correctness of the inventory after the physical inventory. This certification should be provided to the School's auditors.

Effect: The School is not in compliance with state requirements regarding capital asset inventory.

Cause: Internal controls are not in place to ensure an annual inventory is performed.

Recommendation: On an annual basis, complete an inventory of the School's capital assets.

Management's Response: Due to the change in Business Managers in June 2016, the physical inventory of assets was not performed until September 2016, when it should have been done in June. Going forward, physical inventories will be performed in June of each year by the Operations Manager.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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TURQUOISE TRAIL CHARTER SCHOOL (Continued)

2016-007 Excess of Expenditures over Budget (Compliance)

Condition: Turquoise Trail Charter School had expenditure functions with actual expenditures that exceeded budgetary authority:

Pre-K Initiative (27149)

Instruction	\$601
Support Services: General Administration	\$35

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over expenditure of a function shall not be allowed.

Effect: Turquoise Trail Charter School expenditures in the above functions exceeded the total approved budgeted expenditures by \$636.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid or minimize the amount that actual expenditures exceeded the approved budget for the funds listed above.

Recommendation: Controls should be implemented to ensure that budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

Management's Response: Due to the change of Business Managers in June 2016, there was a delay in reconciling year end balances and recording the necessary entries. We anticipate that this should not reoccur, and the new Business Manager has attended several training sessions to become more familiar with the required year end reporting requirements.

2016-008 Budgetary Conditions (Compliance)

Condition: The School did not properly budget prior year cash carry-over in the SB-9 Capital Improvements Fund (31700). There was a cash carryover of \$386,586, however, the School budgeted a deficit of \$492,236 for this fund.

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information.

Effect: The School is not in compliance with state statute and the controls established by the use of budgets have been compromised, which could result in deficit fund balances and unnecessary usage of funds to cover the deficit.

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PUBLIC EDUCATION DEPARTMENT
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TURQUOISE TRAIL CHARTER SCHOOL (Continued)

2016-008 Budgetary Conditions (Compliance)(Continued)

Cause: The School budgeted a deficit when there was no prior year cash carry-over amounts for this fund.

Recommendation: We recommend that the School establish a policy where the budget is reviewed at the end of each quarter and give consideration to deficits and ensure that designated cash is available to cover such overages.

Management's Response: Future budgets will not cause a deficit in cash balances, per procedures implemented during FY2017 to include beginning fund balance as a component of each funds' budget development. The Business Manager will be responsible for ensuring this requirement is complied with when the FY18 budgets are submitted to the Governance Council in March 2017.

UPLIFT COMMUNITY SCHOOL

2014-001 Supporting Documentation (Significant Deficiency)

Condition: During our test-work the following items were noted:

- In a sample of sixty expenditures, there were three disbursements in the amount of \$1,324, where the school could not provide the supporting purchase order.
- In the same sample, there were two disbursements in the amount of \$473 where the invoice was not properly approved for payment.

The School has implemented policies to resolve this finding in the current year.

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

Additionally, NMSAC 6.20.2.14.C states that money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day.

Effect: It could not be determine if the expenditure and the cash receipts were properly recorded on the general ledger. It could not be determined if the cash receipts were deposited in a timely manner.

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PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

UPLIFT COMMUNITY SCHOOL (Continued)

2014-001 Supporting Documentation (Significant Deficiency)(Continued)

Cause: The school does not have in place proper internal controls to ensure that supporting documentation is maintained for all cash disbursements and cash receipts.

Recommendation: The School should put in place internal controls so that documentation for all financial activity is available for examination both by school personnel and external parties such as the auditors.

Management's Response: Uplift Community School has worked hard to establish and maintain a set of internal controls and policies and procedures around procurement. The school identified inconsistencies with personnel following the defined policies and procedures, and has made applicable changes to the personnel for the 2016-2017 school year. The school has reviewed the policies and procedures with the incoming staff and is confident that the areas of policy application and records maintenance will be greatly improved. Administration, January 2017

2015-001 Personnel Files (Compliance)

Condition: 10 employees were selected for payroll testing. The following items were noted:

- 4 personnel files did not contain employment eligibility verification (Federal Form I-9)
- 6 personnel files did not contain evidence that a background check had been performed.
- The certification for 1 teacher was not present in their personnel file.
- 3 personnel files did not contain proper authorization for deductions from pay.

The School has implemented policies to resolve this finding in the current year.

Criteria: NMAC 6.20.2.18 requires that schools maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (Federal Form I-9), federal and state withholding certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Effect: The School is not in compliance with New Mexico State Statutes in regards to employee record documentation.

Cause: The School is not reviewing the personnel files for compliance with State Statutes.

Recommendation: The School should review all personnel files to ensure that required documentation required by NMAC 6.20.2.18 is available.

Management's Response: The Uplift Community School has adopted policies that exceed those of the State when it comes to the area of new hire documentation. Uplift will review the policies and procedures related to hiring with all applicable personnel. Uplift has developed a policy for

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UPLIFT COMMUNITY SCHOOL (Continued)

2015-001 Personnel Files (Compliance)(Continued)

recurring background checks every 2 years for all staff members, not just those who are seeking new employment with the school. All returning staff had a new background check through COGENT processed in August of 2016. The school will require that all staff members provide due diligence as to their licensure status and/or application with the State of New Mexico whether through the renewal process, reciprocity process, or the new applicant process. This will include a detailed timeframe for follow-up in order to continue their employment.

Business Manager and Administration January 2017

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

Condition: During our testing of sixty cash disbursements, there were 3 instances (totaling \$4,925) in which the Purchase Order was prepared subsequent to the vendor's invoice date.

The School has implemented policies to resolve this finding in the current year.

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

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

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

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

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

Management's Response: Uplift Community School has worked hard to develop financial policies and procedures that are both compliant and safe guard the school from financial mismanagement. Management will work with the school administration and all staff to emphasize the procedures established and ensure that all purchases have an approved purchase order before goods or services are ordered. Management completed this by December 31st 2015. The three items noted were prior to December 31st 2015.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

WALATOWA HIGH CHARTER SCHOOL

2013-004 - Travel & Per Diem/Internal Controls (Compliance)

Condition: During our testwork of travel and per diem, we noted two instances where hotel expenditures exceeded the \$215 per night limit without approval from agency head or governing body. The School is aware of this requirement and has started to monitor this closer. The School has implemented procedures to resolve this finding in the current year.

Criteria: Per NMAC 2.42.2.9, "a public officer or an employee may elect to be reimbursed actual expenses for lodging not exceeding the single occupancy room charge (including tax) in lieu of the per diem rate set forth in this Section. Whenever possible, public officers and employees should stay in hotels which offer government rates. Agencies, public officers or employees who incur lodging expenses in excess of \$215.00 per night must obtain the signature of the agency head or chairperson of the governing board on the travel voucher prior to requesting reimbursement and on the encumbering document at the time of encumbering the expenditure."

Effect: The School is not in compliance with New Mexico State statute regarding per diem and travel requirements.

Cause: Lack of internal controls to ensure the School follows travel and per diem guidelines during travel by School employees.

Recommendation: Follow the Travel and Per Diem and Mileage Act for local governments as well as update guidelines stated in the School's policies and procedures that when school travel results in expenses greater than the per night limit, obtain governing board approval.

Management's Response: The Schools Governing Board will approve travel prior to employees traveling in-state and out-of-state travel expenses' greater than the per night limit. This will be implemented by the business manager immediately.

2014-001 Internal Control Structure (Compliance)

Condition: During our cash receipts testwork, we noted that the School had receipts from student activities, such as athletic events, game tickets and concessions, and various fundraisers. We performed cash receipts testwork regarding these activities and noted cash collections from Prom 2016 generating revenue of \$1,375. We did not identify any supporting documentation on who paid for the dance and how much.

The School has developed controls for athletic events and now will develop controls for all other events. The School has implemented procedures to resolve this finding in the current year.

Criteria: NMAC 6.20.2.11 requires that every school district maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use of dispositions.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

WALATOWA HIGH CHARTER SCHOOL (Continued)

2014-001 Internal Control Structure (Compliance)(Continued)

Effect: The School was not in compliance with New Mexico State statute regarding cash receipts collected at student activities.

Cause: Due to the availability of staff, the School has difficulty performing independent counts at fundraising events at the School and the School does not have policies and procedures in place for cash receipts collected during these events.

Recommendation: Ensure policies and procedures are implemented to safeguard cash collected at student activity events, i.e. fundraising events.

Management's Response: The School has already implemented a separate cash receipt for all student activity fundraisers when collecting cash. The School will also update the schools policy and procedures regarding student fundraisers. This will be implemented by the business manager immediately based on working with the various school groups.

2014-002 – Payroll Transactions – Modified and Repeated (Compliance)

Condition: During testwork performed on 25 employee personnel files, we noted the following:

- I-9 forms were present in the employee files for five employees tested but were not complete with employer review and approval.
- Background checks were not performed for thirteen employees.
- Additional compensation timesheets were not approved by the supervisor for two employees.

Since fieldwork the School has gone through their files to update applicable forms. As for backgrounds, they have obtained the applicable information to get these completed.

Criteria: State regulation 6.20.2.18, NMAC states that the School must maintain and have available for inspection all payroll related documentation, including but not limited to employee contracts, I-9's, W-4's, timecards.

According to 22-10.3.3 NMSA 1978 policies and procedures should be developed requiring background checks on an applicant who has been offered employment with unsupervised access to students at a charter school.

Effect: The School has a potential for lawsuits, as it is not protecting itself by performing background checks required by state statute as stated above. Completed I-9 forms are important since they document the identity and employment of new employee (both citizen and noncitizen).

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

WALATOWA HIGH CHARTER SCHOOL (Continued)

2014-002 – Payroll Transactions – Modified and Repeated (Compliance)(Continued)

Cause: Employee files were not properly maintained and kept up to date to include all changes to employee information. Portions of supporting documentation were kept but information was not complete for review. As for the background checks, the School has been waiting on an identification number to complete this task.

Recommendation: We recommend the School review their personnel files to ensure all required documents are completed and maintained. We also recommend the School review their policies and procedures manual regarding background checks and ensure that each employee has been given a background check before their date of hire.

Management's Response: The School employee personnel files and timecards have all been updated. The School has been issued from the FBI and ORI a number to start the process of implementing the background checks for all employees. This will be implemented immediately by the School.

2016-001 – ERB Contributions (Compliance)

Condition: One employee performed services under three separate employment contracts for various roles, which cumulatively exceeded 0.25 full-time equivalency. However, the School only calculated ERB contributions on wages for one contract rather than applying the rates to the employee's gross wages earned on all three contracts.

Criteria: NMAC 2.82.3.8 states "a member's annual salary for the purpose of contributions to fund and computation of the member's benefit shall consist of total compensation or wages paid to the member for services rendered during each of the four calendar quarters of a fiscal year, beginning July and ending June 30."

Effect: The employee is not contributing the full amount applicable to ERB as only a portion of their wages are included. The School's contribution is also understated for the period. Additionally, the School is not able to verify whether the employee is eligible to return to work at a salary greater than the return to work thresholds to ensure they are contributing correctly.

Cause: The School did not use the appropriate methodology for determining wages for ERB contributions in accordance with ERB guidance.

Recommendation: Implement internal controls to ensure the appropriate amounts are remitted to ERB monthly and obtain proper documentation prior to an individual's return to work employment.

Management's Response: The School has modified the ERB deductions and will continue to provide proper documentation in all categories for all employees. This will be implemented by the business manager immediately.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

WALATOWA HIGH CHARTER SCHOOL (Continued)

2016-002 Internal Control over Cash Disbursements (Compliance)

Condition: In a sample of twenty-five cash disbursements we noted the following:

- One transaction had a purchase order that was not properly authorized for approval prior to purchase. In addition, this transaction had a purchase order amount of \$1,975 but the invoice amount was for \$2,014.
- For four transactions, the School did not obtain 3 quotes for purchases greater than \$1,000 as per the School financial policies.

Criteria: NMAC 6.20.2.17 requires the School to establish and implement written policies and procedures for purchasing and per the School's internal financial policies and procedures, three quotes must be obtained for any purchase greater than \$1,000.

Effect: The School is not in compliance with the NMAC regulations stated above and with their own internal policies. The School is at risk for overspending on items and misuse of school funds.

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

Recommendation: All purchase orders should be approved before any purchases are made and purchases should not exceed the approved amount. Additionally, the Governing Council should revise and approve an amendment to the policy to increase the limit of \$1,000 and provide exceptions where quotes are not required due to type of expense.

Management Response: The School's Governing Board has already approved the removal of the small purchases limit of \$1,000. The amendment was approved at the October 24, 2016 regular board meeting. The business manager will make sure that this is properly implemented.

2016-003 Budgetary Conditions (Compliance)

Condition: The School did not properly budget prior year cash carry-over in the Food Services fund (21000). There was a cash carryover of \$17,204, however, the School budgeted a deficit of \$22,322 for this fund.

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information.

Effect: The School is out of compliance with state statute and the controls established by the use of budgets has been compromised, which could result in deficit fund balances and unnecessary usage of funds to cover the deficit.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

WALATOWA HIGH CHARTER SCHOOL (Continued)

2016-003 Budgetary Conditions (Compliance)(Continued)

Cause: The School budgeted a deficit when there was no prior year cash carry-over amounts for this fund.

Recommendation: We recommend that the School establish a policy where the budget is reviewed at the end of each quarter and give consideration to deficits and ensure that designated cash is available to cover such overages.

Management's Response: The School will ensure that the school follow budget requirements stated in the NMSA 1978 and procedures of maintaining and reporting budgetary information. This will be implemented immediately by the School.

WILLIAM W. & JOSEPHINE DORN CHARTER COMMUNITY SCHOOL

2015-001 Excess of Expenditures over Budget – (Compliance)

Condition: William W. & Josephine Dorn Charter School had an expenditure function where actual expenditures exceeded budgetary authority by the following amount:

K-3 Plus (27166) - Instruction \$995

The School has made progress in this area as they have decreased to one budget overage in one fund compared to two in the prior year.

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Overexpenditure of a function shall not be allowed

Effect: William W. & Josephine Dorn Charter School expenditures in the above functions exceeded the total approved budgeted expenditures by \$995.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid the amount that actual expenditures exceeded the approved budgets for the William W. & Josephine Dorn School's Operational and K-3 plus funds.

Recommendation: Controls should be implemented to ensure that budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

WILLIAM W. & JOSEPHINE DORN CHARTER COMMUNITY SCHOOL (Continued)

2015-001 Excess of Expenditures over Budget – (Compliance) (Continued)

Management's Response: The business office will ensure that internal controls are in place so that expenditures do not exceed the budget. BARs will be prepared as necessary. The Business Manager will be responsible for internal controls and have them completed by June 30, 2017.

2016-001 – New Mexico Employee Retirement Board (Compliance)

Condition: During our testwork over payroll expenditures, we found two employees classified as short-term substitutes that were working more than 6 consecutive weeks in the same duty assignment and 25% of a full time equivalent (FTE). For these employees, we noted that the School made no contribution to the New Mexico Education Retirement Board (NMERB) or Retiree Healthcare.

Criteria: Employees working more than 25% of a FTE or substitutes that work more than 6 consecutive weeks in the same duty assignment are considered Educational Retirement Act covered employees.

Effect: The School is not in compliance with the Educational Retirement Act / Retiree Healthcare Act and the employees and the School are not making required contributions.

Cause: Internal controls were not in place to ensure employees working more than 25% of a FTE or substitutes working 6 consecutive weeks or more were making the required contributions to the NMERB and RHCA.

Recommendation: Implement internal controls to ensure all employees working more than 25% of a FTE or substitutes working 6 consecutive weeks or more are making the required contributions to the NMERB and RHCA. When employees change their percentage of time worked, ensure these changes are properly reflected in the payroll system.

Management's Response: The Business Office and School Administration will ensure that internal controls are properly in place. When there are changes in full-time employees the business office will ensure that those changes are properly reflected in the payroll system. This will be completed by December 31, 2016.

2016-002 Staff Qualifications and Payroll (Compliance)

Condition: During internal control testwork over a sample of 25 payroll transactions, we noted two teachers and a substitute teacher that did not have a license from the Public Education Department (PED) or did not have the appropriate license for their position.

Criteria: NMAC 6.61.2 through 6.61.12 (Chapter 61) outlines the various licensure requirements for persons seeking an instructor's license.

Effect: The School is not in compliance with applicable requirements of Chapter 61 for the instructors noted above.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

WILLIAM W. & JOSEPHINE DORN CHARTER COMMUNITY SCHOOL (Continued)

2016-002 Staff Qualifications and Payroll (Compliance)(Continued)

Cause: The School did not have internal controls in place to ensure all required documentation was obtained prior to hiring the instructors and substitute instructor noted above and a process is not in place that would provide periodic reviews of employee personnel files to ensure they are complete.

Recommendation: Develop and implement internal control procedures to ensure all required documents are obtained prior to an employee starting employment with the school.

Management's Response: The School Administration will ensure that they have all required documents in place before hiring any employees. Below are the steps that have been put in place to ensure this.

The School has reviewed and verified all documents are in place as of October 2016.

1. Every certified staff member at our school has the required license on file at our school.
2. A check list has been added to every staff file indicating the required documents that need to be included in each file to comply with internal control procedures.
3. All staff files have been updated and checked to insure all required documentation is complete in each file.
4. All information and contract with NM PED licensure (about Teacher Licenses) is being documented and maintained.

2016-003- Personnel Files (Compliance)

Condition: During internal control testwork over a sample of 25 payroll transactions, we noted the following:

- We noted two instances of an incomplete Federal Form I-9 as it was not completed with the employee's name.
- We noted one instance of an incomplete W-4 that was missing the employee's social security number.

Criteria: NMAC 6.20.2.18 requires that schools maintain and have available for inspection the following employee record documentation: employee contracts, personnel/payroll action forms, certification records, employment eligibility verification (Federal Form I-9), pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Effect: The School is not in compliance with New Mexico State Statutes in regards to employee record documentation.

Cause: The School is not reviewing the personnel files for compliance with State Statues.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016**

WILLIAM W. & JOSEPHINE DORN CHARTER COMMUNITY SCHOOL (Continued)

2016-003- Personnel Files (Compliance)(Continued)

Recommendation: Personnel files should be periodically reviewed to ensure all required personnel file documents have been obtained and are complete and accurate. The School should ensure controls are in place to obtain required payroll documents when employees initially begin employment.

Management's Response: The School and business office will ensure that controls are in place so that all personnel files are being properly completed. The business office will also ensure that files are being periodically reviewed and that all paperwork is up to date. This will be completed by December 31, 2016.

2016-004- Internal Control Structure and Payroll (Compliance)

Condition: During our review of twenty-five payroll disbursements we noted the following:

- Four instances where the School was improperly calculating employee and employer FICA and Medicare taxes for certain insurance deductions. The school does not have the insurance plans that qualify for pre-tax treatment under the IRS Section 125. However, these employees' FICA and Medicare were calculated using gross wages less the unqualified insurance plans.
- We noted during our test over the payroll period ending 9/18/16, that all of the FICA and Medicare amounts were incorrectly rounded to the nearest whole dollar by the APTA Fund system. The issue impacted all employees during this period.

Criteria: NMAC 6.20.2.11 Internal Control Structure Standards, requires every school to maintain an internal control structure that will provide management with reasonable assurance assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP.

Effect: The School is not in compliance with NMAC 6.20.2.11 and the employees paid less in taxes than what should have been paid and incorrect balances in the case of the 9/18/16 payroll.

Cause: Internal controls are not in place to ensure deductions are properly entered into the payroll system or to ensure that the adjustments made are correct.

Recommendation: Implement internal controls to ensure deductions are properly entered into the payroll system. A review should be performed for all employees to ensure deductions are properly calculated.

Management's Response: The business office has reviewed all current employees to ensure that deductions are being deducted properly. As of July 1, 2016, the deductions have been fixed to no longer reflect pre-tax since the School does not have the correct insurance plans to qualify for pre-tax.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2016**

Public Education Department

2013-003	Improve Other IT General Controls	Repeated
2013-005	Untimely Reversions	Resolved
2015-001	Financial Close and Reporting- Reconciliation of Funds	Resolved

Division of Vocational Rehabilitation

2014-003	Improve General IT Controls	Repeated
2014-004	Internal Controls Over Cash Disbursements	Resolved
2014-007	Eligibility	Repeated
2015-002	Financial Close and Reporting	Resolved
2015-003	Level of Effort	Resolved
2015-004	Special Test and Provisions	Resolved

Academy of Trades and Technology

2015-001	Purchase Orders	Repeated
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Academy of Trades and Technology Foundation

2012-002	Foundation - Internal Control Structure	Resolved
2013-001	Foundation – Composition of Board	Resolved

Ace Leadership High School

2015-001	Fund Balance Journal Entries	Resolved
2015-002	Cash Reconciliations	Resolved
2015-003	Purchase Orders Subsequent to Invoice	Resolved
2015-004	Budgetary Condition	Resolved

Albuquerque Institute for Mathematics & Science

2015-001	Expenditure Exceed Budget	Resolved
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Albuquerque School of Excellence

2015-001	Internal Control Structure	Repeated
2015-002	Budget Adjustment Requests	Resolved
2015-003	Cash Receipts	Resolved
2015-004	Budgetary Conditions	Resolved

Albuquerque Sign Language Academy

2014-001	Travel and Per-Diem	Resolved
2014-002	Staff Qualifications and Payroll	Repeated

Alma D'Arte Charter High School

2014-001	Timely Deposits	Resolved
2015-001	Budget Adjustment Request	Resolved
2015-002	Mileage Reimbursements	Resolved
2015-003	Per Diem Rate Reimbursements	Resolved

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2016**

Amy Biehl Charter High School

2014-001	Mileage Reimbursements	Repeated
2015-001	Budgetary Conditions	Resolved

Anthony Charter School

2014-001	Timely Deposits	Resolved
2014-002	Mileage Reimbursements	Resolved
2014-003	Audit Committee	Resolved
2015-001	Per Diem Rate Reimbursements	Resolved
2015-002	Budget Adjustment Requests	Resolved

Ask Academy

2013-001	Timely Deposits	Resolved
2015-001	Mileage Reimbursement	Repeated

Ask Academy- Foundation

2015-001	Foundation- Internal Control Structure	Resolved
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Cesar Chavez Community School

2015-001	Procurement Code	Resolved
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Cien Aguas International School

2014-001	Internal Control Structure	Repeated
2014-002	Payroll Transactions	Repeated
2014-003	Audit Committee	Resolved
2015-001	Excess of Expenditures over Budget	Resolved
2015-002	Budgetary Conditions	Repeated

Coral Community Charter School

2014-001	Timely Deposits	Repeated
2014-002	Internal Control Structure	Resolved
2015-001	Payroll Transactions	Resolved
2015-002	Budgetary Conditions	Resolved

Cottonwood Classical Preparatory School

2014-002	Compliance with Payroll Recordkeeping	Repeated
2014-003	Violation of the New Mexico Anti-Donation Clause	Resolved
2015-001	Controls Over Cash Disbursements	Repeated
2015-002	Travel and Per Diem	Repeated
2015-003	Timely Deposits	Resolved
2015-004	Expenditures Exceed Budget	Resolved

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2016**

Creative Education Preparatory Institute

2009-024	PED Cash Report	Repeated
2011-001	Internal Control Structure	Repeated
2011-002	Budgetary Conditions	Repeated
2011-003	Bank Accounts	Repeated as 2016-002
2012-003	ERB Contributions	Repeated as 2016-002
2013-002	IDEA-B – Cash Management	Repeated as 2016-001
2014-001	Lack of Segregation of Duties	Repeated as 2016-001
2014-002	Retiree Health Care Contributions	Repeated as 2016-002
2014-003	Purchase Orders	Repeated as 2016-001
2014-005	Mileage Reimbursements	Repeated as 2016-002
2015-001	Trial Balance	Repeated as 2016-001

Dream Dine Charter School

2015-001	Payroll and Personnel Files	Repeated
2015-002	Internal Control Structure	Resolved

Estancia Valley Classical Academy

2015-001	Excess of Expenditures over Budget	Repeated
2015-002	Internal Control Structure over Payroll	Repeated

Explore Academy

2015-001	Lack of Support for Payroll Salary Calculations	Resolved
2015-002	Review of Approval of Purchases	Repeated
2015-003	Expenditures Exceed Budget	Resolved

Gilbert L. Sena Charter High School

2014-001	Supporting Documentation	Resolved
2015-001	Penalties/Fees	Resolved
2015-002	Budget Adjustment Requests	Repeated
2015-003	Purchase Orders Subsequent to Invoice	Repeated
2015-004	Check Signing	Resolved

Great Academy

2015-001	Mileage Reimbursement	Resolved
2015-002	Budgetary Conditions	Resolved

Health Leadership High School

2015-001	Cash Receipts	Repeated
2015-002	Payroll Transactions	Resolved
2015-003	Procurement Code	Resolved
2015-004	ERB Contributions and Reports	Resolved
2015-005	Budgetary Conditions	Repeated
2015-006	Collateral Requirements	Resolved

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2016**

Health Sciences Academy

2015-001	Internal Control	Repeated as 2016-001
2015-002	Personnel Files	Repeated as 2016-001
2015-003	Mileage Reimbursements	Repeated as 2016-002
2015-004	Budgetary Conditions	Repeated as 2016-002

Horizon Academy West

2014-001	Payroll Transactions	Resolved
2014-005	Violation of the New Mexico Anti-Donation Clause	Resolved
2015-001	Disposition of property	Resolved
2015-002	Procurement Code	Resolved
2015-003	Excess of Expenditures over Budget	Resolved

International School at Mesa Del Sol

2014-001	Mileage Reimbursements	Resolved
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J. Paul Taylor Academy

2014-001	Supporting Documentation	Resolved
2015-001	Supporting Documentation	Resolved
2015-002	Budgetary Conditions	Repeated
2015-003	After School Care and Enrichment Programs	Resolved

La Academia Dolores Huerta Charter School

2015-001	Journal Entries	Resolved
2015-002	Form 1099- MISC	Resolved
2015-003	Inventory and Capital Assets	Resolved
2015-004	PED Cash Reports and Bank Reconciliations	Resolved
2015-005	Personnel Files	Resolved

La Jicarita Community School

2014-003	Payroll and Personnel Files	Repeated
2015-001	ERB Contributions	Resolved

La Promesa Early Learning Center

2014-001	Purchase Orders Subsequent to Invoice	Repeated
2015-001	Internal Control Over Cash Disbursement	Repeated
2015-002	Travel & Per-Diem	Repeated

La Resolana Leadership Academy

2015-001	Budgetary Condition	Resolved
2015-002	Purchase Orders	Resolved

Las Montanas Charter School

2011-0015	State Cash Report	Resolved
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2016**

2015-001	Procurement	Resolved
2015-002	Budget Adjustment Requests	Resolved
2015-003	NMERB	Resolved
Masters Program		
2014-001	Mileage & Travel Reimbursements	Resolved
2014-002	Procurement Documentation	Repeated
2014-003	Personnel Files	Repeated
2015-001	Journal Entry Supporting Documentation	Resolved
McCurdy Charter School		
2014-003	Non-compliance with Cash Deposit Requirements	Repeated
2014-006	Compliance with Pledged Collateral Requirements	Resolved
2014-007	Expenditures in Excess of Budgeted Amounts	Repeated
Media Arts Collaborative Charter School		
2014-001	Mileage Reimbursements	Resolved
Mission Achievement and Success Charter School		
2014-001	Purchase Order Subsequent to Invoice	Resolved
2014-002	Mileage Reimbursements	Resolved
2015-001	Cash Reconciliations	Resolved
Monte Del Sol Charter School		
2013-011	Internal Control Structure	Resolved
2014-004	Procurement	Resolved
2014-005	Fixed Assets	Resolved
2014-009	Internal Control Structure	Resolved
2015-001	Budgetary Conditions	Resolved
2015-002	Food Service Contract	Resolved
New America School		
2012-002	Internal Control Structure	Resolved
2015-001	Travel and Per-Diem	Resolved
2015-002	Payroll	Resolved
2015-003	Budgetary Conditions	Resolved
New America School – Las Cruces		
2014-001	Mileage Reimbursements	Resolved
2014-002	Timely Deposits	Resolved
2015-001	Budgetary Conditions	Resolved
New Mexico Connections Academy		
2014-002	Mileage Reimbursements	Resolved

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2016**

2014-003	Dual Signatures on Checks	Resolved
2014-004	Purchase Order Subsequent to Invoice	Resolved
2015-001	Personnel Files	Resolved
New Mexico International School		
2014-005	Cash Deposits	Resolved
2015-001	ERB Contributions and Reports	Resolved
New Mexico School for the Arts		
2015-001	Internal Control Structure	Resolved
2015-002	Internal Control Structure	Resolved
2015-003	Excess of Expenditures over Budget	Resolved
North Valley Academy		
2014-002	Mileage Reimbursements	Resolved
2015-001	Procurement Documentation	Repeated
2015-002	Timely Deposits	Resolved
Red River Valley Charter School		
2015-001	Procurement	Repeated
2015-002	Payroll	Repeated
2015-003	Cash Receipts	Resolved
2015-004	Annual Inventory	Resolved
Sage Montessori Charter School		
2014-002	Personnel Files	Repeated
2015-001	Procurement Code and Internal Control Structure	Resolved
2015-002	Payroll Transactions	Repeated
2015-003	Excess of Expenditures over Budget	Resolved
School of Dreams Academy		
2014-001	Per Diem and Mileage Act	Resolved
2015-001	Controls over Cash Disbursements	Repeated
2015-002	Expenditures Exceed Budget	Repeated
Southwest Aeronautics, Mathematics, & Science Academy		
2014-001	Lack of Internal Controls over Accounting Records	Resolved
2014-002	State Audit Rule	Resolved
Southwest Intermediate Learning Center		
2014-001	Lack of Internal Controls over Accounting Records	Resolved
2014-002	State Audit Rule	Resolved

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2016**

Southwest Primary Learning Center

2014-001	Lack of Internal Controls over Accounting Records	Resolved
2014-002	State Audit Rule	Resolved

Southwest Secondary Learning Center

2014-001	Lack of Internal Controls over Accounting Records	Resolved
2014-002	State Audit Rule	Resolved

Taos Academy

2014-001	Procurement Code	Resolved
2015-001	Timely Deposit	Resolved
2015-002	Payroll	Resolved

Taos Integrated School of the Arts

2015-001	Payroll	Resolved
2015-002	Disbursements	Resolved
2015-003	Internal Control Structure	Resolved

Taos International Charter School

2015-001	Internal Control Structure and Payment for Services	Resolved
2015-002	Internal Control Structure and Payroll	Resolved
2015-003	Timely Deposits	Resolved
2015-004	ERB Remittance	Resolved

The Learning Community Charter School

2009-003	Internal Control Structure	Resolved
2013-002	Procurement Code	Resolved
2014-001	Internal Control Structure	Resolved
2015-001	Internal Control Structure	Resolved

Tierra Adentro

2014-001	Internal Control Structure and Prepayment for Services	Resolved
2015-001	Internal Control Structure and Payroll	Repeated
2015-002	Audit Committee	Resolved
2015-003	Timely Deposits	Resolved
2015-004	Procurement Code	Resolved
2015-005	Budgetary Conditions	Resolved

Tierra Encantada Charter School

2011-002	Cash Management	Resolved
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2016**

2014-002	Budgetary Conditions	Resolved
2015-001	Audit Committee	Resolved
Turquoise Trail Charter School		
2014-001	Internal Control	Resolved
2014-002	Fixed Assets	Repeated
2015-001	4 th Quarter PED Reports	Resolved
2015-002	Bank Reconciliations	Resolved
2015-003	Audit Committee Duties	Resolved
2015-004	Prepayment for Services	Resolved
Uplift Community School		
2013-002	Internal Control Structure	Resolved
2014-001	Supporting Documentation	Repeated
2014-003	Mileage Reimbursements	Resolved
2014-004	Budgetary Condition	Resolved
2015-001	Personnel Files	Repeated
2015-002	Purchase Orders Subsequent to Invoice	Resolved
2015-003	Check Signing	Repeated
Walatowa High Charter School		
2013-001	Timely Deposits	Resolved
2013-004	Travel and Per Diem	Repeated
2014-001	Internal Control Structure	Repeated
2014-002	Payroll Transactions	Repeated
2015-001	Budget Adjustment Requests	Resolved
2015-002	Internal Control	Resolved
2015-003	Grants Management	Resolved
2015-004	Budgetary Conditions	Resolved
2015-005	Bank Accounts and Bank Reconciliations	Resolved
William W. & Josephine Dorn Charter Community School		
2014-001	Timely Deposits	Resolved
2014-002	Personnel File Maintenance	Resolved
2014-005	Documentation of Minutes	Resolved
2015-001	Excess of Expenditures over Budget	Repeated

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Public Education Department

Date of Exit Conference: November 28, 2016

Representing Public Education Department:

Marian Rael	Administrative Services Division Chief Financial Officer
Paul Agular	Deputy Secretary, Finance and Operations
Amelia Saiz	Audit and Accounting Bureau Chief School Budget and Finance Analysis Bureau
David Craig	

Representing AxiomCPAs: Chris Garner Partner

Department of Vocational Rehabilitation

Date of Exit Conference: November 28, 2016

Representing Department of Vocation Rehabilitation:

Joe Cordova	DVR Director
Eileen Marrujo-Gallegos	ASU Director

Representing Axiom CPAs: Chris Garner Partner

Academy of Trades and Technology

Date of Exit Conference: November 11, 2016

Representing Academy of Trades and Technology:

Henry Lackey	Board President
Bruce Bixby	Board Member
Karen Griego-Sanchez	Principal
Al Martinez	Business Manager
Elizabeth Franco	Assistant Business Manager

Representing Pattillo Brown and Hill: John Gordon Partner

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

ACE Leadership High School

Date of Exit Conference: November 11, 2016

Representing ACE Leadership High School:

Sam Hatchell	Board President
Clark Cagle	Board Treasurer
Tori-Stephens-Shauger	Head Administrator/Principal
Leslie Lujan	Business Manager/Finance Director

Representing Pattillo Brown and Hill: Greg Shropshire Partner

Albuquerque Institute for Mathematics & Science

Date of Exit Conference: August 3, 2016

Representing Albuquerque Institute for Mathematics & Science:

Diana Cordova	Audit Committee Member
Steven Smith	Board Member
Andy Vikta	Board Member
Rginald Tyler	Audit Committee President

Representing Axiom CPAs: Chris Garner Partner

Albuquerque School of Excellence

Date of Exit Conference: November 14, 2016

Representing Albuquerque School of Excellence:

Sean Fry	Business Manager
Salih Aykac	Principal
Prince Thomas	Audit Committee Member
Mustafa Cetin	Governing Council Member

Representing Loftis Group LLC: Lonnie Juarex Principal

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Albuquerque Sign Language Academy

Date of Exit Conference: October 13, 2016

*Representing The Albuquerque Sign
Language Academy:*

Raphael Martinez	Executive Director
Chandra McCray	Business Manager
Kimberly Silva	Board Member

Representing Loftis Group LLC:

Armando Sanchez	Principal
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Aldo Leopold High School

Date of Exit Conference: November 29, 2016

Representing Aldo Leopold High School:

Harry Browne	Business Manager
Mattie Eagle, CPA	Community Representative
David Peck	Governing Council Member
Wayne Sherwood	School Director

Representing Pattillo Brown and Hill:

John Manning	Partner
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Alma D' Arte Charter High School

Date of Exit Conference: December 1, 2016

*Representing Alma D' Arte Charter High
School:*

Mark Hartshorne	Principal
Juliette Sanchez	Business Manager

Representing Pattillo Brown and Hill:

Paula Lowe	Partner
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Amy Biehl Charter High School

Date of Exit Conference: November 21, 2016

Representing Amy Biehl Charter High School:

Cliff Wintrode	Board Member
Frank McCulloch	Executive Director
Betty Seeley	Director of Finance
Aldis Philipbar	Advancement Coordinator for Foundation

Representing Pattillo Brown and Hill:

David Baca	Senior Auditor
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Anthony Charter School

Date of Exit Conference: November 30, 2016

Representing Anthony Charter School:

Mike Vigil	Business Manager
Dr. Abe Arnendariz	Principal
Denise Marnalego	Office Manager
Melanie Beegle	Procurement Officer
Rudy Franco	Board President

Representing Pattillo Brown and Hill:

John Manning	Partner
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Ask Academy

Date of Exit Conference: November 17, 2016

Representing The Ask Academy:

Michael Smith	Board Chair
Daniel Barbour	Assistant GM
Dan Busse	General Manager
Justine Vigil	Business Manager

Representing Axiom CPAs:

Monica Yapel	Audit Manager
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Cesar Chavez Community School

Date of Exit Conference: November 1, 2016

Representing Cesar Chavez Community School:

Tani Arness	Executive Director/Principal
Kate Shelton	Assistant Business Manager
Martha Alonso	Audit Committee Member

Representing Loftis Group LLC:

Lonnie Juarez	Principal
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Cien Aguas International School

Date of Exit Conference: October 31, 2016

Representing Cien Aguas International School:

Casey Benavidez	Executive Director
Ruby Chavez	Business Manager
Lisa Meyer	Governance Council

Representing Loftis Group LLC:

Armando Sanchez	Principal
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Coral Community Charter

Date of Exit Conference: November 1, 2016

Representing Coral Community Charter:

Donna Eldredge	Head Administrator
Angie Lerner	Business Manager
Ashley Sarracino	Audit Committee Member
Steven Marjerison	Audit Committee Member
Tanva Olivo	Audit Committee Member

Representing Loftis Group LLC:

Frank Lovato	Principal
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Cottonwood Classical Preparatory School

Date of Exit Conference: November 18, 2016

<i>Representing Cottonwood Classical Preparatory School:</i>	Nick Williams Michael Vigil Sam Obenshain Peter Goss	Governing Council Treasurer and Audit Committee Member Business Manager Executive Director Foundation Board Member
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<i>Representing Axiom CPAs:</i>	Monica Yapel	Audit Manager
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Creative Education Preparatory Institute #1

Date of Exit Conference:

<i>Representing Creative Education Preparatory Institute:</i>	School has ceased operations. No Management available for exit conference.
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Representing Pattillo Brown and Hill:

Dream Dinè Charter School

Date of Exit Conference: November 4, 2016

<i>Representing Dream Dinè Charter School:</i>	Charlotte Archuleta Talitha Salinsky Deanna Gomez	Business Manager President/Audit Committee Business Manager
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<i>Representing Loftis Group LLC:</i>	Nick Loftis Brandon Davis	Principal Senior Auditor
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

DEAP Charter School

Date of Exit Conference: November 29, 2016

Representing Dream DEAP Charter School:

Kay Girdner	Business Manager
Prestene Garnenez	Director of Operations
Shayla Yellowhair	Governing Council President

Representing Loftis Group LLC:

Nick Loftis	Principal
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Estancia Valley Classical Academy

Date of Exit Conference: November 21, 2016

Representing Estancia Valley Classical Academy:

Harlan Lawson	Governing Council Member
Tim Theiry	Executive Director
Holly Massey	Business Manager
Alisha Urquhart	Foundation Treasurer
Jayne Nykanen	Audit Committee Member
Allen McCrane	Audit Committee Member

Representing Loftis Group LLC:

Lonnie Juarez	Principal
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Explore Academy

Date of Exit Conference: November 21, 2016

Representing Explore Academy:

Kelly Gwarthney	Board Member
Ashley Rodriguez	Business Manager
Justin Baiardo	Founder/Academic Director
Vicky McCarthy	Principal

Representing Axiom CPAs:

Monica Yaple	Audit Manager
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Gilbert L. Sena Charter High School

Date of Exit Conference: November 30, 2016

Representing Gilbert L. Sena Charter High School:

Mary Louise Sena	Governing Council President
Nadine Torres	Executive Director
Ashley Rodriguez	Business Manager

Representing Pattillo Brown and Hill:

Greg Shropshire	Partner
Elisa Vigil	Partner

GREAT Academy

Date of Exit Conference: November 19, 2015

Representing The Great Academy:

Helen Brown	Board Member
Jasper Matthews	Executive Director
Chenyu Liu	Business Manager
Ronnie Wallace	Board Member
Danielle Provo	Marketing Director
Michael Pitts	Board Member

Representing Pattillo Brown and Hill:

John Gordon	Partner
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Health Leadership High School

Date of Exit Conference: October 13, 2016

Representing Health Leadership High School:

Blanca Lopez	Executive Director
David Vigil	Business Manager
Norma Valdez	Governance Council Treasurer

Representing Loftis Group LLC:

Armando Sanchez	Principal
Alex Gurule	Audit Senior

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Health Science Academy

Date of Exit Conference:

Representing Health Science Academy: School has ceased operations. No Management available for exit conference.

Representing Axiom CPAs:

Horizon Academy West

Date of Exit Conference: November 15, 2016

Representing Horizon Academy West:

Carrie Rodriguez	Governing Council Member
Shalon D'Elia	Office Manager
Cynthia Carter	Principal
Diana Cordova	Business Manager

Representing Loftis Group LLC: Lonnie Juarez Principal

International School at Mesa Del Sol

Date of Exit Conference: November 30, 2016

Representing The International School at Mesa Del Sol:

Anne Lacy	Governing Council President
Sean Joyce	Principal
Barbara Langmaid	Assistant Head of School
Sarah Pina	Business Manager

Representing Pattillo Brown and Hill: Greg Shropshire Partner
Elisa Vigil Partner

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

J. Paul Taylor Academy

Date of Exit Conference: November 29, 2016

Representing J. Paul Taylor Academy:

Eric Ahner	Director
Richard Hernandez	Governing Council Chairman
Gina Trujillo	Assistant Business Manager
Monica Lopez	Parent
Dorothy Iroin	Member of Audit Committee

Representing Pattillo Brown and Hill: John Manning Partner

La Academia Dolores Huerta

Date of Exit Conference: December 1, 2016

Representing La Academia Dolores Huerta:

Octavillo Casillas	Principal
Spencer Herrera	Governing Council President
Juliette Sanchez	Business Manager

Representing Patillo Brown and Hill: Chris Pruitt Partner

La Jicarita Community School

Date of Exit Conference: November 22, 2016

Representing La Jicarita Community School:

Edwin Fernandez	Consultant
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Representing Loftis Group LLC: Armando Sanchez Principal

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

La Promesa Early Learning Center

Date of Exit Conference: November 29, 2016

Representing La Promesa Early Learning Center:

Cipriano Lucero	Board Member
Judy Griego	Audit Committee
Chris Jones	Executive Director
Mike Vigil II	Business Manager

Representing Pattillo Brown and Hill:

David Baca	Senior Auditor
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La Resolana Leadership Academy

Date of Exit Conference: November 30, 2016

Representing La Resolana Leadership Academy:

Paula Farkas	Board Member
Junstina Montoya	Principal
Justine Roybal	Business Manager

Representing Pattillo Brown and Hill:

Grep Shropshire	Partner
Elisa Vigil	Partner

La Tierra Montessori School of the Arts and Sciences

Date of Exit Conference: November 29, 2016

Representing La Tierra Montessori School of the Arts and Sciences:

Julie Ann Hill – Clapp	Board President
Edwin Fernandez	Community Member
Christie Berg	Parent Community
Deanna Gomez	Business Management Consultant

Representing Axiom CPAs:

Monica Yaple	Audit Manager
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Las Montanas Charter School

Date of Exit Conference: November 30, 2016

Representing Las Montanas Charter School:

Geri Bennett	Business Manager
Caz Martinez	Principal
Michael Davis	Board President

Representing Pattillo Brown and Hill: Chris Pruitt Partner

MASTERS Program

Date of Exit Conference: November 3, 2016

Representing The MASTERS Program:

John Soggins	Board Member
Jennifer Sanchez	Board Member
Anna Salzman	Head of School
Lisa Lucas	Business Manager

Representing Pattillo Brown and Hill: John Gordon Partner

McCurdy Charter School

Date of Exit Conference: November 25, 2015

Representing McCurdy Charter School:

Chris Samora	Audit Committee Member
Deborah Bennett Anderson	Board President
Kiva Dickworth-Moulton	Principal
Deanna Gomez	Business Management Consultant
Chelamia Quintana	Principal

Representing Axiom CPAs: Monica Yaple Audit Partner

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Media Arts Collaborative Charter School

Date of Exit Conference: November 29, 2016

*Representing Media Arts Collaborative
Charter School:*

John Dunphy	Board President
Patti Gladstone	Audit Committee Member
Glenna Voight	Principal
Patrick Kelly	Business Manager
Jonathan Dooley	Parents

Representing Pattillo Brown and Hill: Paula Lowe Partner

Mission Achievement and Success Charter School

Date of Exit Conference: November 28, 2016

*Representing Mission Achievement and
Success Charter School:*

Bruce Langston	Board Member
JoAnn Myers	Principal
Amber Peña	Business Manager
Michael Vigil	Business Manager
Rosa Hernandez	Board Vice-President

Representing Pattillo Brown and Hill: David Baca Partner

Monte Del Sol Charter School

Date of Exit Conference: November 28, 2016

*Representing Mission Achievement and
Success Charter School:*

Tami Clark
Lisa Vesper
Jan Rotondo
Michael Smith
Darlene Maestas
Robert Jessen

Representing Axiom CPAs: Monica Yaple Audit Manager

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Montessori Elementary School

Date of Exit Conference: November 22, 2016

*Representing The Montessori
Elementary School:*

Jeff Li	Board Member
Mary Jane Besante	Principal
Stan Albrycht	Business Manager/CFO

Representing Pattillo Brown and Hill:

David Baca	Senior Auditor
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New America School

Date of Exit Conference: November 3, 2016

Representing New America School:

Craig Cook	Chief Business Officer
Lorella Lovato	Assistant Business Manager
LaTricia Mathis	Principal
Mike Vigil II	Business Manager
Juan Vigil	Governing Council Member
Lupe Montoya	Audit Committee Member

Representing Loftis Group LLC:

Lonnie Juarez	Principal
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New America School of Las Cruces

Date of Exit Conference: November 30, 2016

*Representing New America School of
Las Cruces:*

Margarita Porter	Principal
Veronica Gonzalez	Assistant Business Manager
Jennifer McGraff	Governing Council Member
Mike Vigil II	Business Manager

Representing Pattillo Brown and Hill:

Paula Lowe	Partner
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

New Mexico Connections Academy

Date of Exit Conference: November 19, 2015

Representing New Mexico Connections Academy:

Jodie Dean *Principal*
Justine Vigil *Business Manager*

Representing Axiom CPAs:

Chris Garner *Partner*

New Mexico International School

Date of Exit Conference: October 20, 2016

Representing New Mexico International School:

Todd Nause *Head of School*
Corinne Teller *Business Manager*
David Vigil *Audit Committee Member*

Representing Loftis Group LLC:

Armando Sanchez *Principal*

New Mexico School for the Arts

Date of Exit Conference: November 2, 2015

Representing New Mexico School for the Arts:

Cindy Montoya *Head of School*
Jolene Jaramillo *Business Manager*
Shelly Felt *Audit Committee Member*

Representing Loftis Group LLC:

Frank Lovato *Principal*

North Valley Academy

Date of Exit Conference: November 28, 2016

Representing North Valley Academy:

Robert Montoya *Governing Council Vice-Chair*
Jessica Ringo *Audit Committee*
Susan McConnell *Principal*
Sara Piña *Business Manager*

Representing Pattillo Brown and Hill:

David Baca *Senior Auditor*

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Red River Valley Charter School

Date of Exit Conference: October 31, 2016

Representing Red River Valley Charter School:

Katy Pierce	Governing Council Treasurer
Karen Phillips	Principal
Domingo Sanchez	Business Manager
Courtney Henderson	Governing Council Member

Representing Loftis Group LLC:

Lonnie Juarez Principal

Sage Montessori Charter School

Date of Exit Conference: November 4, 2016

Representing Sage Montessori Charter School:

Felix Garcia	Director/Head Administrator
Amber Pena	Business Manager
	Audit Committee
Kenny Wang	Member/Governing Council
Gerrit Kruidhof	Governing Council
Kenny Wang	Governing Council Member

Representing Loftis Group LLC:

Lonnie Juarez Principal

Sandoval Academy of Bilingual Education

Date of Exit Conference: November 7, 2016

Representing Sandoval Academy of Bilingual Learning:

Ashley Rodriguez	Business Manager
Brennan Divett	Governing Council Member
Pedro Vallego	Principal

Representing Loftis Group LLC:

Frank Lovato Principal

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

School of Dreams Academy

Date of Exit Conference: November 30, 2016

*Representing School of Dreams
Academy:*

Mike Ogas	Principal
Kathy Chavez	Board President
Geri Bennett	Business Manager

*Representing Axiom CPAs and Business
Advisors LLC:*

Chris Garner	Partner
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South Valley Preparatory School

Date of Exit Conference: November 7, 2016

*Representing South Valley Preparatory
School:*

Monica Ahuilar	Board Member
Charlotte Trujillo	Principal
Rhonda Cordova	Business Manager
Bernadette Rietze	Board Member

Representing Pattillo Brown and Hill:

John Gordon	Partner
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Southwest Aeronautics, Mathematics, and Science Academy

Date of Exit Conference: November 17, 2016

*Representing Southwest Aeronautics,
Mathematics and Science Academy:*

Larry Kenny	Governance Council President
Rich Brody	Audit Committee Member
Coreen Carrillo	Principal
Ronda Joyce	Business Manager
Kirk Hartom	Head Administrator
Sean Fry	Business Manager
LyDawn Blount	Board Member

Representing Axiom CPAs:

Monica Yapple	Audit Manager
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Southwest Intermediate Learning Center

Date of Exit Conference: November 17, 2016

Representing Southwest Intermediate Learning Center:

Robert Pasztor	<i>Principal</i>
Rich Brody	Audit Committee Member
Kirk Hartom	Head Administrator
Sean Fry	Business Manager
Heather Riley	Business Manager

Representing Axiom CPAs:

Monica Yaple Audit Manager

Southwest Primary Learning Center

Date of Exit Conference: November 17, 2016

Representing Southwest Primary Learning Center:

Robert Pasztor	Principal
Stacey Devenport	Audit Committee Member
Ronda Joyce	Business Manager
Kirk Hartom	Head Administrator
Sean Fry	Business Manager
Meredith Winters	Board Member
Leah Graham	Board Member

Representing Axiom CPAs:

Monica Yaple Audit Manager

Southwest Secondary Learning Center

Date of Exit Conference: November 17, 2016

Representing Southwest Secondary Learning Center:

Vic Fantozzi	Governance Council President
Rich Brody	Audit Committee Member
Kirk Hartom	Head Administrator
Sean Fry	Business Manager
Heather Riley	Business Manager
Robert Pasztor	Principal

Representing Axiom CPAs:

Monica Yaple Audit Manager

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Taos Academy

Date of Exit Conference: October 14, 2016

Representing Taos Academy: Justine Vigil Business Manager
Nadine Vigil Principal

Representing Loftis Group LLC: Nick Loftis Principal
Brandon Davis Senior Auditor

Taos Integrated School of the Arts

Date of Exit Conference: November 14, 2016

*Representing Taos Integrated School of
the Arts:* Richard Greywold Principal
Deanna Gomez Business Manager
Nancy Burt Audit Committee Member
Annette Bowden Audit Committee Member
Jill Cline Governing Council Member

Representing Loftis Group LLC: Lonnie Juarez Principal

Taos International Charter School

Date of Exit Conference: October 14, 2016

*Representing Taos International
Charter School:* Nadine Vigil School Principal
Justine Roybal Business Manager

Representing Loftis Group LLC: Nick Loftis Principal
Brandon Davis Senior Auditor

Technology Leadership High School

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Date of Exit Conference: October 14, 2016

Representing Technology Leadership High School:

Yolanda Tafoya	<i>Business Manager</i>
Kara Cortazzo	Principal
John Mierzwa	Governing Council Member

Representing Loftis Group LLC:

Nick Loftis	Principal
Brooke Whitmore	Senior Manager

The Learning Community Charter School

Date of Exit Conference: November 22, 2016

Representing The Learning Community Charter School:

Edwin Fernandez	Consultant
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Representing Loftis Group LLC:

Frank Lovato	Principal
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Tierra Adentro

Date of Exit Conference: November 9, 2016

Representing Tierra Adentro:

Veronica Torres	Executive Director
Amber Pena	Business Manager
Daniel Silva	Governing Board Member
Sanda Martinez	Audit Committee Member
Giovanna Hinojosa	Assistant Business Manager
Theresa Archuleta	Principal

Representing Loftis Group LLC:

Lonnie Juarez	Principal
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Tierra Encantada Charter School

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Date of Exit Conference: November 9, 2016

Representing Tierra Encantada Charter School:

Steve Alarid	<i>Business Manager</i>
Manuel Lucero	Director
Nicholas Maestas	Audit Committee Chairman
Melanie Gonzales	Audit Committee Member
Jeremy Turner	Audit Committee Member
Al Martinez	Internal Auditor

Representing Pattillo Brown and Hill:

Elisa Vigil Principal

Turquoise Trail Charter School

Date of Exit Conference: October 27, 2016

Representing Turquoise Trail Charter School:

Jenny Crysler, CPA	<i>Business Manager</i>
Floyd Trujillo	Governing Council Member
Kevin Stack	Governing Council Member
Ray Griffin	Principal

Representing Loftis Group LLC:

Frank Lovato Principal

Uplift Community School:

Date of Exit Conference: November 15, 2016

Representing Uplift Community School:

William Keifer	Community Member
Ann Doucette	Board Member
Sean D. Fry	Business Manager
Walter Feldman	Executive Director

Representing Pattillo Brown and Hill:

Greg Shropshire Partner

Walatowa High Charter School

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2016**

Date of Exit Conference: November 4, 2016

Representing Walatowa High Charter School:

Arrow Wilkinson
Katherine Toya
DJ Harty

Superintendent
Business Manager
Governing Council Member

Representing Loftis Group LLC:

Frank Lovato

Principal

William W. & Josephine Dorn Charter Community School

Date of Exit Conference: October 26, 2016

Representing William W. & Josephine Dorn Charter Community School:

Ellen Esquibel Bellamy
Amber Pena
Esperanza Dodge

Director
Business Manager
Board Member

Representing Loftis Group:

Frank Lovato

Principal

The financial statements presented in this report have been prepared by the independent auditor. However, they are the responsibility of management, as addressed in the Independent Auditors' Report.

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements

June 30, 2016

VOLUME III



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 667,634
Receivables	
Due from Other Governments	85,590
Deposits	1,500
Total Current Assets	<u>754,724</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	1,946,238
Vehicles	67,361
Furniture, Fixtures, and Equipment	353,720
Less: Accumulated Depreciation	(708,639)
Total Noncurrent Assets	<u>1,658,680</u>
Total Assets	<u>2,413,404</u>

Deferred Outflows - Pension Related	<u>299,855</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	12,674
Accrued Liabilities	61,587
Compensated Absences	15,993
Current Portion of Long-Term Debt	71,244
Total Current Liabilities	<u>161,498</u>

Noncurrent Liabilities:

Long-Term Debt	693,501
Net Pension Liability	1,838,896
Total Noncurrent Liabilities	<u>2,532,397</u>
Total Liabilities	<u>2,693,895</u>

Deferred Inflows - Pension Related	<u>178,931</u>
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NET POSITION

Net Investment in Capital Assets	893,935
Restricted	129,958
Unrestricted (Deficit)	(1,183,460)
Total Net Position	<u>\$ (159,567)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 556,673	-	204,619	-	(352,054)
Support Services:					
Students	248,578	-	-	-	(248,578)
Instruction	1,776	-	-	-	(1,776)
General Administration	40,703	-	-	-	(40,703)
School Administration	249,936	-	-	-	(249,936)
Central Services	201,039	-	-	-	(201,039)
Operation & Maintenance of Plant	175,180	-	-	-	(175,180)
Community Services Operations	77,708	-	77,727	-	19
Other Support Services	8,710	-	-	-	(8,710)
Student Transportation	9,532	-	-	-	(9,532)
Food Services	36,292	40	31,444	-	(4,808)
Facilities Materials, Supplies & Other Services	70,236	-	-	99,834	29,598
Total Governmental Activities	\$ 1,676,363	40	313,790	99,834	(1,262,699)
General Revenues:					
Property Taxes				\$	96,338
State Equalization Guarantee					1,743,058
Total General Revenues					<u>1,839,396</u>
Change in Net Position					576,697
Net Position (Deficit), Beginning of Year					<u>(736,264)</u>
Net Position (Deficit), Ending					<u>\$ (159,567)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 430,605	16,957	1,935	-
Accounts Receivable				
Due from Government	-	-	-	25,674
Due from Other Funds	92,929	-	-	-
Due from Foundation - School	4,341	-	-	-
Deposits	1,500	-	-	-
Total Assets	\$ 529,375	16,957	1,935	25,674
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 10,116	-	-	-
Accrued Expenditures	45,579	-	-	8,253
Due to Other Funds	-	-	-	17,421
Total Liabilities	55,695	-	-	25,674
Fund Balances (Deficit)				
Fund Balance:				
Nonspendable:				
Deposits	1,500	-	-	-
Restricted for:				
Instruction	-	16,957	-	-
Food Service Operations	-	-	1,935	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	472,180	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balance (Deficit)	473,680	16,957	1,935	-
Total Liabilities and Fund Balances	\$ 529,375	16,957	1,935	25,674

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

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I School Improvement 24162	2012 SB-66 Student Library 27107	Truancy Initiative 27141
-	-	-	-	-	-
9,306	24	3,824	2,127	-	13,390
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>9,306</u>	<u>24</u>	<u>3,824</u>	<u>2,127</u>	<u>-</u>	<u>13,390</u>
-	-	-	356	1,776	-
3,115	-	-	-	-	3,712
6,191	24	3,824	2,126	-	9,678
<u>9,306</u>	<u>24</u>	<u>3,824</u>	<u>2,482</u>	<u>1,776</u>	<u>13,390</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(355)	(1,776)	-
-	-	-	(355)	(1,776)	-
<u>9,306</u>	<u>24</u>	<u>3,824</u>	<u>2,127</u>	<u>-</u>	<u>13,390</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Balance Sheets - Governmental Funds - (Continued)
June 30, 2016

	NM School Meal Program 27183	Youth Conservation Corp 28133	Grads Instruction 28190	Grads Plus 28203
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Government	148	-	3,227	1,923
Due from Other Funds	-	-	-	-
Due from Foundation - School	-	-	-	-
Deposits	-	-	-	-
Total Assets	<u>\$ 148</u>	<u>-</u>	<u>3,227</u>	<u>1,923</u>
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	998	536
Accrued Expenditures	-	-	928	-
Due to Other Funds	148	-	2,298	1,923
Total Liabilities	<u>148</u>	<u>-</u>	<u>4,224</u>	<u>2,459</u>
Fund Balances (Deficit)				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Unassigned (Deficit)	-	-	(997)	(536)
Total Fund Balance (Deficit)	<u>-</u>	<u>-</u>	<u>(997)</u>	<u>(536)</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 148</u>	<u>-</u>	<u>3,227</u>	<u>1,923</u>

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

Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Foundation	Total
-	166,367	25,472	26,298	667,634
24,296	1,119	532	-	85,590
-	-	-	-	92,929
-	-	-	85,032	89,373
-	-	-	-	1,500
<u>24,296</u>	<u>167,486</u>	<u>26,004</u>	<u>111,330</u>	<u>937,026</u>
-	80,166	3,758	4,341	102,047
-	-	-	-	61,587
24,296	-	-	25,000	92,929
<u>24,296</u>	<u>80,166</u>	<u>3,758</u>	<u>29,341</u>	<u>256,563</u>
-	-	-	-	1,500
-	-	-	-	16,957
-	-	-	-	1,935
-	87,320	22,246	-	109,566
-	-	-	-	472,180
-	-	-	81,989	78,325
-	<u>87,320</u>	<u>22,246</u>	<u>81,989</u>	<u>680,463</u>
<u>24,296</u>	<u>167,486</u>	<u>26,004</u>	<u>111,330</u>	<u>937,026</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balance - Total Governmental Funds **\$ 680,463**

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

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

Capital Assets	2,367,319	
Accumulated Depreciation	<u>(708,639)</u>	1,658,680

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds. 299,855

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Long-Term Debt	(764,745)	
Compensated Absences	<u>(15,993)</u>	(780,738)

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds. (1,838,896)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.

(178,931)

Net Position (Deficit) - Total Governmental Activities **\$ (159,567)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	2,798	-	-	-
State Grant	1,743,058	10,794	-	-
Federal Grant	-	-	31,296	75,424
Charges for Services	-	-	40	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>1,745,856</u>	<u>10,794</u>	<u>31,336</u>	<u>75,424</u>
EXPENDITURES				
Current:				
Instruction	426,352	7,229	-	75,424
Support Services:				
Students	179,055	-	-	-
Instruction	-	-	-	-
General Administration	40,703	-	-	-
School Administration	249,785	-	-	-
Central Services	200,916	-	-	-
Operation & Maintenance of Plant	299,645	-	-	-
Student Transportation	8,436	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	36,141	-
Community Services Operation	-	-	-	-
Capital Outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>1,404,892</u>	<u>7,229</u>	<u>36,141</u>	<u>75,424</u>
Net Changes in Fund Balances	<u>340,964</u>	<u>3,565</u>	<u>(4,805)</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>132,716</u>	<u>13,392</u>	<u>6,740</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 473,680</u>	<u>16,957</u>	<u>1,935</u>	<u>-</u>

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

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I School Improvement 24162	2012 SB-66 Student Library 27107	Truancy Initiative 27141
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	60,000
25,818	24	10,461	11,447	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>25,818</u>	<u>24</u>	<u>10,461</u>	<u>11,447</u>	<u>-</u>	<u>60,000</u>
25,818	24	10,461	11,802	-	-
-	-	-	-	-	60,000
-	-	-	-	1,776	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>25,818</u>	<u>24</u>	<u>10,461</u>	<u>11,802</u>	<u>1,776</u>	<u>60,000</u>
-	-	-	(355)	(1,776)	-
-	-	-	-	-	-
-	-	-	(355)	(1,776)	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	NM School Meal Program 27183	Youth Conservation Corp 28133	Grads Instruction 28190	Grads PLUS 28203
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	148	77,727	5,930	1,923
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>148</u>	<u>77,727</u>	<u>5,930</u>	<u>1,923</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	6,927	2,459
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	148	-	-	-
Community Services Operation	-	77,708	-	-
Capital Outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>148</u>	<u>77,708</u>	<u>6,927</u>	<u>2,459</u>
Net Changes in Fund Balances	<u>-</u>	<u>19</u>	<u>(997)</u>	<u>(536)</u>
Fund Balances(Deficit) - Beginning of Year	<u>-</u>	<u>(19)</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(997)</u>	<u>(536)</u>

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

Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Foundation	Total
-	65,951	30,387	-	96,338
-	-	-	-	2,798
97,185	-	2,649	-	1,999,414
-	-	-	-	154,470
-	-	-	-	40
-	-	-	287,656	287,656
<u>97,185</u>	<u>65,951</u>	<u>33,036</u>	<u>287,656</u>	<u>2,540,716</u>
-	-	-	-	557,110
-	-	-	-	248,441
-	-	-	-	1,776
-	-	-	-	40,703
-	-	-	-	249,785
-	-	-	-	200,916
-	-	-	-	299,645
-	-	-	-	8,436
-	-	-	8,710	8,710
-	-	-	-	36,289
-	-	-	-	77,708
97,185	65,984	13,387	-	176,556
-	-	-	112,024	112,024
-	-	-	59,933	59,933
<u>97,185</u>	<u>65,984</u>	<u>13,387</u>	<u>180,667</u>	<u>2,078,032</u>
-	(33)	19,649	106,989	462,684
-	87,353	2,597	(25,000)	217,779
<u>-</u>	<u>87,320</u>	<u>22,246</u>	<u>81,989</u>	<u>680,463</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2016

Net Change in Fund Balance - Total Governmental Funds **\$ 462,684**

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

Change in Compensated Absences 751

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	69,068	
Depreciation Expense	<u>(67,102)</u>	1,966

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Payment of Long-term Debt 112,024

Changes in deferred outflows resources-pension related, deferred
 inflows of resources-pension related and the net pension liability (728)

Change in Net Position - Total Governmental Activities **\$ 576,697**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	<u>\$ 7,500</u>
Total Assets	<u><u>\$ 7,500</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 7,500</u>
Total Liabilities	<u><u>\$ 7,500</u></u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 7,450	1,423	1,373	7,500
Total Assets	<u>\$ 7,450</u>	<u>1,423</u>	<u>1,373</u>	<u>7,500</u>
LIABILITIES				
Deposits Held for Others	\$ 7,450	1,423	1,373	7,500
Total Liabilities	<u>\$ 7,450</u>	<u>1,423</u>	<u>1,373</u>	<u>7,500</u>

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures, Equipment and Vehicles	5 years
Buildings and Improvements	40 years

Capital assets for the Academy of Trades & Technology are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 353,720	-	-	353,720
Vehicles	67,361	-	-	67,361
Building and Improvements	1,877,170	69,068	-	1,946,238
<i>Total</i>	<u>2,298,251</u>	<u>69,068</u>	<u>-</u>	<u>2,367,319</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(315,663)	(6,007)	-	(321,670)
Vehicles	(67,361)	-	-	(67,361)
Building and improvements	(258,513)	(61,095)	-	(319,608)
<i>Total</i>	<u>(641,537)</u>	<u>(67,102)</u>	<u>-</u>	<u>(708,639)</u>
Capital Assets, Net	<u>\$ 1,656,714</u>	<u>1,966</u>	<u>-</u>	<u>1,658,680</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Student Transportation	\$ 1,096
Operations/Plant Maintenance	66,006
Total	<u>\$ 67,102</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The Academy of Trades & Technology leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$205,379. The Academy of Trades & Technology's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 205,378
2018	205,378
2019	205,378
2020	205,378
2021	205,378
2022- 2026	205,378
Total	<u>\$ 1,232,268</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Notes to the Financial Statements
June 30, 2016

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

In December 2011, the Academy of Trades and Technology Foundation (ATT Foundation) entered into a lease purchase agreement with the school for the purchase of all of the buildings and the property. During the year ending June 30, 2016, a new foundation, Friends of ATTCHS, Inc., was created to replace the ATT Foundation. The Friends of ATTCHS, Inc. assumed the lease with the School and assumed the debt of the ATT Foundation. As of June 30, 2016, the capital lease obligation was \$914,183. The capital lease obligation has been eliminated due to the consolidation of the blended component unit.

The following is an analysis of the leased property under capital leases by major classes included in summary of capital assets

<u>Classes of Property</u>	<u>Asset Balance</u>
Building	\$ 1,946,238
Less: Accumulated depreciation	<u>(318,918)</u>
	<u>\$ 1,627,320</u>

The total outstanding long term debt as of June 30, 2016 is as follows:

Mortgage payable to bank secured by building and land; interest at bank's rate 7% due in monthly installments of \$10,851; maturing June 4, 2026	\$ 764,745
Less: current maturities	<u>(71,244)</u>
	<u>\$ 693,501</u>

The aggregate amounts of principal maturities of mortgage payable are as follows:

2017	\$71,244
2018	83,099
2019	89,107
2020	95,548
2021	102,455
2022-2026	<u>323,292</u>
Total	<u>\$764,745</u>

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

The Academy of Trades & Technology had a compensated absences balance of \$16,744 at the beginning of the fiscal year. Reductions to the balance were \$751 which resulted in an ending balance of \$15,993. All of this balance is considered to be current.

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Academy of Trades & Technology and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Academy of Trades & Technology are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal year ended June 30, 2015 and 2016 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Academy of Trades & Technology were \$109,869 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, using generally accepted actuarial principles. At June 30, 2015, Academy of Trades & Technology reported a liability of \$1,838,896 for its proportionate share of the net pension liability. Academy of Trades & Technology's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Academy of Trades & Technology's proportion was .02839% percent, which was an increase of 0.00271% from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Academy of Trades & Technology recognized pension expense of \$110,571. At the June 30, 2016, Academy of Trades & Technology reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (34,092)
Changes in assumptions	63,249	-
Net difference between projected and actual earnings on pension plan investments	-	(8,277)
Changes in proportion	126,737	(136,562)
Fiscal year 2016 employer contributions	<u>109,869</u>	<u>-</u>
Ending balance	<u>\$ 299,855</u>	<u>\$ (178,931)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The amount of \$109,869 reported as deferred outflows of resources related to pensions resulting from Academy of Trades and Technology contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ 33,507
2018	23,786
2019	(42,808)
2020	<u>(25,540)</u>
Total	<u>\$ (11,055)</u>

Sensitivity of Academy of Trades & Technology's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Academy of Trades & Technology's proportionate share of the net pension liability	<u>\$ 2,474,357</u>	<u>1,838,896</u>	<u>1,305,042</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACADEMY OF TRADES AND TECHNOLOGY
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,465	1,838	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 708	775	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.03%	237.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the prior year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACADEMY OF TRADES AND TECHNOLOGY
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 128	110	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	112	110	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 16	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (364)	5		\$ (114)	(114)	(104)	(32)	-				
2015	(11)	5			33	24	(43)	(25)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (375)			\$ (114)	(81)	(80)	(75)	(25)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 1,455,043	1,742,511	1,743,058	547
Total Revenues	<u>1,455,043</u>	<u>1,742,511</u>	<u>1,743,058</u>	<u>547</u>
EXPENDITURES				
Current:				
Instruction	532,671	565,671	426,352	139,319
Support Services:				
Students	163,823	202,333	179,055	23,278
General Administration	37,000	49,200	46,962	2,238
School Administration	256,930	290,337	249,570	40,767
Central Services	195,854	210,134	199,851	10,283
Operation & Maintenance of Plant	371,800	527,871	301,839	226,032
Student Transportation	24,040	24,040	6,934	17,106
Total Expenditures	<u>1,582,118</u>	<u>1,869,586</u>	<u>1,410,563</u>	<u>459,023</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(127,075)</u>	<u>(127,075)</u>	<u>332,495</u>	<u>459,570</u>
Other Financing Sources (Uses):				
Designated Cash	127,075	127,075	-	(127,075)
Total Other Financing Sources (Uses):	<u>127,075</u>	<u>127,075</u>	<u>-</u>	<u>(127,075)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>332,495</u>	<u>332,495</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>332,495</u>	<u>332,495</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 332,495	
Adjustments to Revenues			2,798	
Adjustments to Expenditures			5,671	
NET CHANGE IN FUND BALANCE			<u>\$ 340,964</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 6,306	9,384	10,794	1,410
Total Revenues	<u>6,306</u>	<u>9,384</u>	<u>10,794</u>	<u>1,410</u>
EXPENDITURES				
Current:				
Instruction	19,848	22,776	7,229	15,547
Total Expenditures	<u>19,848</u>	<u>22,776</u>	<u>7,229</u>	<u>15,547</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(13,542)</u>	<u>(13,392)</u>	<u>3,565</u>	<u>16,957</u>
Other Financing Sources (Uses):				
Designated Cash	13,542	13,392	-	(13,392)
Total Other Financing Sources (Uses):	<u>13,542</u>	<u>13,392</u>	<u>-</u>	<u>(13,392)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,565</u>	<u>3,565</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,565</u>	<u>3,565</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,565	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 3,565</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 35,000	35,000	31,296	(3,704)
Charges for Services	-	-	40	40
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>31,336</u>	<u>(3,664)</u>
EXPENDITURES				
Current:				
Food Services Operations	35,000	41,740	36,141	5,599
Total Expenditures	<u>35,000</u>	<u>41,740</u>	<u>36,141</u>	<u>5,599</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(6,740)	(4,805)	1,935
Other Financing Sources (Uses):				
Designated Cash	-	6,740	-	(6,740)
Total Other Financing Sources (Uses):	<u>-</u>	<u>6,740</u>	<u>-</u>	<u>(6,740)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,805)</u>	<u>(4,805)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,805)</u>	<u>(4,805)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,805)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (4,805)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 58,094	80,241	61,027	(19,214)
Total Revenues	<u>58,094</u>	<u>80,241</u>	<u>61,027</u>	<u>(19,214)</u>
EXPENDITURES				
Current:				
Instruction	58,094	80,241	75,424	4,817
Total Expenditures	<u>58,094</u>	<u>80,241</u>	<u>75,424</u>	<u>4,817</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(14,397)</u>	<u>(14,397)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(14,397)</u>	<u>(14,397)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(14,397)</u>	<u>(14,397)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (14,397)	
Adjustments to Revenues			14,397	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 21,038	25,819	21,320	(4,499)
Total Revenues	<u>21,038</u>	<u>25,819</u>	<u>21,320</u>	<u>(4,499)</u>
EXPENDITURES				
Current:				
Instruction	21,038	25,819	25,818	1
Total Expenditures	<u>21,038</u>	<u>25,819</u>	<u>25,818</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(4,498)	(4,498)
Net Changes in Fund Balances	-	-	(4,498)	(4,498)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,498)</u>	<u>(4,498)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,498)	
Adjustments to Revenues			4,498	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	24	31	7
Total Revenues	<u>-</u>	<u>24</u>	<u>31</u>	<u>7</u>
EXPENDITURES				
Current:				
Instruction	-	24	24	-
Total Expenditures	<u>-</u>	<u>24</u>	<u>24</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>7</u>	<u>7</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>7</u>	<u>7</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>7</u>	<u>7</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 7	
Adjustments to Revenues			(7)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 7,231	17,715	9,119	(8,596)
Total Revenues	<u>7,231</u>	<u>17,715</u>	<u>9,119</u>	<u>(8,596)</u>
EXPENDITURES				
Current:				
Instruction	7,231	17,715	10,461	7,254
Total expenditures	<u>7,231</u>	<u>17,715</u>	<u>10,461</u>	<u>7,254</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,342)	(1,342)
Net changes in Fund Balances	-	-	(1,342)	(1,342)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,342)</u>	<u>(1,342)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,342)	
Adjustments to Revenues			1,342	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Title I School Improvement 24162
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	17,345	9,320	(8,025)
Total Revenues	<u>-</u>	<u>17,345</u>	<u>9,320</u>	<u>(8,025)</u>
EXPENDITURES				
Current:				
Instruction	-	17,345	11,446	5,899
Total Expenditures	<u>-</u>	<u>17,345</u>	<u>11,446</u>	<u>5,899</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,126)</u>	<u>(2,126)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,126)</u>	<u>(2,126)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,126)</u>	<u>(2,126)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,126)	
Adjustments to revenues			2,127	
Adjustments to expenditures			<u>(356)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (355)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
2012 SB-66 Student Library 27107
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	3,388	-	(3,388)
Total Revenues	<u>-</u>	<u>3,388</u>	<u>-</u>	<u>(3,388)</u>
EXPENDITURES				
Current:				
Instruction	3,388	3,388	-	3,388
Total Expenditures	<u>3,388</u>	<u>3,388</u>	<u>-</u>	<u>3,388</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(3,388)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>(3,388)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ (3,388)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			<u>(1,776)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (1,776)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Truancy Initiative 27141
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	60,000	46,610	(13,390)
Total Revenues	<u>-</u>	<u>60,000</u>	<u>46,610</u>	<u>(13,390)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	60,000	60,000	-
Total Expenditures	<u>-</u>	<u>60,000</u>	<u>60,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(13,390)</u>	<u>(13,390)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(13,390)</u>	<u>(13,390)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(13,390)</u>	<u>(13,390)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (13,390)	
Adjustments to revenues			13,390	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Schedule of Budgetary Comparisons - Budgetary Basis
 NM School Meal Program 27183
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	148	-	(148)
Total Revenues	<u>-</u>	<u>148</u>	<u>-</u>	<u>(148)</u>
EXPENDITURES				
Current:				
Food Services Operations	-	148	148	-
Total Expenditures	<u>-</u>	<u>148</u>	<u>148</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(148)</u>	<u>(148)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(148)</u>	<u>(148)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(148)</u>	<u>(148)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (148)	
Adjustments to revenues			148	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Youth Conservation Corp 28133
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 144,300	143,900	98,749	(45,151)
Total Revenues	<u>144,300</u>	<u>143,900</u>	<u>98,749</u>	<u>(45,151)</u>
	0.00			
EXPENDITURES				
Current:				
Community Services Operation	144,300	143,900	77,727	66,173
Total Expenditures	<u>144,300</u>	<u>143,900</u>	<u>77,727</u>	<u>66,173</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>21,022</u>	<u>21,022</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>21,022</u>	<u>21,022</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>21,022</u>	<u>21,022</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 21,022	
Adjustments to Revenues			(21,022)	
Adjustments to Expenditures			<u>19</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 19</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Schedule of Budgetary Comparisons - Budgetary Basis
 Grads Instruction 28190
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 24,000	8,000	2,703	(5,297)
Total Revenues	<u>24,000</u>	<u>8,000</u>	<u>2,703</u>	<u>(5,297)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	24,000	8,000	5,929	2,071
Total Expenditures	<u>24,000</u>	<u>8,000</u>	<u>5,929</u>	<u>2,071</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,226)	(3,226)
Net Changes in Fund Balances	-	-	(3,226)	(3,226)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,226)</u>	<u>(3,226)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,226)	
Adjustments to Revenues			3,227	
Adjustments to Expenditures			(998)	
NET CHANGE IN FUND BALANCE			<u>\$ (997)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Grads PLUS 28203
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	10,000	-	(10,000)
Total Revenues	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	10,000	1,923	8,077
Total Expenditures	<u>-</u>	<u>10,000</u>	<u>1,923</u>	<u>8,077</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,923)</u>	<u>(1,923)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,923)</u>	<u>(1,923)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,923)</u>	<u>(1,923)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,923)	
Adjustments to Revenues			1,923	
Adjustments to Expenditures			(536)	
NET CHANGE IN FUND BALANCE			<u>\$ (536)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	97,185	72,889	(24,296)
Total Revenues	<u>-</u>	<u>97,185</u>	<u>72,889</u>	<u>(24,296)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	97,185	97,185	-
Total Expenditures	<u>-</u>	<u>97,185</u>	<u>97,185</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(24,296)</u>	<u>(24,296)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(24,296)</u>	<u>(24,296)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(24,296)</u>	<u>(24,296)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (24,296)	
Adjustments to Revenues			24,296	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 65,908	65,908	66,020	112
Total Revenues	<u>65,908</u>	<u>65,908</u>	<u>66,020</u>	<u>112</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	-	-	-
Capital Outlay	201,389	201,389	65,984	135,405
Total Expenditures	<u>201,389</u>	<u>201,389</u>	<u>65,984</u>	<u>135,405</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(135,481)</u>	<u>(135,481)</u>	<u>36</u>	<u>135,517</u>
Other financing sources (uses):				
Designated Cash	135,481	135,481	87,353	(48,128)
Total other financing sources (uses):	<u>135,481</u>	<u>135,481</u>	<u>87,353</u>	<u>(48,128)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>87,389</u>	<u>87,389</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>87,389</u>	<u>87,389</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 36	
Adjustments to Revenues			(69)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (33)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ -	23,302	35,018	11,716
State Grant	2,649	3,617	628	(2,989)
Total Revenues	<u>2,649</u>	<u>26,919</u>	<u>35,646</u>	<u>8,727</u>
EXPENDITURES				
Capital Outlay	2,881	27,151	9,629	17,522
Total Expenditures	<u>2,881</u>	<u>27,151</u>	<u>9,629</u>	<u>17,522</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(232)</u>	<u>(232)</u>	<u>26,017</u>	<u>26,249</u>
Other Financing Sources (Uses):				
Designated Cash	232	232	-	(232)
Total Other Financing Sources (Uses):	<u>232</u>	<u>232</u>	<u>-</u>	<u>(232)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>26,017</u>	<u>26,017</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>26,017</u>	<u>26,017</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 26,017	
Adjustments to Revenues			(2,610)	
Adjustments to Expenditures			(3,758)	
NET CHANGE IN FUND BALANCE			<u>\$ 19,649</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Wells Fargo Bank	FMAC	3128P8BV2	10/1/2035	\$ 10,453
Wells Fargo Bank	FNMA	31417FYS1	3/1/2043	75,115
Wells Fargo Bank	FNMA	31419BLQ6	4/1/2026	203,715
				<u>\$ 289,283</u>

Total Cash per Schedule of Cash Accounts:	\$ 682,768
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	432,768
Collateral Requirement:	216,384
Pledged Collateral Held by Pledging Financial Institution:	<u>289,283</u>
Balance Over Collateralized:	<u>\$ 72,899</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ 143,485</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 682,768
Checking - Foundation	<u>26,298</u>
<i>Total on Deposit</i>	709,066
Reconciling Items	<u>(33,932)</u>
Reconciled Balance June 30, 2016	<u>675,134</u>
Less Agency Funds	<u>(7,500)</u>
<i>Total Cash</i>	<u><u>\$ 667,634</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 131,390	13,392	6,740	7,450
Add:				
2015-16 revenues	<u>1,743,058</u>	<u>10,794</u>	<u>31,336</u>	<u>1,422</u>
Total Cash Available	1,874,448	24,186	38,076	8,872
Less:				
2015-16 expenditures	(1,410,563)	(7,229)	(36,141)	(1,372)
Receivables/Payables	(65,833)	-	-	-
Outstanding Loans	<u>32,553</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>430,605</u>	<u>16,957</u>	<u>1,935</u>	<u>7,500</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>430,605</u>	<u>16,957</u>	<u>1,935</u>	<u>7,500</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	43,075	-	-	(7,500)
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 473,680</u>	<u>16,957</u>	<u>1,935</u>	<u>-</u>

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

Federal Projects Account 24000	State Account 27000	State Direct Account 28000	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
-	-	334	-	166,331	-	325,637
<u>100,817</u>	<u>46,610</u>	<u>101,452</u>	<u>72,889</u>	<u>66,020</u>	<u>35,646</u>	<u>2,210,044</u>
100,817	46,610	101,786	72,889	232,351	35,646	2,535,681
(123,173)	(60,148)	(85,579)	(97,185)	(65,984)	(9,629)	(1,897,003)
38,152	13,686	(37,248)	48,592	-	(1,090)	(3,741)
<u>(15,796)</u>	<u>(148)</u>	<u>21,041</u>	<u>(24,296)</u>	<u>-</u>	<u>545</u>	<u>13,899</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>166,367</u>	<u>25,472</u>	<u>648,836</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>166,367</u>	<u>25,472</u>	<u>648,836</u>
					Less: Agency Fund	(7,500)
					Balance Sheet-Foundation:	26,298
						<u>\$ 667,634</u>
<u>(355)</u>	<u>(1,776)</u>	<u>(1,533)</u>	-	<u>(79,047)</u>	<u>(3,226)</u>	<u>(50,362)</u>
<u>(355)</u>	<u>(1,776)</u>	<u>(1,533)</u>	-	<u>87,320</u>	<u>22,246</u>	<u>598,474</u>
					Add: Foundation:	81,989
					Balance Sheets - Governmental Funds:	<u>\$ 680,463</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,267,188
Receivables	
Due from Other Governments	262,777
Prepaid Expenses	5,381
Total Current Assets	<u>1,535,346</u>

Noncurrent Assets:

Capital Assets	
Land	1,194,050
Building and Improvements	4,022,775
Furniture, Fixtures, and Equipment	77,389
Less: Accumulated Depreciation	<u>(265,061)</u>
Total Noncurrent Assets	<u>5,029,153</u>
Total Assets	<u>6,564,499</u>

Deferred Outflows - Pension Related	<u>831,198</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	2,456
Accrued Liabilities	36,213
Current Portion of Long-Term Debt	143,168
Total Current Liabilities	<u>181,837</u>

Noncurrent Liabilities:

Long-Term Debt	4,027,702
Net Pension Liability	<u>4,284,064</u>
Total Noncurrent Liabilities	<u>8,311,766</u>
Total Liabilities	<u>8,493,603</u>

Deferred Inflows - Pension Related	<u>98,706</u>
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NET POSITION

Net Investment in Capital Assets	858,283
Restricted	786,539
Unrestricted (Deficit)	<u>(2,841,434)</u>
Total Net Position	<u>\$ (1,196,612)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,257,872	1,657	237,141	-	(1,019,074)
Support Services:					
Students	595,932	-	-	-	(595,932)
Instruction	113,641	-	-	-	(113,641)
General Administration	579,969	-	-	-	(579,969)
School Administration	223,545	-	-	-	(223,545)
Central Services	201,518	-	-	-	(201,518)
Operation & Maintenance of Plant	247,998	-	-	-	(247,998)
Community Services Operations	14,022	-	-	-	(14,022)
Other Support Services	47,203	-	-	-	(47,203)
Food Services	72,357	-	73,347	-	990
Facilities Materials, Supplies & Other Services	784,116	-	-	252,902	(531,214)
Total Governmental Activities	\$ 4,138,173	1,657	310,488	252,902	(3,573,126)
General Revenues:					
Property Taxes					\$ 100,304
State Equalization Guarantee					3,348,314
Miscellaneous					337,453
Total General Revenues					<u>3,786,071</u>
Change in Net Position					<u>212,945</u>
Net Position (Deficit), Beginning of Year					(2,665,599)
Restatement					<u>1,256,042</u>
Net Position (Deficit), as Restated					<u>(1,409,557)</u>
Net Position (Deficit), Ending					<u>\$ (1,196,612)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 659,359	69,918	-	-
Accounts Receivable				
Due from Government	-	-	12,639	107,155
Due from Other Funds	267,420	-	-	-
Prepaid Expenditures	522,711	-	-	-
Total Assets	\$ 1,449,490	69,918	12,639	107,155
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	36,213	-	-	-
Due to Other Funds	-	-	9,613	109,240
Total Liabilities	36,213	-	9,613	109,240
<i>Deferred Inflows</i>				
Unavailable revenue	-	-	-	-
Total Deferred Inflows	-	-	-	-
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Nonspendible:				
Prepaid Expenditures	522,711	-	-	-
Restricted for:				
Instruction	-	69,918	-	-
Food Service Operations	-	-	3,026	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	890,566	-	-	(2,085)
Total Fund Balance (Deficit)	1,413,277	69,918	3,026	(2,085)
Total Liabilities and Fund Balances (Deficit)	\$ 1,449,490	69,918	12,639	107,155

IDEA-B Entitlement 24106	Federal Charter School Planning 24146	Teacher Principal Training 24154	Kellog Foundation 26121	Daniels Fund 26141	Partners For Developing Futures 26208
-	2,456	-	1	4,798	-
60,631	-	12,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>60,631</u>	<u>2,456</u>	<u>12,000</u>	<u>1</u>	<u>4,798</u>	<u>-</u>
-	2,456	-	-	-	-
-	-	-	-	-	-
60,631	-	12,000	-	-	-
<u>60,631</u>	<u>2,456</u>	<u>12,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1	4,798	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1	4,798	-
<u>60,631</u>	<u>2,456</u>	<u>12,000</u>	<u>1</u>	<u>4,798</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Balance Sheets - Governmental Funds - (Continued)
June 30, 2016

	SB-66 2012 Student Library 27107	Private Dir Grants (Categorical) 29102	McCune Charitable Foundation 29114	Public School Capital Outlay 31200
ASSETS				
Cash and Cash Equivalents	\$ -	\$ 28,640	8,905	-
Accounts Receivable				
Due from Government	7,127	-	-	63,225
Due from Other Funds	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	\$ 7,127	\$ 28,640	8,905	63,225
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	\$ -	-	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	7,127	-	-	63,225
Total Liabilities	7,127	-	-	63,225
<i>Deferred Inflows</i>				
Unavailable revenue	-	-	-	-
Total Deferred Inflows	-	-	-	-
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Nonspendible:				
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	-	28,640	8,905	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balance (Deficit)	-	28,640	8,905	-
Total Liabilities and Fund Balances (Deficit)	\$ 7,127	\$ 28,640	8,905	63,225

SB-9 Capital Improvements 31700	Foundation	Total
154,124	338,987	1,267,188
-	-	262,777
-	-	267,420
-	5,381	528,092
<u>154,124</u>	<u>344,368</u>	<u>2,325,477</u>
-	-	2,456
-	-	36,213
5,584	-	267,420
<u>5,584</u>	<u>-</u>	<u>306,089</u>
-	522,711	522,711
-	522,711	522,711
-	-	522,711
-	-	112,262
-	-	3,026
148,540	-	148,540
-	(178,343)	710,138
<u>148,540</u>	<u>(178,343)</u>	<u>1,496,677</u>
<u>154,124</u>	<u>344,368</u>	<u>2,325,477</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balance - Total Governmental Funds		\$ 1,496,677
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital Assets	5,294,214	
Accumulated Depreciation	<u>(265,061)</u>	5,029,153
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		
		831,198
Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		
Long-Term Debt		(4,170,870)
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		
		(98,706)
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		
		<u>(4,284,064)</u>
Net Position (Deficit) - Total Governmental Activities		<u>\$ (1,196,612)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	11,738	-	-	-
State Grant	3,348,314	26,878	-	-
Federal Grant	-	-	73,347	107,155
Charges for Services	1,417	-	240	-
Miscellaneous Income	-	-	-	-
Total Revenues	3,361,469	26,878	73,587	107,155
EXPENDITURES				
Current:				
Instruction	961,053	4,572	-	107,154
Support Services:				
Students	560,317	-	-	-
Instruction	10,224	-	-	-
General Administration	481,356	-	-	-
School Administration	189,856	-	-	-
Central Services	183,311	-	-	-
Operation & Maintenance of Plant	244,027	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	72,357	-
Community Services Operation	14,022	-	-	-
Capital Outlay	318,918	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	2,963,084	4,572	72,357	107,154
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>398,385</u>	<u>22,306</u>	<u>1,230</u>	<u>1</u>
Other Financing Sources				
<i>Proceeds from capital related debt</i>	-	-	-	-
Total Other Financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>398,385</u>	<u>22,306</u>	<u>1,230</u>	<u>1</u>
Fund Balances (Deficit) - Beginning of Year	1,002,485	47,612	1,796	(2,086)
Prior Period Adjustment	12,407	-	-	-
Fund Balances (Deficit) - End of Year	<u>\$ 1,413,277</u>	<u>69,918</u>	<u>3,026</u>	<u>(2,085)</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Federal Charter School Planning 24146	Teacher Principal Training 24154	Kellog Foundation 26121	Daniels Fund 26141	Partners For Developing Futures 26208
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
60,631	-	12,000	-	-	-
-	-	-	-	-	-
<u>60,631</u>	<u>-</u>	<u>12,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
60,631	-	-	-	20,057	-
-	-	-	-	-	-
-	-	12,000	-	63,417	-
-	-	-	-	-	174
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>60,631</u>	<u>-</u>	<u>12,000</u>	<u>-</u>	<u>83,474</u>	<u>174</u>
-	-	-	-	(83,474)	(174)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(83,474)	(174)
-	-	-	1	70,272	174
-	-	-	-	18,000	-
-	-	-	<u>1</u>	<u>4,798</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	SB-66 2012 Student Library 27107	Private Dir Grants (Categorical) 29102	McCune Charitable Foundation 29114	Public School Capital Outlay 31200
REVENUES				
Property Taxes	\$ -	\$ -	-	-
Local & County Grant	-	11,612	-	-
State Grant	7,127	-	-	252,902
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>7,127</u>	<u>11,612</u>	<u>-</u>	<u>252,902</u>
EXPENDITURES				
Current:				
Instruction	7,127	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	28,000	-
General Administration	-	-	1,457	-
School Administration	-	15,108	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Community Services Operation	-	-	-	-
Capital Outlay	-	-	-	252,902
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>7,127</u>	<u>15,108</u>	<u>29,457</u>	<u>252,902</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(3,496)</u>	<u>(29,457)</u>	<u>-</u>
Other Financing Sources				
<i>Proceeds from capital related debt</i>	-	-	-	-
Total Other Financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>(3,496)</u>	<u>(29,457)</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	-	32,136	38,362	-
Prior Period Adjustment	-	-	-	-
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>28,640</u>	<u>8,905</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

SB-9 Capital Improvements 31700	Foundation	Total
100,304	-	100,304
-	-	23,350
-	-	3,635,221
-	-	253,133
-	-	1,657
-	581,514	581,514
<u>100,304</u>	<u>581,514</u>	<u>4,595,179</u>
-	-	1,160,594
-	-	560,317
-	-	113,641
-	-	482,813
-	-	205,138
-	-	183,311
-	-	244,027
-	47,203	47,203
-	-	72,357
-	-	14,022
-	100,583	672,403
-	194,402	194,402
-	245,367	245,367
<u>-</u>	<u>587,555</u>	<u>4,195,595</u>
<u>100,304</u>	<u>(6,041)</u>	<u>399,584</u>
<u>-</u>	<u>99,043</u>	<u>99,043</u>
<u>-</u>	<u>99,043</u>	<u>99,043</u>
<u>100,304</u>	<u>93,002</u>	<u>498,627</u>
48,236	(271,345)	967,643
<u>-</u>	<u>-</u>	<u>30,407</u>
<u>148,540</u>	<u>(178,343)</u>	<u>1,496,677</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2016

Net Change in Fund Balance-Total Governmental Funds \$ 498,627

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Capital Outlays	100,583	
Depreciation Expense	(210,816)	
		(110,233)

The issuance of long-term debt (e.g., bonds, notes, leases) provide
 current financial resources to governmental funds, while the repayment
 of the principal of long-term debt consumes the current financial
 resources of governmental funds. Neither transaction, however, has any
 effect on net position.

Issuance of Long-Term Debt	(100,217)	
Change in Accrued Interest Payable	1,000	
Payment of Long-Term Debt	194,402	
		95,185

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		(270,634)
--	--	-----------

Change in Net Position-Total Governmental Activities \$ 212,945

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 1,693
Total Assets	<u>\$ 1,693</u>
LIABILITIES	
Deposits Held for Others	\$ 1,693
Total Liabilities	<u>\$ 1,693</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 1,693	-	-	1,693
Total Assets	<u>\$ 1,693</u>	<u>-</u>	<u>-</u>	<u>1,693</u>
 LIABILITIES				
Deposits Held for Others	\$ 1,693	-	-	1,693
Total Liabilities	<u>\$ 1,693</u>	<u>-</u>	<u>-</u>	<u>1,693</u>

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for ACE Leadership High School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance June 30, 2015 (As Restated)	Additions	Deletions Or Reclass	Balance June 30, 2016
<i>Capital Assets not being Depreciated:</i>				
Land	\$ 1,196,050	-	(2,000)	1,194,050
<i>Total</i>	<u>1,196,050</u>	<u>-</u>	<u>(2,000)</u>	<u>1,194,050</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	77,389	-	-	77,389
Building and Improvements	3,920,192	100,583	2,000	4,022,775
<i>Total</i>	<u>3,997,581</u>	<u>100,583</u>	<u>2,000</u>	<u>4,100,164</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(21,576)	(10,698)	-	(32,274)
Building and improvements	(32,669)	(200,118)	-	(232,787)
<i>Total</i>	<u>(54,245)</u>	<u>(210,816)</u>	<u>-</u>	<u>(265,061)</u>
Capital Assets, Net	<u>\$ 5,139,386</u>	<u>(110,233)</u>	<u>-</u>	<u>5,029,153</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following function:

Capital Outlay	\$ 210,816
Total	<u>\$ 210,816</u>

NOTE 3. COMMITMENTS AND LIABILITIES

ACE Leadership High School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$591,084. ACE Leadership High School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 447,545
2018	485,778
2019	488,122
2020	490,582
Total	<u>\$ 1,912,027</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Notes to the Financial Statements
 June 30, 2016

The total outstanding long term debt as of June 30, 2016 is as follows:

Land note payable to Charter Schools Development Land, interest at 7.01%, due in monthly installments of \$6,204 due September 30, 2019	\$ 764,208
Mortgage payable to bank secured by building and land; interest at 4.75% due in monthly Installments of \$23,394; maturing March 2024	<u>3,406,662</u>
Total	4,170,870
Less Current Maturities	<u>(143,168)</u>
	<u>\$ 4,027,702</u>

The aggregate amounts of principal maturities of the long term debt are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 143,168	\$ 212,002	\$ 355,170
2018	150,633	204,537	355,170
2019	158,496	196,674	355,170
2020	834,612	152,735	987,347
2021	146,911	133,817	280,728
2022-2025	<u>2,737,050</u>	<u>330,171</u>	<u>3,067,221</u>
Total	<u>\$ 4,170,870</u>	<u>\$ 1,229,936</u>	<u>\$ 5,400,806</u>

NOTE 4. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2016:

Title I IASA - 24101	\$ 2,085
Foundation	178,343

ACE Leadership High School is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 5. RELATED PARTY TRANSACTIONS

ACE Leadership High School leases the building from ACE Leadership High School Foundation that the school resides in. The Foundation is considered a component unit of the school and is presented as a blended component unit.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the ACE Leadership High School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and ACE Leadership High School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2016 and 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Ace Leadership High School were \$234,849 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, and the net pension liability was measured as of that date. At June 30, 2016, ACE Leadership High School reported a liability of \$4,284,064 for its proportionate share of the net pension liability. The proportionate share of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, ACE Leadership High School's proportion was 0.06614 percent, which was an increase of 0.00688 from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Notes to the Financial Statements
June 30, 2016

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, ACE Leadership High School recognized pension expense of \$503,558. At the June 30, 2016, ACE Leadership High School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	<79,422>
Changes in assumptions	147,352	-
Net difference between projected and actual earnings on pension plan investments	-	<19,284>
Changes in proportion	448,997	-
ACE Leadership High School contributions subsequent to the measurement date	234,849	-
Total	\$ 831,198	<98,706>

The amount of \$234,849 reported as deferred outflows of resources related to pensions resulting from Ace Leadership High School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ <167,900>
2018	<162,127>
2019	<108,115>
2020	<59,501>
Total	\$ <497,643>

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Ace Leadership High School's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
ACE Leadership High School's proportionate share of the net pension liability	\$ 5,764,494	4,284,064	3,040,348

Payables to the pension plan. For the year ending June 30, 2016, ACE Leadership High School's accrued liability due to ERB was \$31,540 for June payroll paid in July 2016.

NOTE 7. RESTATEMENTS

Beginning fund balance was restated in the Operational Fund and Daniels Fund in the amounts of \$12,407 and \$18,000 respectively. This restatement was due to invoices posted to accounts payable in duplicate prior to the end of last fiscal year and removed during the current fiscal year.

Beginning net position was restated by \$1,256,042 due to the \$30,407 noted above as well as a restatement of \$1,225,635 to capital assets. This restatement was due to the addition of two pieces of equipment totaling \$31,585 purchased on June 30, 2015 which was not included in prior year additions. In addition, there was an increase of \$1,194,050 due to an amount for land purchased being taken out of the building and improvements in error.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE LEADERSHIP HIGH SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.06%	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 3,381	4,284	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,633	1,806	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.02%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE LEADERSHIP HIGH SCHOOL
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2016

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 263	235	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	263	235	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
			2014	\$ (163)	5		\$ (27)	(27)	(33)	(76)	-	
2015	(498)	5			(168)	(162)	(108)	(60)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (661)			\$ (27)	(195)	(195)	(184)	(60)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ 5,500	5,500	11,738	6,238
State Grant	3,371,362	3,348,314	3,348,314	-
Charges for Services	2,500	2,500	1,417	(1,083)
Total Revenues	3,379,362	3,356,314	3,361,469	5,155
EXPENDITURES				
Current:				
Instruction	1,265,313	1,265,313	961,044	304,269
Support Services:				
Students	675,964	633,523	562,713	70,810
Instruction	20,000	20,000	10,224	9,776
General Administration	595,348	595,348	481,356	113,992
School Administration	315,477	315,477	189,856	125,621
Central Services	314,172	314,172	183,311	130,861
Operation & Maintenance of Plant	256,718	301,718	255,675	46,043
Food Services Operations	32,500	32,500	-	32,500
Community Services Operations	15,000	15,000	14,022	978
Capital outlay	420,000	351,952	307,614	44,338
Total Expenditures	3,910,492	3,845,003	2,965,815	879,188
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(531,130)</i>	<i>(488,689)</i>	<i>395,654</i>	<i>884,343</i>
Other Financing Sources (Uses):				
Designated Cash	531,130	488,689	-	(488,689)
Total Other Financing Sources (Uses):	531,130	488,689	-	(488,689)
Net Changes in Fund Balances	-	-	395,654	395,654
Cash or Fund Balances - Beginning of Year	-	-	1,002,485	1,002,485
Cash or Fund Balances - End of Year	\$ -	-	1,398,139	1,398,139
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 395,654	
Adjustments to Expenditures			2,731	
NET CHANGE IN FUND BALANCE			\$ 398,385	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 18,586	18,586	26,878	8,292
Total Revenues	<u>18,586</u>	<u>18,586</u>	<u>26,878</u>	<u>8,292</u>
EXPENDITURES				
Current:				
Instruction	58,041	58,041	4,572	53,469
Total Expenditures	<u>58,041</u>	<u>58,041</u>	<u>4,572</u>	<u>53,469</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(39,455)</u>	<u>(39,455)</u>	<u>22,306</u>	<u>61,761</u>
Other Financing Sources (Uses):				
Designated Cash	39,455	39,455	-	(39,455)
Total Other Financing Sources (Uses):	<u>39,455</u>	<u>39,455</u>	<u>-</u>	<u>(39,455)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>22,306</u>	<u>22,306</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>47,612</u>	<u>47,612</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>69,918</u>	<u>69,918</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 22,306	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 22,306</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 100,000	100,000	72,422	(27,578)
Charges for Services	-	-	240	240
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>72,662</u>	<u>(27,338)</u>
EXPENDITURES				
Current:				
Food Services Operations	100,000	100,000	72,357	27,643
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>72,357</u>	<u>27,643</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	305	305
Net Changes in Fund Balances	-	-	305	305
Cash or Fund Balances - Beginning of Year	-	-	1,796	1,796
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,101</u>	<u>2,101</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 305	
Adjustments to Revenues			<u>925</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 1,230</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I IASA 24101
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 71,342	107,858	59,085	(48,773)
Total Revenues	71,342	107,858	59,085	(48,773)
EXPENDITURES				
Current:				
Instruction	71,342	107,858	107,154	704
Total Expenditures	71,342	107,858	107,154	704
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(48,069)	(48,069)
Net Changes in Fund Balances	-	-	(48,069)	(48,069)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(48,069)	(48,069)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (48,069)	
Adjustments to Revenues			48,070	
NET CHANGE IN FUND BALANCE			\$ 1	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 50,429	60,631	-	(60,631)
Total Revenues	<u>50,429</u>	<u>60,631</u>	<u>-</u>	<u>(60,631)</u>
EXPENDITURES				
Current:				
Instruction	50,429	60,631	60,631	-
Total Expenditures	<u>50,429</u>	<u>60,631</u>	<u>60,631</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(60,631)	(60,631)
Net Changes in Fund Balances	-	-	(60,631)	(60,631)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(60,631)</u>	<u>(60,631)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (60,631)	
Adjustments to Revenues			<u>60,631</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Federal Charter School Planning 24146
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
<i>Net Changes in Fund Balances</i>	-	-	-	-
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	-	-
<i>Cash or Fund Balances - End of Year</i>	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 15,029	34,531	-	(34,531)
Total Revenues	<u>15,029</u>	<u>34,531</u>	<u>-</u>	<u>(34,531)</u>
EXPENDITURES				
Current:				
Instruction	15,029	15,029	-	15,029
Support Services:				
Instruction	-	19,502	12,000	7,502
Total expenditures	<u>15,029</u>	<u>34,531</u>	<u>12,000</u>	<u>22,531</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(12,000)</u>	<u>(12,000)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(12,000)</u>	<u>(12,000)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(12,000)</u>	<u>(12,000)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (12,000)	
Adjustments to Revenues			12,000	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Kellog Foundation 26121
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
<i>Net Changes in Fund Balances</i>	-	-	-	-
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	1	1
<i>Cash or Fund Balances - End of Year</i>	\$ -	-	1	1
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Daniels Fund 26141
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	21,965	20,057	1,908
Support Services:				
Instruction	102,000	80,035	63,417	16,618
Total Expenditures	<u>102,000</u>	<u>102,000</u>	<u>83,474</u>	<u>18,526</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(102,000)</u>	<u>(102,000)</u>	<u>(83,474)</u>	<u>18,526</u>
Other financing sources (uses):				
Designated Cash	102,000	102,000	-	(102,000)
Total other financing sources (uses):	<u>102,000</u>	<u>102,000</u>	<u>-</u>	<u>(102,000)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(83,474)</u>	<u>(83,474)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>88,272</u>	<u>88,272</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,798</u>	<u>4,798</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (83,474)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (83,474)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Partners for Developing Futures 26208
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
School Administration	-	174	174	-
<i>Total Expenditures</i>	-	174	174	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(174)	(174)	-
Other financing sources (uses):				
Designated Cash	-	174	-	(174)
<i>Total other financing sources (uses):</i>	-	174	-	(174)
Net Changes in Fund Balances	-	-	(174)	(174)
Cash or Fund Balances - Beginning of Year	-	-	174	174
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (174)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (174)	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-66 2012 Student Library 27107
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	7,161	7,161	-	(7,161)
Total Revenues	7,161	7,161	-	(7,161)
EXPENDITURES				
Current:				
Instruction	7,161	7,161	7,127	34
Total Expenditures	7,161	7,161	7,127	34
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(7,127)	(7,127)
Net Changes in Fund Balances	-	-	(7,127)	(7,127)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(7,127)	(7,127)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,127)	
Adjustments to Revenues			7,127	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Private Dir Grants (Categorical) 29102
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ 3,000	3,000	11,612	8,612
Total Revenues	<u>3,000</u>	<u>3,000</u>	<u>11,612</u>	<u>8,612</u>
EXPENDITURES				
Current:				
Support Services:				
School Administration	48,621	48,621	15,108	33,513
Total Expenditures	<u>48,621</u>	<u>48,621</u>	<u>15,108</u>	<u>33,513</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(45,621)</u>	<u>(45,621)</u>	<u>(3,496)</u>	<u>42,125</u>
Other financing sources (uses):				
Designated Cash	45,621	45,621	-	(45,621)
Total other financing sources (uses):	<u>45,621</u>	<u>45,621</u>	<u>-</u>	<u>(45,621)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,496)</u>	<u>(3,496)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>32,136</u>	<u>32,136</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>28,640</u>	<u>28,640</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,496)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (3,496)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 McCune Charitable Foundation 29114
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
Support Services:				
Instruction	30,202	22,742	28,000	(5,258)
General Administration	-	7,460	1,457	6,003
<i>Total Expenditures</i>	30,202	30,202	29,457	745
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(30,202)	(30,202)	(29,457)	745
<i>Other financing sources (uses):</i>				
Designated Cash	30,202	30,202	-	(30,202)
<i>Total other financing sources (uses):</i>	30,202	30,202	-	(30,202)
<i>Net Changes in Fund Balances</i>	-	-	(29,457)	(29,457)
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	38,362	38,362
<i>Cash or Fund Balances - End of Year</i>	\$ -	-	8,905	8,905
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (29,457)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (29,457)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	252,902	189,677	(63,225)
Total Revenues	<u>-</u>	<u>252,902</u>	<u>189,677</u>	<u>(63,225)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	252,902	252,902	-
Total Expenditures	<u>-</u>	<u>252,902</u>	<u>252,902</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(63,225)	(63,225)
Net Changes in Fund Balances	-	-	(63,225)	(63,225)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(63,225)</u>	<u>(63,225)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (63,225)	
Adjustments to Revenues			63,225	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ -	69,916	108,007	38,091
State Grant	21,225	21,225	-	(21,225)
Total Revenues	<u>21,225</u>	<u>91,141</u>	<u>108,007</u>	<u>16,866</u>
EXPENDITURES				
Current:				
Capital Outlay	21,225	91,141	-	91,141
Total Expenditures	<u>21,225</u>	<u>91,141</u>	<u>-</u>	<u>91,141</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>108,007</u>	<u>108,007</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>108,007</u>	<u>108,007</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>46,117</u>	<u>46,117</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>154,124</u>	<u>154,124</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 108,007	
Adjustments to Revenues			(7,703)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 100,304</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Suntrust Bank	GO School Bonds	640575GM2	9/1/2029	\$ 330,933
Suntrust Bank	GO School Bonds	713163JC8	4/1/2028	584,490
Suntrust Bank	GO School Bonds	800359AM3	3/1/2030	339,377
				<u>\$ 1,254,800</u>

Total Cash per Schedule of Cash Accounts:	\$ 1,041,512
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	791,512
Collateral Requirement:	395,756
Pledged Collateral Held by Pledging Financial Institution:	<u>1,254,800</u>
Balance Over Collateralized:	<u>\$ 859,044</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ -</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>New Mexico Bank & Trust</u>
Checking - Operational Account	\$ 1,041,512
Checking - Foundation	338,987
<i>Total on Deposit</i>	<u>1,380,499</u>
Reconciling Items	<u>(111,618)</u>
Reconciled Balance June 30, 2016	<u>1,268,881</u>
Less Agency Funds	<u>(1,693)</u>
<i>Total Cash</i>	<u><u>\$ 1,267,188</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Cash Reconciliation
June 30, 2016

	Operational <u>11000</u>	Instructional Materials <u>14000</u>	Food Services <u>21000</u>	Non-Instruct. Fund <u>23000</u>
Cash, June 30, 2015	\$ 423,729	47,612	-	1,693
Add:				
2015-16 revenues	<u>3,361,469</u>	<u>26,878</u>	<u>72,662</u>	<u>-</u>
Total Cash Available	3,785,198	74,490	72,662	1,693
Less:				
2015-16 expenditures	(2,965,815)	(4,572)	(72,357)	-
Receivables/Payables	33,137	-	42	-
Outstanding Loans	<u>(190,705)</u>	<u>-</u>	<u>(347)</u>	<u>-</u>
Cash June 30, 2016	<u>661,815</u>	<u>69,918</u>	<u>-</u>	<u>1,693</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>(2,456)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>659,359</u>	<u>69,918</u>	<u>-</u>	<u>1,693</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>753,918</u>	<u>-</u>	<u>3,026</u>	<u>(1,693)</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 1,413,277</u>	<u>69,918</u>	<u>3,026</u>	<u>-</u>

Federal Projects Account 24000	Local Grants 26000	State Account 27000	Local or State 29000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	88,446	-	70,508	-	46,117	678,105
59,085	-	-	11,612	189,677	108,007	3,829,390
59,085	88,446	-	82,120	189,677	154,124	4,507,495
(179,785)	(83,648)	(7,127)	(44,565)	(252,902)	-	(3,610,771)
-	1	-	(10)	-	-	33,170
120,700	-	7,127	-	63,225	-	-
-	4,799	-	37,545	-	154,124	929,894
2,456	-	-	-	-	-	-
2,456	4,799	-	37,545	-	154,124	929,894
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:						(1,693)
Balance Sheet-Foundation:						338,987
						<u>\$ 1,267,188</u>
(4,541)	-	-	-	-	(5,584)	745,126
(2,085)	4,799	-	37,545	-	148,540	1,675,020
Add: Foundation:						(178,343)
Balance Sheets - Governmental Funds:						<u>\$ 1,496,677</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 2,689,882
Receivables	
Due from Other Governments	71,137
Total Current Assets	<u>2,761,019</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	77,553
Less: Accumulated Depreciation	<u>(38,296)</u>
Total Noncurrent Assets	<u>39,257</u>
Total Assets	<u>2,800,276</u>

Deferred Outflows -Pension Related	<u>729,560</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	6,688
Accrued Liabilities	209,392
Unearned Revenue	<u>175,000</u>
Total Current Liabilities	<u>391,080</u>

Noncurrent Liabilities:

Net Pension Liability	<u>3,576,099</u>
Total Noncurrent Liabilities	<u>3,576,099</u>
Total Liabilities	<u>3,967,179</u>

Deferred Inflows - Pension Related	<u>82,394</u>
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NET POSITION

Investment in Capital Assets	39,257
Restricted	1,093,938
Unrestricted (Deficit)	<u>(1,652,932)</u>
Total Net Position	<u>\$ (519,737)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,899,606	6,814	41,205	-	(1,851,587)
Support services:					
Students	282,226	-	-	-	(282,226)
Instruction	26,832	-	-	-	(26,832)
General Administration	71,215	-	-	-	(71,215)
School Administration	379,108	-	-	-	(379,108)
Central Services	228,464	-	-	-	(228,464)
Operation & Maintenance of Plant	104,141	-	-	-	(104,141)
Other Support Services	74	-	-	-	(74)
Facilities Materials, Supplies & Other Services	265,405	-	-	491,023	225,618
Total Governmental Activities	\$ 3,257,071	6,814	41,205	491,023	(2,718,029)
			General Revenues:		
			State Equalization Guarantee	\$ 2,775,072	
			Total General Revenues	2,775,072	
			Change in Net Position		57,043
			Net Position, Beginning		(576,780)
			Net Position, Ending	\$ (519,737)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Daniels Fund 26141	Dual Credit Instructional Materials 27103
ASSETS				
<i>Assets</i>				
Cash and Cash Equivalents	\$ 1,424,601	45,930	175,000	-
Accounts Receivable				
Due from Government	-	-	-	2,955
Due from Other Funds	67,480	-	-	-
Total Assets	\$ 1,492,081	45,930	175,000	2,955
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 6,688	-	-	-
Accrued Expenses	209,392	-	-	-
Unspent Grant Revenue	-	-	175,000	-
Due to Other Funds	-	-	-	2,955
Total Liabilities	216,080	-	175,000	2,955
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Restricted for:				
Instruction	-	45,930	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	1,276,001	-	-	-
Total Fund Balance (Deficit)	1,276,001	45,930	-	-
Total Liabilities and Fund Balance (Deficit)	\$ 1,492,081	45,930	175,000	2,955

The accompanying notes are an integral part of these financial statements

Private Direct Grants 29102	Public School Capital Outlay 31200	HB 33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total Government
4,866	-	1,039,485	-	2,689,882
-	64,525	3,657	-	71,137
-	-	-	-	67,480
<u>4,866</u>	<u>64,525</u>	<u>1,043,142</u>	<u>-</u>	<u>2,828,499</u>
-	-	-	-	6,688
-	-	-	-	209,392
-	-	-	-	175,000
-	64,525	-	-	67,480
-	<u>64,525</u>	-	-	<u>458,560</u>
4,866	-	-	-	50,796
-	-	1,043,142	-	1,043,142
-	-	-	-	1,276,001
<u>4,866</u>	<u>-</u>	<u>1,043,142</u>	<u>-</u>	<u>2,369,939</u>
<u>4,866</u>	<u>64,525</u>	<u>1,043,142</u>	<u>-</u>	<u>2,828,499</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Reconciliation of the Balance Sheet Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 2,369,939**

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

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

Capital Assets	77,553	
Accumulated Depreciation	<u>(38,296)</u>	39,257

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		729,560
--	--	---------

The net pension liability is not due and payable in the current period, and therefore is not reported in the funds.		(3,576,099)
--	--	-------------

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		<u>(82,394)</u>
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Net Position-Total Governmental Activities **\$ (519,737)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Daniels Fund 26141	Dual Credit Instructional Materials 27103
Revenues:				
Property Taxes	\$ -	-	-	-
Local & County Grant	1,940	-	-	-
State Grant	2,775,072	25,663	-	8,736
Charges for services	6,814	-	-	-
Total Revenues	<u>2,783,826</u>	<u>25,663</u>	<u>-</u>	<u>8,736</u>
Expenditures:				
Current:				
Instruction	1,740,301	39,144	-	8,736
Support Services:				
Students	268,125	-	-	-
Instruction	26,832	-	-	-
General Administration	67,834	-	-	-
School Administration	379,108	-	-	-
Central Services	202,331	-	-	-
Operation & Maintenance of Plant	84,916	-	-	-
Other Support Services Operations	74	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,769,521</u>	<u>39,144</u>	<u>-</u>	<u>8,736</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>14,305</u>	<u>(13,481)</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	14,305	(13,481)	-	-
Fund Balances - Beginning of Year	<u>1,261,696</u>	<u>59,411</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 1,276,001</u>	<u>45,930</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Private Direct Grants 29102	Public School Capital Outlay 31200	HB 33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
-	-	224,349	-	224,349
4,866	-	-	-	6,806
-	258,100	-	8,574	3,076,145
-	-	-	-	6,814
<u>4,866</u>	<u>258,100</u>	<u>224,349</u>	<u>8,574</u>	<u>3,314,114</u>
-	-	-	-	1,788,181
-	-	-	-	268,125
-	-	-	-	26,832
-	-	2,243	-	70,077
-	-	-	-	379,108
-	-	-	-	202,331
-	-	-	-	84,916
-	-	-	-	74
-	258,100	7,305	-	265,405
-	<u>258,100</u>	<u>9,548</u>	-	<u>3,085,049</u>
<u>4,866</u>	-	<u>214,801</u>	<u>8,574</u>	<u>229,065</u>
4,866	-	214,801	8,574	229,065
-	-	828,341	(8,574)	2,140,874
<u>4,866</u>	-	<u>1,043,142</u>	-	<u>2,369,939</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Institute for Mathematics & Science
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For The Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 229,065**

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

Change in net pension liability (162,995)

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Depreciation Expense	(9,027)	
		(9,027)

Change in Net Position-Total Governmental Activities **\$ 57,043**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 29,354
Total Assets	<u>\$ 29,354</u>
LIABILITIES	
Deposits Held for Others	\$ 29,354
Total Liabilities	<u>\$ 29,354</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2016

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 27,066	12,253	(9,965)	29,354
Total Assets	<u>\$ 27,066</u>	<u>12,253</u>	<u>(9,965)</u>	<u>29,354</u>
LIABILITIES				
Deposits Held for Others	\$ 27,066	12,253	(9,965)	29,354
Total Liabilities	<u>\$ 27,066</u>	<u>12,253</u>	<u>(9,965)</u>	<u>29,354</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Institute for Mathematics & Science
 Notes to the Financial Statements
 June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets, which include property, plant, and equipment, are reported in the applicable governmental-wide financial statements. The Albuquerque Institute for Mathematics & Science (AIMS) defines capital assets as assets with an initial, individual cost of more than \$5,000 and an initial useful life extending beyond a single reporting period. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Furniture and equipment	5 – 10 years
-------------------------	--------------

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2016 are as follows:

Due from other governments:	
Dual Credit Instructional Materials	\$ 2,955
Public School Capital Outlay	64,525
HB 33 Capital Improvements	<u>3,657</u>
Total due from other governments	<u><u>\$ 71,137</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Notes to the Financial Statements
June 30, 2016

NOTE 3. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	June 30, 2015	Additions	Deletions	June 30, 2016
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures, and Equipment	\$ 77,553	-	-	77,553
<i>Total</i>	<u>77,553</u>	-	-	<u>77,553</u>
<i>Less: Accumulated Depreciation</i>	(29,269)	(9,027)	-	(38,296)
Capital Assets, net	\$ <u>48,284</u>	(9,027)	-	<u>39,257</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 1,379
General Administration	1,138
Operation & Maintenance of Plant	<u>6,510</u>
Total	<u>\$ 9,027</u>

NOTE 4. COMMITMENTS AND LIABILITIES

AIMS leased buildings and equipment under short-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$282,914. AIMS' minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ <u>32,660</u>
Total minimum lease payments	<u>\$ 32,660</u>

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Albuquerque Institute for Mathematics & Science Charter High School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Contributions. The contribution requirements of defined benefit plan members and AIMS are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from AIMS were \$240,866 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, AIMS reported a liability of \$3,576,099 for its proportionate share of the net pension liability. AIMS' proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, AIMS' proportion was 0.05521% percent, which was an increase of 0.00705% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, AIMS recognized pension expense of \$192,995. At the June 30, 2016, AIMS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	66,298
Changes in assumptions	123,001	-
Net difference between projected and actual earnings on pension plan investments	-	16,096
Changes in proportion and differences between the employer’s contributions and proportionate share of contributions	365,693	-
AIMS contributions subsequent to measurement date	<u>240,866</u>	<u>-</u>
Ending balance	<u>\$ 729,560</u>	<u>82,394</u>

\$729,560 reported as deferred outflows of resources related to pensions resulting from AIMS’ contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$	123,669
2018		123,354
2019		109,602
2020		49,675
	\$	<u>406,300</u>

Sensitivity of AIMS’ proportionate share of the net pension liability to changes in the discount rate.

The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Institute for Mathematics & Science
 Notes to the Financial Statements
 June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
AIMS' proportionate share of the net pension liability	<u>\$ 4,811,880</u>	<u>3,576,099</u>	<u>2,537,914</u>

Payables to the pension plan. AIMS did not accrue any payable for the pension plan at June 30, 2016. All 10-month teach contracts for the school year are paid by fiscal year end.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics and Science
Schedule of the School's Proportionate Share of the Net Pension Liability
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,748	3,576	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,327	1,507	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.08%	237.29%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Institute for Mathematics and Science
 Schedule of School Contributions
 June 30, 2016

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 220	218	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	220	218	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 356	5		\$ 58	58	58	62	-						
2015	406	5			124	123	110	49						
2016	-	5												
2017	-	5												
2018	-	5												
2019	-	5												
2020	-	5												
2021	-	5												
2022	-	5												
2023	-	5												
	<u>\$ 762</u>			<u>\$ 58</u>	<u>182</u>	<u>181</u>	<u>172</u>	<u>49</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES:				
Local & County Grant	\$ 3,000	3,000	1,940	(1,060)
State Grant	2,768,199	2,775,072	2,775,072	-
Charges for Services	-	-	6,814	6,814
Total Revenues	2,771,199	2,778,072	2,783,826	5,754
EXPENDITURES:				
Current:				
Instruction	2,632,084	2,638,837	1,745,704	893,133
Support Services:				
Students	267,149	283,220	268,125	15,095
Instruction	51,000	51,000	26,832	24,168
General Administration	68,650	71,501	67,834	3,667
School Administration	370,777	404,186	379,108	25,078
Central Services	194,677	234,587	202,331	32,256
Operation & Maintenance of Plant	411,862	368,455	84,916	283,539
Other Support Services Operations	-	74	74	-
Total Expenditures	3,996,199	4,051,860	2,774,924	1,276,936
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(1,225,000)	(1,273,788)	8,902	1,282,690
Net Changes in Fund Balances	(1,225,000)	(1,273,788)	8,902	(1,271,182)
Cash or Fund Balances - Beginning of Year	-	-	1,483,179	1,483,179
Cash or Fund Balances - End of Year	\$ (1,225,000)	(1,273,788)	1,492,081	2,765,869
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,902	
Adjustments to Revenues			-	
Adjustments to Expenditures			5,403	
NET CHANGE IN FUND BALANCE			\$ 14,305	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES:				
State Grant	\$ 20,412	25,664	25,663	(1)
Total Revenues	<u>20,412</u>	<u>25,664</u>	<u>25,663</u>	<u>(1)</u>
EXPENDITURES:				
Current:				
Instruction	77,412	85,430	39,499	45,931
Total Expenditures	<u>77,412</u>	<u>85,430</u>	<u>39,499</u>	<u>45,931</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(57,000)</u>	<u>(59,766)</u>	<u>(13,836)</u>	<u>45,930</u>
Net Changes in Fund Balances	<u>(57,000)</u>	<u>(59,766)</u>	<u>(13,836)</u>	<u>45,930</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>59,766</u>	<u>59,766</u>
Cash or Fund Balances - End of Year	<u>\$ (57,000)</u>	<u>(59,766)</u>	<u>45,930</u>	<u>105,696</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (13,836)	
Adjustments to Revenues			-	
Adjustments to Expenditures			355	
NET CHANGE IN FUND BALANCE			<u>\$ (13,481)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
Daniels Fund 26141
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES:				
Federal Grant	\$ 47,860	103,325	-	(103,325)
Total Revenues	<u>47,860</u>	<u>103,325</u>	<u>-</u>	<u>(103,325)</u>
EXPENDITURES:				
Current:				
Instruction				-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>47,860</u>	<u>103,325</u>	<u>-</u>	<u>(103,325)</u>
Other financing sources (uses):				
Designated Cash			-	-
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>47,860</u>	<u>103,325</u>	<u>-</u>	<u>(103,325)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>175,000</u>	<u>175,000</u>
Cash or Fund Balances - End of Year	<u>\$ 47,860</u>	<u>103,325</u>	<u>175,000</u>	<u>71,675</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Institute for Mathematics & Science
 Schedule of Budgetary Comparisons - Budgetary Basis
 Dual Credit Instructional Materials 27103
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES:				
State Grant	\$ -	8,736	7,836	(900)
Total Revenues	-	8,736	7,836	(900)
EXPENDITURES:				
Current:				
Instruction	-	8,736	8,736	-
Total Expenditures	-	8,736	8,736	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(900)	(900)
Net Changes in Fund Balances	-	-	(900)	(900)
Cash or Fund Balances - Beginning of Year	-	-	(2,055)	(2,055)
Cash or Fund Balances - End of Year	\$ -	-	(2,955)	(2,955)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (900)	
Adjustments to Revenues			900	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES:				
Local & County Grant	\$ -	-	4,866	4,866
Total Revenues	<u>-</u>	<u>-</u>	<u>4,866</u>	<u>4,866</u>
EXPENDITURES:				
Current:				
Instruction	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	4,866	4,866
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>4,866</u>	<u>4,866</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,866</u>	<u>4,866</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,866	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 4,866</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES:				
State Grant	\$ -	258,100	258,580	480
Total Revenues	<u>-</u>	<u>258,100</u>	<u>258,580</u>	<u>480</u>
EXPENDITURES:				
Current:				
Capital outlay	-	258,100	258,100	-
Total Expenditures	<u>-</u>	<u>258,100</u>	<u>258,100</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	480	480
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>480</u>	<u>480</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(65,005)</u>	<u>(65,005)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(64,525)</u>	<u>(64,525)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 480	
Adjustments to Revenues			(480)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
HB 33 Capital Improvements 31600
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES:				
Property Taxes	\$ 221,691	221,691	224,159	2,468
Total Revenues	<u>221,691</u>	<u>221,691</u>	<u>224,159</u>	<u>2,468</u>
EXPENDITURES:				
Current:				
Support Services:				
General Administration	2,217	3,217	2,243	974
Capital outlay	1,035,529	1,043,348	7,305	1,036,043
Total Expenditures	<u>1,037,746</u>	<u>1,046,565</u>	<u>9,548</u>	<u>1,037,017</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(816,055)</u>	<u>(824,874)</u>	<u>214,611</u>	<u>1,039,485</u>
Other financing sources (uses):				
Designated Cash	618,000	618,000	-	(618,000)
Total other financing sources (uses):	<u>618,000</u>	<u>618,000</u>	<u>-</u>	<u>(618,000)</u>
Net Changes in Fund Balances	<u>(198,055)</u>	<u>(206,874)</u>	<u>214,611</u>	<u>421,485</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>824,874</u>	<u>824,874</u>
Cash or Fund Balances - End of Year	<u>\$ (198,055)</u>	<u>(206,874)</u>	<u>1,039,485</u>	<u>1,246,359</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 214,611	
Adjustments to Revenues			190	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 214,801</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Institute for Mathematics & Science
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES:				
State Grant	\$ -	8,573	8,574	1
Total Revenues	<u>-</u>	<u>8,573</u>	<u>8,574</u>	<u>1</u>
EXPENDITURES:				
Current:				
Capital outlay	-	17,173	8,574	8,599
Total Expenditures	<u>-</u>	<u>17,173</u>	<u>8,574</u>	<u>8,599</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(8,600)</u>	<u>-</u>	<u>8,600</u>
Net Changes in Fund Balances	<u>-</u>	<u>(8,600)</u>	<u>-</u>	<u>8,600</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>(8,600)</u>	<u>-</u>	<u>8,600</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>8,574</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 8,574</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Collateral Pledged by Depository
For Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
SunTrust Bank	Municipal Bond	412707EB3	8/15/2026	\$ 1,836,611
SunTrust Bank	Municipal Bond	413000PR5	8/15/1930	793,485
				<u>\$ 2,630,096</u>

Total cash in bank per Schedule of Cash Accounts:	\$	2,729,120
Less: FDIC coverage:		<u>(250,000)</u>
Uninsured public funds:		2,479,120

Collateral requirement:		1,239,560
Pledged collateral held by pledging financial institution:		2,630,096
Balance over-collateralized:	\$	<u>1,390,536</u>

Balance uninsured and uncollateralized at June 30, 2016: **\$** -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Institute for Mathematics & Science
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>New Mexico Bank & Trust</u>
Checking - Operational Account	\$ 2,729,120
<i>Total on Deposit</i>	2,729,120
Reconciling Items	<u>(9,884)</u>
Reconciled Balance June 30, 2016	<u>2,719,236</u>
Less Agency Funds	<u>(29,354)</u>
<i>Total Cash</i>	<u>\$ 2,689,882</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Local Grants 26000	State Flowthrough 27000
Cash, June 30, 2015	\$ 1,389,261	59,766	175,000	(2,055)
Add:				
2015-16 revenues	2,668,352	25,663	-	7,836
Total cash available	4,057,613	85,429	175,000	5,781
Less:				
2015-16 expenditures	(2,774,924)	(39,499)	-	(8,736)
Receivables/Payables	209,392	-	-	-
Outstanding Loans	(67,480)	-	-	-
Cash June 30, 2016	1,424,601	45,930	175,000	(2,955)
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	2,955
Cash per Books	1,424,601	45,930	175,000	-
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(148,600)	-	(175,000)	-
Fund Balance , Modified Accrual Basis	\$ 1,276,001	45,930	-	-

The accompanying notes are an integral part of these financial statements

Local or State Fund 29000	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	Capital Improv. HB 33 31600	Capital Improv. SB9 31700	Total
-	(65,005)	(3,778)	824,874	-	2,378,063
4,866	258,580	3,778	224,158	8,573	3,201,806
4,866	193,575	-	1,049,032	8,573	5,579,869
-	(258,100)	-	(9,547)	(8,573)	(3,099,379)
-	-	-	-	-	209,392
-	-	-	-	-	(67,480)
4,866	(64,525)	-	1,039,485	-	2,622,402
-	64,525	-	-	-	67,480
4,866	-	-	1,039,485	-	2,689,882
-	-	-	3,657	-	(319,943)
4,866	-	-	1,043,142	-	2,369,939

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 468,035
Receivables	
Due from Other Governments	172,717
Total Current Assets	<u>640,752</u>

Noncurrent Assets:

Capital Assets	
Building	9,354,876
Furniture, Fixtures, and Equipment	61,562
Less: Accumulated Depreciation	<u>(61,485)</u>
Total capital assets	<u>9,354,953</u>

Total Assets	<u>9,995,705</u>
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Deferred Outflows - Pension Related	<u>347,368</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	59,691
Accrued Liabilities	212,635
Current portion of capital lease obligation	<u>42,021</u>
Total Current Liabilities	<u>314,347</u>

Noncurrent Liabilities:

Noncurrent portion of capital lease obligation	9,312,855
Net Pension Liability	<u>2,343,475</u>
Total Noncurrent Liabilities	<u>11,656,330</u>

Total Liabilities	<u>11,970,677</u>
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Deferred Inflows - Pension Related	<u>53,994</u>
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NET POSITION

Net Investment in Capital Assets	77
Restricted	283,209
Unrestricted Deficit	<u>(1,964,884)</u>
Total Net Position	<u>\$ (1,681,598)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position	
	Expenses	Charges for Service	Operating Grants and Contributions		Capital Grants and Contributions
Governmental activities:					
Instruction	\$ 1,597,980	10,066	191,973	-	(1,395,941)
Support Services:					
Students	83,923	-	-	-	(83,923)
Instruction	11,405	-	-	-	(11,405)
General Administration	41,605	-	-	-	(41,605)
School Administration	280,331	-	-	-	(280,331)
Central Services	103,159	-	-	-	(103,159)
Operation & Maintenance of Plant	505,451	-	-	-	(505,451)
Food Services	55,820	10,544	51,083	-	5,807
Facilities Materials, Supplies & Other Services	247,965	-	-	255,210	7,245
Total Governmental Activities	\$ 2,927,639	20,610	243,056	255,210	(2,408,763)
General Revenues:					
Property Taxes				\$ 59,394	
State Equalization Guarantee				2,264,905	
Total General Revenues				<u>2,324,299</u>	
Change in Net Position					(84,464)
Net Position (deficit), Beginning					<u>(1,597,134)</u>
Net Position (deficit), Ending					<u>\$ (1,681,598)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 162,073	30,970	5,807	-
Accounts Receivable				
Due from Other Governments	-	-	-	69,993
Due from Other Funds	165,850	-	-	-
Total Assets	\$ 327,923	30,970	5,807	69,993
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 35,410	24,281	-	-
Accrued Expenditures	207,296	-	-	4,485
Due to Other Funds	-	-	-	65,508
Total Liabilities	242,706	24,281	-	69,993
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	6,689	-	-
Food Services	-	-	5,807	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	85,217	-	-	-
Total Fund Balances	85,217	6,689	5,807	-
Total Liabilities and Fund Balances	\$ 327,923	30,970	5,807	69,993

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	GO Bonds Student Library 27107	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	269,185	468,035
37,480	119	4,743	3,359	55,495	1,528	172,717
-	-	-	-	-	-	165,850
<u>37,480</u>	<u>119</u>	<u>4,743</u>	<u>3,359</u>	<u>55,495</u>	<u>270,713</u>	<u>806,602</u>
-	-	-	-	-	-	59,691
854	-	-	-	-	-	212,635
<u>36,626</u>	<u>119</u>	<u>4,743</u>	<u>3,359</u>	<u>55,495</u>	<u>-</u>	<u>165,850</u>
<u>37,480</u>	<u>119</u>	<u>4,743</u>	<u>3,359</u>	<u>55,495</u>	<u>-</u>	<u>438,176</u>
-	-	-	-	-	-	6,689
-	-	-	-	-	-	5,807
-	-	-	-	-	270,713	270,713
-	-	-	-	-	-	85,217
-	-	-	-	-	270,713	368,426
<u>37,480</u>	<u>119</u>	<u>4,743</u>	<u>3,359</u>	<u>55,495</u>	<u>270,713</u>	<u>806,602</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque School of Excellence
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balances - Total Governmental Funds	\$	368,426
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital Assets	9,416,438	
Accumulated Depreciation	<u>(61,485)</u>	
		9,354,953
Capital lease liabilities are not due and payable in the current period and therefore are not reported in the funds.		
		(9,354,876)
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		
		347,368
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		
		(53,994)
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		
		<u>(2,343,475)</u>
Net Position-Total Governmental Activities	\$	<u>(1,681,598)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	271	-	-	-
State Grant	2,264,905	22,375	-	-
Federal Grant	-	-	51,083	101,551
Charges for Services	10,066	-	10,544	-
Total Revenues	2,275,242	22,375	61,627	101,551
EXPENDITURES				
Current:				
Instruction	1,380,258	45,476	-	101,551
Support Services:				
Students	41,088	-	-	-
Instruction	8,046	-	-	-
General Administration	41,605	-	-	-
School Administration	267,988	-	-	-
Central Services	98,312	-	-	-
Operation & Maintenance of Plant	505,451	-	-	-
Food Services Operations	-	-	55,820	-
Capital Outlay	9,354,876	-	-	-
Total Expenditures	11,697,624	45,476	55,820	101,551
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(9,422,382)</i>	<i>(23,101)</i>	<i>5,807</i>	<i>-</i>
Other Financing Sources				
Proceeds from Capital Lease Obligation	9,354,876	-	-	-
Total Other Financing Sources	9,354,876	-	-	-
Net Changes in Fund Balances	(67,506)	(23,101)	5,807	-
Fund Balances - Beginning of Year	152,723	29,790	-	-
Fund Balances - End of Year	\$ 85,217	6,689	5,807	-

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	GO Bonds Student Library 27107	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	59,394	59,394
-	-	-	-	-	-	271
-	-	-	3,359	221,979	33,231	2,545,849
53,664	60	10,693	-	-	-	217,051
-	-	-	-	-	-	20,610
<u>53,664</u>	<u>60</u>	<u>10,693</u>	<u>3,359</u>	<u>221,979</u>	<u>92,625</u>	<u>2,843,175</u>
11,729	-	5,713	-	-	-	1,544,727
41,935	60	-	-	-	-	83,083
-	-	-	3,359	-	-	11,405
-	-	-	-	-	-	41,605
-	-	650	-	-	-	268,638
-	-	4,330	-	-	-	102,642
-	-	-	-	-	-	505,451
-	-	-	-	-	-	55,820
-	-	-	-	221,979	-	9,576,855
<u>53,664</u>	<u>60</u>	<u>10,693</u>	<u>3,359</u>	<u>221,979</u>	<u>-</u>	<u>12,190,226</u>
-	-	-	-	-	92,625	(9,347,051)
-	-	-	-	-	-	9,354,876
-	-	-	-	-	-	9,354,876
-	-	-	-	-	92,625	7,825
-	-	-	-	-	178,088	360,601
-	-	-	-	-	270,713	368,426

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 7,825**

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlay	9,354,876	
Depreciation Expense	<u>(27,686)</u>	
		9,327,190

Capital assets acquired by capital leases are shown as an expenditure and other financing source in the governmental funds. The other financing sources must be removed from the statement of activities; principal payments are applied to the lease liability (9,354,876)

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability (64,603)

Change in Net Position-Total Governmental Activities **\$ (84,464)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 23,221
Total Assets	<u>\$ 23,221</u>
LIABILITIES	
Deposits Held for Others	\$ 23,221
Total Liabilities	<u>\$ 23,221</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque School of Excellence
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 21,157	42,509	(40,445)	23,221
Total Assets	<u>\$ 21,157</u>	<u>42,509</u>	<u>(40,445)</u>	<u>23,221</u>
LIABILITIES				
Deposits Held for Others	\$ 21,157	42,509	(40,445)	23,221
Total Liabilities	<u>\$ 21,157</u>	<u>42,509</u>	<u>(40,445)</u>	<u>23,221</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	3-20 years
Building	30 years

Capital assets for Albuquerque School of Excellence are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 61,562	-	-	61,562
Building	-	9,354,876	-	9,354,876
<i>Total</i>	<u>61,562</u>	<u>9,354,876</u>	<u>-</u>	<u>9,416,438</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(33,799)	(27,686)	-	(61,485)
<i>Total</i>	<u>(33,799)</u>	<u>(27,686)</u>	<u>-</u>	<u>(61,485)</u>
Capital Assets, Net	<u>\$ 27,763</u>	<u>9,327,190</u>	<u>-</u>	<u>9,354,953</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 1,700
Facilities Materials, Supplies & Other Services	<u>25,986</u>
Total	<u>\$ 27,686</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Albuquerque School of Excellence leased its facilities under a short-term cancelable operating lease that ended in May 2016. Rental expenses paid under the expired lease totaled \$538,956. Effective May 23, 2016, the School entered into a capital lease with the landlord, Charter School Solutions. The lease has a 30 year term which is the estimated life of the building. The following is an analysis of the leased property under capital leases by major class:

<u>Classes of Property</u>	<u>Asset Balance</u>
Building	\$ 9,354,876
Less: Accumulated amortization	<u>(25,986)</u>
	<u>\$ 9,328,890</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Notes to the Financial Statements
June 30, 2016

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

The following is a schedule of future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of June 30, 2016:

	Principal	Interest	Total
2017	\$ 42,021	470,586	512,607
2018	104,232	555,918	660,150
2019	110,692	549,532	660,224
2020	118,172	542,636	660,808
2021	134,853	535,316	670,169
2022-2026	896,872	2,527,972	3,424,844
2027-2031	1,203,653	2,215,893	3,419,546
2032-2036	1,629,263	1,794,722	3,423,985
2037-2041	2,196,726	1,226,576	3,423,302
2042-2046	2,918,392	459,497	3,377,889
Total	<u>\$ 9,354,876</u>	<u>10,878,648</u>	<u>20,233,524</u>

The total outstanding principal balance under this capital lease is reflected on the statement of net position as current and noncurrent portions of long-term debt of \$42,021 and \$9,312,855, respectively.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Albuquerque School of Excellence and does not include general disclosure information pertaining to the New Mexico Educational Employees’ Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Albuquerque School of Excellence are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal years ended June 30, 2016 and 2015, employers contributed 13.90% of employees’ gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Albuquerque School of Excellence were \$161,239 for the year ended June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015 using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date of June 30, 2015. At June 30, 2016, Albuquerque School of Excellence reported a liability of \$2,343,475 for its proportionate share of the net pension liability. Albuquerque School of Excellence’s proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Albuquerque School of Excellence’s proportion was 0.03618%, which was an increase of 0.00047% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Albuquerque School of Excellence recognized pension expense of \$230,267. At June 30, 2016, Albuquerque School of Excellence reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(43,446)
Changes in assumptions	80,605	-
Net difference between projected and actual earnings on pension plan investments	-	(10,548)
Changes in proportion	105,524	-
Fiscal year 2016 employer contributions	<u>161,239</u>	<u>-</u>
Ending balance	<u>\$ 347,368</u>	<u>(53,994)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The amount of \$161,239 reported as deferred outflows of resources related to pensions resulting from Albuquerque School of Excellence contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$	(46,655)
2018		(42,559)
2019		(10,372)
2020		<u>(32,549)</u>
Total	\$	<u>(132,135)</u>

Sensitivity of Albuquerque School of Excellence’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 3,153,302</u>	<u>2,343,475</u>	<u>1,663,136</u>

Payables to the pension plan. At June 30, 2016, Albuquerque School of Excellence owed \$46,377 to ERB for fiscal year 2016 contributions.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,038	2,343	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 984	988	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.11%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2016	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 163	\$ 161	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	143	161	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 20	\$ -	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Deferred	Amortization Years										
2014	\$ 86	5		\$ 12	\$ 12	\$ 16	\$ 46	-				
2015	(132)	5			(47)	(43)	(10)	(32)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (46)			\$ 12	\$ (35)	(27)	36	(32)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	271	271
State Grant	2,470,848	2,264,905	2,264,905	-
Charges for Services	-	-	10,066	10,066
Total Revenues	2,470,848	2,264,905	2,275,242	10,337
EXPENDITURES				
Current:				
Instruction	1,461,535	1,387,460	1,362,630	24,830
Support Services:				
Students	93,116	79,116	26,362	52,754
Instruction	12,200	8,500	6,464	2,036
General Administration	41,200	39,063	31,189	7,874
School Administration	272,381	270,499	266,233	4,266
Central Services	116,410	102,410	98,421	3,989
Operation & Maintenance of Plant	520,239	534,357	497,911	36,446
Food Services Operations	10,000	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	2,527,081	2,421,405	2,289,210	132,195
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	(56,233)	(156,500)	(13,968)	142,532
Other Financing Sources (Uses):				
Designated Cash	56,233	156,500	-	(156,500)
Total Other Financing Sources (Uses):	56,233	156,500	-	(156,500)
Net Changes in Fund Balances	-	-	(13,968)	(13,968)
Cash or Fund Balances - Beginning of Year	-	-	152,723	152,723
Cash or Fund Balances - End of Year	\$ -	-	138,755	138,755
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (13,968)	
Adjustments to Other Financing Sources			9,354,876	
Adjustments to Expenditures			(9,408,414)	
NET CHANGE IN FUND BALANCE			\$ (67,506)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque School of Excellence
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 17,097	22,375	22,375	-
Total Revenues	<u>17,097</u>	<u>22,375</u>	<u>22,375</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	20,462	57,989	27,019	30,970
Total Expenditures	<u>20,462</u>	<u>57,989</u>	<u>27,019</u>	<u>30,970</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(3,365)</u>	<u>(35,614)</u>	<u>(4,644)</u>	<u>30,970</u>
Other Financing Sources (Uses):				
Designated Cash	3,365	35,614	-	(35,614)
Total Other Financing Sources (Uses):	<u>3,365</u>	<u>35,614</u>	<u>-</u>	<u>(35,614)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,644)</u>	<u>(4,644)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>29,790</u>	<u>29,790</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>25,146</u>	<u>25,146</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,644)	
Adjustments to Revenues			-	
Adjustments to Expenditures			(18,457)	
NET CHANGE IN FUND BALANCE			<u>\$ (23,101)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 49,000	49,000	51,082	2,082
Charges for Services	13,000	13,000	10,544	(2,456)
Total Revenues	<u>62,000</u>	<u>62,000</u>	<u>61,626</u>	<u>(374)</u>
EXPENDITURES				
Current:				
Food Services Operations	62,000	62,000	55,819	6,181
Total Expenditures	<u>62,000</u>	<u>62,000</u>	<u>55,819</u>	<u>6,181</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,807	5,807
Net Changes in Fund Balances	-	-	5,807	5,807
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,807</u>	<u>5,807</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,807	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 5,807</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 54,330	103,493	35,761	(67,732)
Total Revenues	<u>54,330</u>	<u>103,493</u>	<u>35,761</u>	<u>(67,732)</u>
EXPENDITURES				
Current:				
Instruction	54,330	103,493	101,551	1,942
Total Expenditures	<u>54,330</u>	<u>103,493</u>	<u>101,551</u>	<u>1,942</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(65,790)</u>	<u>(65,790)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(65,790)</u>	<u>(65,790)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(65,790)</u>	<u>(65,790)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (65,790)	
Adjustments to Revenues			65,790	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque School of Excellence
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 45,994	61,335	30,659	(30,676)
Total Revenues	<u>45,994</u>	<u>61,335</u>	<u>30,659</u>	<u>(30,676)</u>
EXPENDITURES				
Current:				
Instruction	45,994	17,544	11,729	5,815
Support Services:				
Students	-	43,791	41,935	1,856
Total Expenditures	<u>45,994</u>	<u>61,335</u>	<u>53,664</u>	<u>7,671</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(23,005)</u>	<u>(23,005)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(23,005)</u>	<u>(23,005)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(23,005)</u>	<u>(23,005)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (23,005)	
Adjustments to Revenues			23,005	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque School of Excellence
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	60	-	(60)
Total Revenues	<u>-</u>	<u>60</u>	<u>-</u>	<u>(60)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	60	60	-
Total expenditures	<u>-</u>	<u>60</u>	<u>60</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(60)</u>	<u>(60)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(60)</u>	<u>(60)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(60)</u>	<u>(60)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (60)	
Adjustments to Revenues			60	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 10,401	23,301	5,950	(17,351)
Total Revenues	<u>10,401</u>	<u>23,301</u>	<u>5,950</u>	<u>(17,351)</u>
EXPENDITURES				
Current:				
Instruction	7,901	12,901	5,713	7,188
Support Services:				
School Administration	2,500	2,500	650	1,850
Central Services	-	7,900	4,330	3,570
Total expenditures	<u>10,401</u>	<u>23,301</u>	<u>10,693</u>	<u>12,608</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(4,743)	(4,743)
Net changes in Fund Balances	-	-	(4,743)	(4,743)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,743)</u>	<u>(4,743)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,743)	
Adjustments to Revenues			4,743	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque School of Excellence
 Schedule of Budgetary Comparisons - Budgetary Basis
 GO Bonds Student Library 27107
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 7,192	7,192	-	(7,192)
Total Revenues	<u>7,192</u>	<u>7,192</u>	<u>-</u>	<u>(7,192)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	7,192	7,192	4,490	2,702
Total Expenditures	<u>7,192</u>	<u>7,192</u>	<u>4,490</u>	<u>2,702</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(4,490)	(4,490)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,490)</u>	<u>(4,490)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,490)</u>	<u>(4,490)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,490)	
Adjustments to Revenues			3,359	
Adjustments to Expenditures			<u>1,131</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque School of Excellence
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	221,979	218,836	(3,143)
Total Revenues	<u>-</u>	<u>221,979</u>	<u>218,836</u>	<u>(3,143)</u>
EXPENDITURES				
Capital Outlay	-	221,979	221,979	-
Total Expenditures	<u>-</u>	<u>221,979</u>	<u>221,979</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,143)	(3,143)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,143)</u>	<u>(3,143)</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,143)</u>	<u>(3,143)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,143)	
Adjustments to Revenues			3,143	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 92,999	92,999	59,234	(33,765)
State Grant	21,126	28,624	33,231	4,607
Total Revenues	<u>114,125</u>	<u>121,623</u>	<u>92,465</u>	<u>(29,158)</u>
EXPENDITURES				
Capital Outlay	296,403	298,343	-	298,343
Total Expenditures	<u>296,403</u>	<u>298,343</u>	<u>-</u>	<u>298,343</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(182,278)</u>	<u>(176,720)</u>	<u>92,465</u>	<u>269,185</u>
Other Financing Sources (Uses):				
Designated Cash	176,720	176,720	-	(176,720)
Total Other Financing Sources (Uses):	<u>176,720</u>	<u>176,720</u>	<u>-</u>	<u>(176,720)</u>
Net Changes in Fund Balances	<u>(5,558)</u>	<u>-</u>	<u>92,465</u>	<u>92,465</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>178,088</u>	<u>178,088</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ (5,558)</u>	<u>-</u>	<u>270,553</u>	<u>270,553</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 92,465	
Adjustments to Revenues			160	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 92,625</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
BNY Mellon	FNMA FNMS 3%	3138A4AS4	1/1/2026	\$ 192,581
				<u>\$ 192,581</u>
Total Cash in Bank per Schedule of Cash Accounts:				\$ 519,576
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				269,576
Collateral Requirement:				134,788
Pledged Collateral Held by Pledging Financial Institution:				<u>192,581</u>
Balance Over Collateralized:				<u>\$ 57,793</u>
Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ 76,995</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque School of Excellence
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 519,576
<i>Total on Deposit</i>	519,576
Reconciling Items	(28,320)
Reconciled Balance June 30, 2016	491,256
Less Agency Funds	(23,221)
<i>Total Cash</i>	\$ 468,035

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 250,733	35,614	-	21,157
Add:				
2015-16 revenues	<u>2,275,242</u>	<u>22,375</u>	<u>61,626</u>	<u>42,509</u>
Total Cash Available	2,525,975	57,989	61,626	63,666
Less:				
2015-16 expenditures	(2,289,210)	(27,019)	(55,819)	(40,445)
Receivables/Payables	25,408	-	-	-
Outstanding Loans	<u>(100,100)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>162,073</u>	<u>30,970</u>	<u>5,807</u>	<u>23,221</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>162,073</u>	<u>30,970</u>	<u>5,807</u>	<u>23,221</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(76,856)</u>	<u>(24,281)</u>	<u>-</u>	<u>(23,221)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 85,217</u>	<u>6,689</u>	<u>5,807</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	State Account 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	176,720	484,224
<u>72,370</u>	<u>-</u>	<u>218,836</u>	<u>92,465</u>	<u>2,785,423</u>
72,370	-	218,836	269,185	3,269,647
(165,968)	(4,490)	(221,979)	-	(2,804,930)
-	1,131	-	-	26,539
<u>93,598</u>	<u>3,359</u>	<u>3,143</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>269,185</u>	<u>491,256</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>269,185</u>	<u>491,256</u>
			Less - Agency Fund:	<u>(23,221)</u>
				<u>\$ 468,035</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,528</u>	<u>(122,830)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>270,713</u>	<u>368,426</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 674,833
Receivables	
Due from Government	327,586
Other	389
Investments	66,390
Total Current Assets	<u>1,069,198</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	15,755
Less: Accumulated Depreciation	<u>(14,797)</u>
Total Noncurrent Assets	<u>958</u>

Total Assets 1,070,156

Deferred Outflows - Pension Related 909,792

LIABILITIES

Current Liabilities:

Accounts Payable	10,380
Accrued Expenses	66,615
Due to Government	<u>15,676</u>
Total Current Liabilities	<u>92,671</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,875,259</u>
Total Noncurrent Liabilities	<u>2,875,259</u>

Total Liabilities 2,967,930

Deferred Inflows - Pension Related 66,247

NET POSITION

Investment in Capital Assets	958
Restricted	420,148
Unrestricted (Deficit)	<u>(1,475,335)</u>
Total Net Position	<u>\$ (1,054,229)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,164,522	-	492,182	-	(672,340)
Support Services:					
Students	570,143	-	-	-	(570,143)
Instruction	22,176	-	-	-	(22,176)
General Administration	57,873	-	-	-	(57,873)
School Administration	492,040	-	-	-	(492,040)
Central Services	175,598	-	-	-	(175,598)
Operation & Maintenance of Plant	49,728	-	-	-	(49,728)
Other Support Services	8,296	-	-	-	(8,296)
Student Transportation	226,491	-	207,220	-	(19,271)
Food Services	42,833	-	39,724	-	(3,109)
Facilities Materials, Supplies & Other Services	64,359	-	-	145,371	81,012
Total Governmental Activities	\$ 2,874,059	-	739,126	145,371	(1,989,562)
General Revenues:					
Property Taxes					\$ 29,594
State Equalization Guarantee					1,913,745
Miscellaneous					48,324
Total General Revenues					<u>1,991,663</u>
Change in Net Position					2,101
Net Position (Deficit), Beginning					<u>(1,056,330)</u>
Net Position (Deficit), Ending					<u>\$ (1,054,229)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 297,950	32,352	10,907	3,079
Accounts Receivable				
Due from Government	-	-	-	605
Due from Other Funds	309,568	-	-	-
Other	149	-	-	240
Investments	-	-	-	-
Total Assets	\$ 607,667	32,352	10,907	3,924
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 354	372	-	-
Accrued Expenditures	50,934	628	-	-
Due to Government	-	15,676	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	51,288	16,676	-	-
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	10,907	-
Food Service Operations	-	-	-	3,924
Student Transportation	-	15,676	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	556,379	-	-	-
Total Fund Balance	556,379	15,676	10,907	3,924
Total Liabilities and Fund Balances	\$ 607,667	32,352	10,907	3,924

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	Title 1 1003G 24124	Teacher Principal Training 24154	Title XIX Medicaid 25153	United Way 26218
-	-	-	-	44,257	24,000
6,812	4,662	287,059	-	-	243
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,812	4,662	287,059	-	44,257	24,243
-	-	500	-	-	-
611	-	9,454	-	3,288	784
-	-	-	-	-	-
6,201	4,662	277,105	-	-	-
6,812	4,662	287,059	-	3,288	784
-	-	-	-	40,969	23,459
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	40,969	23,459
6,812	4,662	287,059	-	44,257	24,243

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Library GO Bonds 27107	Reads to Lead 27114	Private Direct Grant 29102	McCune Foundation 29114
ASSETS				
Cash and Cash Equivalents	-	-	191,975	27,604
Accounts Receivable				
Due from Government	2,574	9,430	-	-
Due from Other Funds	-	-	-	-
Other	-	-	-	-
Investments	-	-	66,390	-
Total Assets	2,574	9,430	258,365	27,604
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	-	-	-	3,898
Accrued Expenditures	-	916	-	-
Due to Government	-	-	-	-
Due to Other Funds	2,574	8,514	-	-
Total Liabilities	2,574	9,430	-	3,898
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	191,975	23,706
Food Service Operations	-	-	-	-
Student Transportation	-	-	-	-
Capital Improvements	-	-	66,390	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Total Fund Balance	-	-	258,365	23,706
Total Liabilities and Fund Balances	2,574	9,430	258,365	27,604

The accompanying notes are an integral part of these financial statements

Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	42,709	674,833
15,768	433	327,586
-	-	309,568
-	-	389
-	-	66,390
15,768	43,142	1,378,766
5,256	-	10,380
-	-	66,615
-	-	15,676
10,512	-	309,568
15,768	-	402,239
-	43,142	334,158
-	-	3,924
-	-	15,676
-	-	66,390
-	-	556,379
-	43,142	976,527
15,768	43,142	1,378,766

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Sign Language Academy
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balances - Total Governmental Funds **\$ 976,527**

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

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

Capital Assets	15,755	
Accumulated Depreciation	<u>(14,797)</u>	
		958

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		909,792
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(2,875,259)</u>
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Net Position (Deficit) - Total Governmental Activities **\$ (1,054,229)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	1,913,745	207,220	6,934	-
Federal Grant	-	-	-	39,724
Contributions	-	-	-	-
Miscellaneous Income	14,181	-	-	3,892
Total Revenues	1,927,926	207,220	6,934	43,616
EXPENDITURES				
Current:				
Instruction	770,018	-	5,489	-
Support Services:				
Students	389,830	-	-	-
Instruction	-	-	-	-
General Administration	26,198	-	-	-
School Administration	359,220	-	-	-
Central Services	141,080	-	-	-
Operation & Maintenance of Plant	48,407	-	-	-
Student Transportation	-	224,848	-	-
Other Support Services Operations	8,296	-	-	-
Food Services Operations	1,850	-	-	40,983
Capital Outlay	-	-	-	-
Total Expenditures	1,744,899	224,848	5,489	40,983
Net Changes in Fund Balances	183,027	(17,628)	1,445	2,633
Fund Balances - Beginning of Year	373,352	33,304	9,462	1,291
Fund Balances - End of Year	\$ 556,379	15,676	10,907	3,924

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	Title 1 1003G 24124	Teacher Principal Training 24154	Title XIX Medicaid 25153	United Way 26218
-	-	-	-	\$ -	-
-	-	-	-	-	25,282
13,409	24,895	335,055	2,150	37,457	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>13,409</u>	<u>24,895</u>	<u>335,055</u>	<u>2,150</u>	<u>37,457</u>	<u>25,282</u>
12,313	-	211,443	2,150	-	9,772
1,096	24,895	33,867	-	55,757	11,359
-	-	19,602	-	-	-
-	-	-	-	-	-
-	-	70,143	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>13,409</u>	<u>24,895</u>	<u>335,055</u>	<u>2,150</u>	<u>55,757</u>	<u>21,131</u>
-	-	-	-	(18,300)	4,151
-	-	-	-	59,269	19,308
-	-	-	-	\$ 40,969	23,459

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016

	Library GO Bonds 27107	Reads to Lead 27114	Private Direct Grant 29102	McCune Foundation 29114
REVENUES				
Property Taxes	2,574	-	-	-
State Grant	-	22,000	-	-
Federal Grant	-	-	-	-
Contributions	-	-	98,067	25,000
Miscellaneous Income	-	-	14,483	-
Total Revenues	2,574	22,000	112,550	25,000
EXPENDITURES				
Current:				
Instruction	-	22,000	424	5,066
Support Services:				
Students	-	-	-	-
Instruction	2,574	-	-	-
General Administration	-	-	31,675	-
School Administration	-	-	1,507	20,136
Central Services	-	-	14,181	8,123
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	2,574	22,000	47,787	33,325
Net Changes in Fund Balances	-	-	64,763	(8,325)
Fund Balances - Beginning of Year	-	-	193,602	32,031
Fund Balances - End of Year	-	-	258,365	23,706

The accompanying notes are an integral part of these financial statements

Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	27,020	29,594
47,304	-	2,222,485
-	-	452,690
-	-	123,067
15,768	-	48,324
<u>63,072</u>	<u>27,020</u>	<u>2,876,160</u>
-	-	1,038,675
-	-	516,804
-	-	22,176
-	-	57,873
-	-	451,006
-	-	163,384
-	-	48,407
-	-	224,848
-	-	8,296
-	-	42,833
63,072	1,287	64,359
<u>63,072</u>	<u>1,287</u>	<u>2,638,661</u>
-	25,733	237,499
-	17,409	739,028
-	43,142	976,527

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds	\$ 237,499
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expense in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period</p>	
Depreciation Expense	(1,397)
Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability	<u>(234,001)</u>
Change in Net Position-Total Governmental Activities	<u><u>\$ 2,101</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Sign Language Academy
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 15,593
Total Assets	<u>\$ 15,593</u>
 LIABILITIES	
Deposits Held for Others	\$ 15,593
Total Liabilities	<u>\$ 15,593</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Sign Language Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 9,356	16,133	(9,896)	15,593
Total Assets	<u>\$ 9,356</u>	<u>16,133</u>	<u>(9,896)</u>	<u>15,593</u>
LIABILITIES				
Deposits Held for Others	\$ 9,356	16,133	(9,896)	15,593
Total Liabilities	<u>\$ 9,356</u>	<u>16,133</u>	<u>(9,896)</u>	<u>15,593</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	3-15 years
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Capital assets for Albuquerque Sign Language Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	15,755	-	-	15,755
<i>Total</i>	<u>15,755</u>	<u>-</u>	<u>-</u>	<u>15,755</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(13,400)	(1,397)	-	(14,797)
<i>Total</i>	<u>(13,400)</u>	<u>(1,397)</u>	<u>-</u>	<u>(14,797)</u>
Capital Assets, Net	<u>\$ 2,355</u>	<u>(1,397)</u>	<u>-</u>	<u>958</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 351
School Administration	1046
Total	<u>\$ 1,397</u>

NOTE 3. INVESTMENTS

During 2015, the School received as a contribution an investment portfolio of common stock valued at \$49,722. As of June 30, 2016 the value of the common stock was \$66,390 and was restricted by the donor for capital improvements.

Custodial Credit Risk: The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the School will not be able to recover the value of its investments in the possession of another party. All of the School's investments are registered or held by the School's agent in the School's name.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. None of the School's investments in common stock are subject to interest rate risk at June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Notes to the Financial Statements
June 30, 2016

NOTE 3. INVESTMENTS (CONTINUED)

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. However, none of the School’s investments in common stock at June 30, 2016 are rated and the School does not have a policy limiting credit risk.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of an entity’s investment in a single issuer. The School places no limit on the amount that these investments may be invested in any one issuer. The School had the following investments in common stock at June 30, 2016:

Clorox	\$	11,046
Dr. Pepper		19,325
Hasbro		11,759
Johnson & Johnson		24,260
Total	\$	<u>66,390</u>

NOTE 4. COMMITMENTS AND LIABILITIES

Albuquerque Sign Language Academy leases facilities under a short-term cancelable operating lease. Lease expense for the year ended June 30, 2016 was \$63,072. Albuquerque Sign Language Academy’s minimum future payments on this lease are as follows:

Year Ending June 30:		
2017	\$	<u>73,625</u>
Total	\$	<u>73,625</u>

NOTE 5. RELATED PARTY TRANSACTIONS

The School Administrator’s spouse is employed by a company that provides information technology services to the School. Total payments to this company were \$47,587. Additionally, the spouse of the School’s Executive Director provided professional services related to grant applications and renewing the School’s charter. Total payments to this individual were \$9,811.

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Albuquerque Sign Language Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Albuquerque Sign Language Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2016, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from Albuquerque Sign Language Academy were \$205,485 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2016, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2015. At June 30, 2016, Albuquerque Sign Language Academy reported a liability of \$2,875,259 for its proportionate share of the net pension liability. Albuquerque Sign Language Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Albuquerque Sign Language Academy's proportion was 0.04439%, which was an increase of 0.0109% from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Notes to the Financial Statements
June 30, 2016

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Albuquerque Sign Language Academy recognized pension expense of \$234,001. At June 30, 2016, Albuquerque Sign Language Academy reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(53,305)
Changes in assumptions	98,895	-
Net difference between projected and actual earnings on pension plan investments	-	(12,942)
Changes in proportion	605,412	-
Fiscal year 2016 employer contributions	205,485	-
Ending balance	<u>\$ 909,792</u>	<u>(66,247)</u>

The amount of \$205,485 reported as deferred outflows of resources related to pensions resulting from Albuquerque Sign Language Academy's contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (218,408)
2018	(214,001)
2019	(165,740)
2020	(39,911)
Total	<u>\$ (638,060)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Notes to the Financial Statements
June 30, 2016

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Albuquerque Sign Language Academy’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Albuquerque Sign Language Academy’s proportionate share of the net pension liability	<u>\$ 3,868,852</u>	<u>2,875,259</u>	<u>2,040,536</u>

Payables to the pension plan. At June 30, 2016, Albuquerque Sign Language Academy owed \$0 to ERB for fiscal year 2016 contributions.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SIGN LANGUAGE ACADEMY
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,910	2,875	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 923	1,212	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.97%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SIGN LANGUAGE ACADEMY
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 200	175	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	175	175	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 25	-	-	-	-	-	-	-	-	-

			Increase (Decrease) in Pension Expense over Recognition Periods									
Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (57)	5		\$ (3)	(3)	(8)	(43)	-				
2015	(638)	5			(218)	(214)	(166)	(40)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (695)			\$ (3)	\$ (221)	(222)	(209)	(40)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 1,797,016	1,913,749	1,913,745	(4)
Miscellaneous	-	-	14,653	14,653
Total Revenues	1,797,016	1,913,749	1,928,398	14,649
EXPENDITURES				
Current:				
Instruction	996,196	1,052,758	770,215	282,543
Support Services:				
Students	342,385	398,715	385,666	13,049
Instruction	11,500	11,500	4,164	7,336
General Administration	30,750	45,750	29,345	16,405
School Administration	354,602	441,447	359,202	82,245
Central Services	158,284	191,453	141,080	50,373
Operation & Maintenance of Plant	109,814	125,383	48,139	77,244
Other Support Services Operations	21,300	21,300	8,296	13,004
Food Services Operations	-	2,085	1,850	235
Total Expenditures	2,024,831	2,290,391	1,747,957	542,434
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(227,815)</i>	<i>(376,642)</i>	<i>180,441</i>	<i>557,083</i>
Other Financing Sources (Uses):				
Designated Cash	227,815	376,642	-	(376,642)
Total Other Financing Sources (Uses):	227,815	376,642	-	(376,642)
Net Change in Fund Balance	-	-	180,441	180,441
Cash or Fund Balance - Beginning of Year	-	-	373,352	373,352
Cash or Fund Balance - End of Year	\$ -	-	553,793	553,793
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 180,441	
Adjustments to Revenues			(472)	
Adjustments to Expenditures			3,058	
NET CHANGE IN FUND BALANCE			\$ 183,027	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 231,454	230,525	230,705	180
Total Revenues	<u>231,454</u>	<u>230,525</u>	<u>230,705</u>	<u>180</u>
EXPENDITURES				
Current:				
Student Transportation	231,454	230,525	224,476	6,049
Total Expenditures	<u>231,454</u>	<u>230,525</u>	<u>224,476</u>	<u>6,049</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	6,229	6,229
Net Change in Fund Balance	-	-	6,229	6,229
Cash or Fund Balance - Beginning of Year	-	-	33,304	33,304
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>39,533</u>	<u>39,533</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,229	
Adjustments to Revenues			(23,485)	
Adjustments to Expenditures			(372)	
NET CHANGE IN FUND BALANCE			<u>\$ (17,628)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 5,200	5,200	2,592	(2,608)
Total Revenues	5,200	5,200	2,592	(2,608)
EXPENDITURES				
Current:				
Instruction	10,320	14,662	1,147	13,515
Total Expenditures	10,320	14,662	1,147	13,515
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(5,120)</i>	<i>(9,462)</i>	<i>1,445</i>	<i>10,907</i>
Other Financing Sources (Uses):				
Designated Cash	5,120	9,462	-	(9,462)
Total Other Financing Sources (Uses):	5,120	9,462	-	(9,462)
Net Change in Fund Balance	-	-	1,445	1,445
Cash or Fund Balance - Beginning of Year	-	-	9,462	9,462
Cash or Fund Balance - End of Year	\$ -	-	10,907	10,907
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,445	
Adjustments to Revenues			4,342	
Adjustments to Expenditures			(4,342)	
NET CHANGE IN FUND BALANCE			\$ 1,445	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 40,000	41,020	39,119	(1,901)
Charges for Services	-	-	3,923	3,923
Total Revenues	40,000	41,020	43,042	2,022
EXPENDITURES				
Current:				
Food Services Operations	40,000	41,020	40,983	37
Total Expenditures	40,000	41,020	40,983	37
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	2,059	2,059
Net Change in Fund Balance	-	-	2,059	2,059
Cash or Fund Balance - Beginning of Year	-	-	1,291	1,291
Cash or Fund Balance - End of Year	\$ -	-	3,350	3,350
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,059	
Adjustments to Revenues			574	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 2,633	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 17,965	29,140	6,597	(22,543)
Total Revenues	<u>17,965</u>	<u>29,140</u>	<u>6,597</u>	<u>(22,543)</u>
EXPENDITURES				
Current:				
Instruction	17,465	23,640	12,313	11,327
Support Services:				
Students	500	5,500	1,096	4,404
Total Expenditures	<u>17,965</u>	<u>29,140</u>	<u>13,409</u>	<u>15,731</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,812)</u>	<u>(6,812)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(6,812)</u>	<u>(6,812)</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>(6,812)</u>	<u>(6,812)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,812)	
Adjustments to Revenues			6,812	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Sign Language Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 23,699	29,800	20,232	(9,568)
Total Revenues	<u>23,699</u>	<u>29,800</u>	<u>20,232</u>	<u>(9,568)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	23,699	29,800	24,895	4,905
Total Expenditures	<u>23,699</u>	<u>29,800</u>	<u>24,895</u>	<u>4,905</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(4,663)	(4,663)
Net Change in Fund Balance	-	-	(4,663)	(4,663)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,663)</u>	<u>(4,663)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,663)	
Adjustments to Revenues			4,663	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I 1003G 24124
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 288,370	353,198	47,997	(305,201)
Total Revenues	<u>288,370</u>	<u>353,198</u>	<u>47,997</u>	<u>(305,201)</u>
EXPENDITURES				
Current:				
Instruction	222,745	222,745	211,944	10,801
Support Services:				
Instruction	31,443	35,509	33,867	1,642
School Administration	-	9,341	3,955	5,386
Central Services	18,000	66,001	65,687	314
Other Support Services Operations	16,182	19,602	19,602	-
Total Expenditures	<u>288,370</u>	<u>353,198</u>	<u>335,055</u>	<u>18,143</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(287,058)	(287,058)
Net Change in Fund Balance	-	-	(287,058)	(287,058)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>(287,058)</u>	<u>(287,058)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (287,058)	
Adjustments to Revenues			287,058	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Sign Language Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 3,693	7,470	2,150	(5,320)
Total Revenues	<u>3,693</u>	<u>7,470</u>	<u>2,150</u>	<u>(5,320)</u>
EXPENDITURES				
Current:				
Instruction	3,693	7,470	2,150	5,320
Total expenditures	<u>3,693</u>	<u>7,470</u>	<u>2,150</u>	<u>5,320</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net change in Fund Balance	-	-	-	-
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25153
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 71,838	71,838	37,457	(34,381)
Total Revenues	<u>71,838</u>	<u>71,838</u>	<u>37,457</u>	<u>(34,381)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	93,676	131,107	55,757	75,350
Total Expenditures	<u>93,676</u>	<u>131,107</u>	<u>55,757</u>	<u>75,350</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(21,838)</u>	<u>(59,269)</u>	<u>(18,300)</u>	<u>40,969</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Designated Cash	21,838	59,269	-	(59,269)
Total other financing sources (uses):	<u>21,838</u>	<u>59,269</u>	<u>-</u>	<u>(59,269)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(18,300)</u>	<u>(18,300)</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>59,269</u>	<u>59,269</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>40,969</u>	<u>40,969</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (18,300)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (18,300)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
United Way 26218
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Contributions	\$ -	24,000	25,039	1,039
Total Revenues	-	24,000	25,039	1,039
EXPENDITURES				
Current:				
Instruction	-	19,762	9,772	9,990
Support Services:				
Students	11,296	23,546	11,359	12,187
Total Expenditures	11,296	43,308	21,131	22,177
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(11,296)	(19,308)	3,908	23,216
Other financing sources (uses):				
Designated Cash	11,296	19,308	-	(19,308)
Total other financing sources (uses):	11,296	19,308	-	(19,308)
Net Change in Fund Balance	-	-	3,908	3,908
Cash or Fund Balance - Beginning of Year	-	-	19,308	19,308
Cash or Fund Balance - End of Year	\$ -	-	23,216	23,216
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,908	
Adjustments to Revenues			243	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 4,151	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Sign Language Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 GO Bonds Student Library 27107
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,252	4,210	-	(4,210)
Total Revenues	<u>3,252</u>	<u>4,210</u>	<u>-</u>	<u>(4,210)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,252	4,210	2,574	1,636
Total Expenditures	<u>3,252</u>	<u>4,210</u>	<u>2,574</u>	<u>1,636</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,574)	(2,574)
Net Change in Fund Balance	-	-	(2,574)	(2,574)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,574)</u>	<u>(2,574)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,574)	
Adjustments to Revenues			2,574	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Reads to Lead 27114
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 22,000	22,000	12,570	(9,430)
Total Revenues	22,000	22,000	12,570	(9,430)
EXPENDITURES				
Current:				
Instruction	22,000	22,000	22,000	-
Total Expenditures	22,000	22,000	22,000	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(9,430)	(9,430)
Net Change in Fund Balance	-	-	(9,430)	(9,430)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	(9,430)	(9,430)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,430)	
Adjustments to Revenues			9,430	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Contributions	\$ 25,000	25,000	98,067	73,067
Miscellaneous Income	-	-	11,377	11,377
Total Revenues	25,000	25,000	109,444	84,444
EXPENDITURES				
Current:				
Instruction	10,000	10,000	424	9,576
Support Services:				
General Administration	10,000	36,676	31,675	5,001
School Administration	143,571	157,745	1,507	156,238
Central Services	-	14,181	14,181	-
Total Expenditures	163,571	218,602	47,787	170,815
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(138,571)	(193,602)	61,657	255,259
Other financing sources (uses):				
Designated Cash	138,571	193,602	-	(193,602)
Total other financing sources (uses):	138,571	193,602	-	(193,602)
Net Change in Fund Balance	-	-	61,657	61,657
Cash or Fund Balance - Beginning of Year	-	-	193,602	193,602
Cash or Fund Balance - End of Year	\$ -	-	255,259	255,259
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 61,657	
Adjustments to Revenues			3,106	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 64,763	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
McCune Foundation 29114
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Contributions	\$ 20,000	20,000	25,000	5,000
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>25,000</u>	<u>5,000</u>
EXPENDITURES				
Current:				
Instruction	4,000	4,000	3,936	64
Support Services:				
School Administration	16,000	37,371	20,136	17,235
Central Services	-	10,720	5,416	5,304
Total Expenditures	<u>20,000</u>	<u>52,091</u>	<u>29,488</u>	<u>22,603</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(32,091)</u>	<u>(4,488)</u>	<u>27,603</u>
Other financing sources (uses):				
Designated Cash	-	32,091	-	(32,091)
Total other financing sources (uses):	<u>-</u>	<u>32,091</u>	<u>-</u>	<u>(32,091)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(4,488)</u>	<u>(4,488)</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>32,031</u>	<u>32,031</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>27,543</u>	<u>27,543</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,488)	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(3,837)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (8,325)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	63,072	47,304	(15,768)
Total Revenues	-	63,072	47,304	(15,768)
EXPENDITURES				
Capital Outlay	-	63,072	57,816	5,256
Total Expenditures	-	63,072	57,816	5,256
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(10,512)	(10,512)
Net Change in Fund Balance	-	-	(10,512)	(10,512)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	(10,512)	(10,512)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (10,512)	
Adjustments to Revenues			15,768	
Adjustments to Expenditures			(5,256)	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Sign Language Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 30,378	30,378	26,989	(3,389)
Total Revenues	30,378	30,378	26,989	(3,389)
EXPENDITURES				
Capital Outlay	30,378	47,385	1,287	46,098
Total Expenditures	30,378	47,385	1,287	46,098
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(17,007)	25,702	42,709
Net Change in Fund Balance	-	(17,007)	25,702	42,709
Cash or Fund Balance - Beginning of Year	-	-	17,409	-
Cash or Fund Balance - End of Year	\$ -	(17,007)	43,111	42,709
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 25,702	
Adjustments to Revenues			31	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 25,733	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
SunTrust Bank, Atlanta	NEOSHO County Kans. Sch Dist. BDS	640575GM2	9/1/2029	\$ 176,498
SunTrust Bank, Atlanta	GNMA Pass-thru	36184BD79	2/20/2045	172,266
				<u>\$ 348,764</u>

Total Cash per Schedule of Cash Accounts:	\$ 751,458
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	501,458
Collateral Requirement:	250,729
Pledged Collateral Held by Pledging Financial Institution:	<u>348,764</u>
Balance Over Collateralized:	<u>\$ 98,035</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ 152,694</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Sign Language Academy
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>US Bank</u>
Checking - Operational Account	<u>\$ 751,458</u>
Total on Deposit	751,458
Reconciling Items	<u>(61,032)</u>
Reconciled Balance June 30, 2016	<u>690,426</u>
Less Agency Funds	<u>(15,593)</u>
Total Cash	<u><u>\$ 674,833</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Cash Reconciliation
June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2015	\$ 236,869	51,924	9,462	1,020
Add:				
2015-16 revenues	1,928,398	230,705	2,592	43,042
Total Cash Available	2,165,267	282,629	12,054	44,062
Less:				
2015-16 expenditures	(1,747,957)	(224,476)	(1,147)	(40,983)
Receivables/Payables	(40,428)	(25,801)	-	-
Outstanding Loans	(78,932)	-	-	-
Cash June 30, 2016	297,950	32,352	10,907	3,079
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	297,950	32,352	10,907	3,079
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	258,429	(16,676)	-	845
Fund Balance, Modified Accrual Basis	\$ 556,379	15,676	10,907	3,924

The accompanying notes are an integral part of these financial statements

Non-Instruct. Fund 23000	Federal Projects Account 24000	Federal Direct Account 25000	Local Account 26000	State Account 27000	Local or State Account 29000
9,356	-	59,269	20,016	-	173,786
<u>16,133</u>	<u>76,976</u>	<u>37,457</u>	<u>25,039</u>	<u>12,570</u>	<u>134,444</u>
25,489	76,976	96,726	45,055	12,570	308,230
(9,896)	(375,508)	(55,757)	(21,131)	(24,574)	(77,275)
-	208,838	3,288	76	8,626	(11,376)
-	89,694	-	-	3,378	-
<u>15,593</u>	<u>-</u>	<u>44,257</u>	<u>24,000</u>	<u>-</u>	<u>219,579</u>
-	-	-	-	-	-
<u>15,593</u>	<u>-</u>	<u>44,257</u>	<u>24,000</u>	<u>-</u>	<u>219,579</u>
<u>(15,593)</u>	<u>-</u>	<u>(3,288)</u>	<u>(541)</u>	<u>-</u>	<u>62,492</u>
<u>-</u>	<u>-</u>	<u>40,969</u>	<u>23,459</u>	<u>-</u>	<u>282,071</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Cash Reconciliation (continued)
June 30, 2016

	Public School Capital Outlay <u>31200</u>	SB-9 Capital Improvements <u>31700</u>	<u>Total</u>
Cash, June 30, 2015	\$ -	17,007	578,709
Add:			
2015-16 revenues	<u>47,304</u>	<u>26,989</u>	<u>2,581,649</u>
Total Cash Available	47,304	43,996	3,160,358
Less:			
2015-16 expenditures	(57,816)	(1,287)	(2,637,807)
Receivables/Payables	24,652	-	167,875
Outstanding Loans	<u>(14,140)</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>-</u>	<u>42,709</u>	<u>690,426</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>-</u>	<u>42,709</u>	<u>690,426</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:			<u>(15,593)</u>
			<u>\$ 674,833</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>-</u>	<u>433</u>	<u>286,101</u>
Fund Balance, Modified Accrual Basis	<u>\$ -</u>	<u>43,142</u>	<u>976,527</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 779,464
Receivables	
Due from Other Governments	97,991
Total Current Assets	<u>877,455</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	5,836
Building and Improvements	43,341
Vehicles	98,390
Less: Accumulated Depreciation	(82,700)
Total Noncurrent Assets	<u>64,867</u>

Total Assets	<u>942,322</u>
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Deferred Outflow - Pension Related	<u>581,705</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accrued Liabilities	201,465
Compensated Absences	11,068
Total Current Liabilities	<u>212,533</u>

Noncurrent Liabilities:

Net Pension Liability	2,341,532
Total Noncurrent Liabilities	<u>2,341,532</u>
Total Liabilities	<u>2,554,065</u>

Deferred Inflows - Pension Related	<u>53,950</u>
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NET POSITION

Net Investment in Capital Assets	64,867
Restricted	165,697
Unrestricted (Deficit)	(1,314,552)
Total Net Position	<u>\$ (1,083,988)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Statement Of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 999,095	21,950	59,591	-	(917,554)
Support Services:					
Students	321,565	-	124,043	-	(197,522)
General Administration	73,247	-	-	-	(73,247)
School Administration	340,306	-	-	-	(340,306)
Central Services	93,174	-	-	-	(93,174)
Operation & Maintenance of Plant	82,163	-	-	-	(82,163)
Community Services Operations	48,008	-	-	-	(48,008)
Facilities Materials, Supplies & Other Services	98,287	-	-	46,435	(51,852)
Total Governmental Activities	<u>\$ 2,055,845</u>	<u>21,950</u>	<u>183,634</u>	<u>46,435</u>	<u>(1,803,826)</u>
General Revenues:					
Property taxes					\$ 62,476
State Equalization Guarantee					1,545,622
Miscellaneous					82,221
Total General Revenues					<u>1,690,319</u>
Change in Net Position					(113,507)
Net Position - Beginning					<u>(970,481)</u>
Net Position, Ending					<u>\$ (1,083,988)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 613,809	17,907	-	-
Accounts Receivable				
Due from Government	-	-	9,279	-
Due from Other Funds	95,733	-	-	-
Total Assets	\$ 709,542	17,907	9,279	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accrued Expenditures	199,249	-	-	-
Due to Other Funds	-	-	9,279	-
Total Liabilities	199,249	-	9,279	-
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	17,907	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	510,293	-	-	-
Total Fund Balance	510,293	17,907	-	-
Total Liabilities and Fund Balances	\$ 709,542	17,907	9,279	-

The accompanying notes are an integral part of these financial statements

Teacher Principal Training 24154	Dual Credit Instructional Materials 27103	Youth Conservation Corp 28133	Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
-	-	-	23,634	-	124,114	779,464
12,137	425	58,295	-	16,599	1,256	97,991
-	-	-	-	-	-	95,733
12,137	425	58,295	23,634	16,599	125,370	973,188
-	-	1,002	1,214	-	-	201,465
12,137	425	57,293	-	16,599	-	95,733
12,137	425	58,295	1,214	16,599	-	297,198
-	-	-	22,420	-	-	40,327
-	-	-	-	-	125,370	125,370
-	-	-	-	-	-	510,293
-	-	-	22,420	-	125,370	675,990
12,137	425	58,295	23,634	16,599	125,370	973,188

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Aldo Leopold Charter School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balances - Total Governmental Funds **\$ 675,990**

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

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

Capital Assets	147,567	
Accumulated Depreciation	(82,700)	
	64,867	64,867

Defined benefit pension plan deferred outflows are not financial resources and, therefore are not reported in the funds. 581,705

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability	(2,341,532)	
Compensated Absences	(11,068)	
	(2,352,600)	(2,352,600)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds (53,950)

Net Position - Total Governmental Activities **\$ (1,083,988)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Statement Of Revenues, Expenditures, And Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	19,915	-	-	-
State Grant	1,545,622	9,651	-	-
Federal Grant	-	-	9,279	28,524
Charges for Services	21,950	-	-	-
Total Revenues	1,587,487	9,651	9,279	28,524
EXPENDITURES				
Current:				
Instruction	844,098	3,202	9,279	12,000
Support Services:				
Students	177,183	-	-	16,524
General Administration	62,728	-	-	-
School Administration	295,264	-	-	-
Central Services	78,479	-	-	-
Operation & Maintenance of Plant	80,535	-	-	-
Community Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	1,538,287	3,202	9,279	28,524
Net Changes in Fund Balances	49,200	6,449	-	-
Fund Balances (Deficit) - Beginning of Year	461,093	11,458	-	-
Fund Balances (Deficit) - End of Year	\$ 510,293	17,907	-	-

The accompanying notes are an integral part of these financial statements

Teacher Principal Training 24154	Dual Credit Instructional Materials 27103	Youth Conservation Corp 28133	Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
-	-	-	-	-	62,476	62,476
-	-	-	36,500	25,806	-	82,221
-	1,644	122,399	-	40,590	5,845	1,725,751
12,137	-	-	-	-	-	49,940
-	-	-	-	-	-	21,950
12,137	1,644	122,399	36,500	66,396	68,321	1,942,338
12,137	1,644	-	2,881	-	-	885,241
-	-	104,465	-	-	-	298,172
-	-	-	5,469	-	-	68,197
-	-	-	1,455	-	-	296,719
-	-	-	4,391	-	-	82,870
-	-	-	-	-	-	80,535
-	-	17,934	30,074	-	-	48,008
-	-	-	-	66,396	16,693	83,089
12,137	1,644	122,399	44,270	66,396	16,693	1,842,831
-	-	-	(7,770)	-	51,628	99,507
-	-	-	30,190	-	73,742	576,483
-	-	-	22,420	-	125,370	675,990

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For The Year Ended June 30, 2016

Net Change in Fund Balances - Total Governmental Funds **\$ 99,507**

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

Change in Compensated Absences 9,580

Capital Outlays to purchase or build capital assets are reported in
governmental funds as expenditures. However, for governmental
activities those costs are shown in the Statement of Net Position and
allocated over their estimated useful lives as annual depreciation
expenses in the Statement of Activities. This is the amount by which
capital outlay exceeds depreciation for the period

Capital Outlays	1,200	
Depreciation Expense	<u>(15,198)</u>	(13,998)

Changes in deferred outflows of resources-pension related, deferred
inflows of resources-pension related, and the net pension liability (208,596)

Change in Net Position - Total Governmental Activities **\$ (113,507)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Aldo Leopold Charter School
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2016

	<u>Funds</u>
ASSETS	
Cash in Bank	\$ 12,673
Total Assets	<u>\$ 12,673</u>
LIABILITIES	
Deposits Held for Others	\$ 12,673
Total Liabilities	<u>\$ 12,673</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Aldo Leopold Charter School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 18,166	14,091	(19,584)	12,673
Total Assets	<u>\$ 18,166</u>	<u>14,091</u>	<u>(19,584)</u>	<u>12,673</u>
LIABILITIES				
Deposits Held for Others	\$ 18,166	14,091	(19,584)	12,673
Total Liabilities	<u>\$ 18,166</u>	<u>14,091</u>	<u>(19,584)</u>	<u>12,673</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, fixtures and equipment	5 years
Vehicles	10 years
Buildings and Improvements	30 years

Capital assets for the Aldo Leopold Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	<u>June 30, 2015</u>	<u>Additions</u>	<u>Reclass</u>	<u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, fixtures and equipment	\$ 5,836	-	-	5,836
Buildings and improvements	43,341	-	-	43,341
Vehicles	97,190	1,200	-	98,390
Total	<u>146,367</u>	<u>1,200</u>	<u>-</u>	<u>147,567</u>
Less: Accumulated Depreciation	(67,502)	(15,198)	-	(82,700)
Net Fixed Assets	<u>\$ 78,865</u>	<u>(13,998)</u>	<u>-</u>	<u>64,867</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Capital Outlay	<u>\$ 15,198</u>
Total	<u><u>\$ 15,198</u></u>

NOTE 3. COMMITMENTS AND CONTINGENCIES

The Aldo Leopold Charter School leased facilities and equipment under short-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$75,567. The school's minimum future payments on this lease are as follows.

Year Ending June 30:	
2017	\$ 73,932
2018	73,932
2019	73,932
2020	73,932
2021	73,932
Total minimum lease payments	<u><u>\$369,660</u></u>

The school had a compensated absences balance of \$20,648 at the beginning of the fiscal year. Deletions to the balance were \$9,580, which resulted in an ending balance of \$11,068. All of this balance is considered to be current.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Aldo Leopold Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Aldo Leopold Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2016 and 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Aldo Leopold Charter School were \$136,223 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, and the net pension liability was measured as of that date. At June 30, 2016, Aldo Leopold Charter School reported a liability of \$2,341,532 for its proportionate share of the net pension liability. The Aldo Leopold Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Aldo Leopold Charter School's proportion was 0.03615%, which was an increase of 0.00311 from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Aldo Leopold Charter School recognized pension expense of \$344,819. At June 30, 2016, Aldo Leopold Charter School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 43,410
Changes in assumptions	80,538	-
Net difference between projected and actual earnings on pension plan investments	-	10,540
Changes in proportion	364,944	-
Aldo Leopold Charter School contributions subsequent to the measurement date	136,223	-
Total	<u>\$ 581,705</u>	<u>\$ 53,950</u>

\$136,223 reported as deferred outflows of resources related to pensions resulting from Aldo Leopold Charter School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (161,141)
2018	(148,406)
2019	(49,462)
2020	(32,523)
Total	<u>\$ (391,532)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Aldo Leopold Charter School's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Aldo Leopold Charter School's proportionate share of the net pension liability	\$ 3,150,687	2,341,532	1,661,757

Payables to the pension plan. For the year ending June 30, 2016, Aldo Leopold Charter School's accrued liability due to ERB was \$50,216 for payroll paid in July 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALDO LEOPOLD CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,885	2,342	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 911	987	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.00%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALDO LEOPOLD CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 163	136	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	143	136	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 20	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 136	5		\$ 64	64	51	(43)	-	-	-	-	-
2015	(392)	5			(161)	(149)	(49)	(33)	-	-	-	-
2016	-	5				-	-	-	-	-	-	-
2017	-	5				-	-	-	-	-	-	-
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (256)			\$ 64	(97)	(98)	(92)	(33)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	19,915	19,915
State Grant	1,642,842	1,545,622	1,545,622	-
Charges for Services	3,000	3,000	21,950	18,950
Total Revenues	1,645,842	1,548,622	1,587,487	38,865
EXPENDITURES				
Current:				
Instruction	993,979	936,789	844,098	92,691
Support Services:				
Students	211,951	208,349	177,184	31,165
Instruction	300	300	-	300
General Administration	71,153	71,153	68,928	2,225
School Administration	387,211	367,211	295,264	71,947
Central Services	108,769	105,341	78,479	26,862
Operation & Maintenance of Plant	170,178	156,178	82,951	73,227
Community Service Operations	-	1,000	-	1,000
Capital Outlay	100,000	100,000	-	100,000
Total Expenditures	2,043,541	1,946,321	1,546,904	399,417
<i>Excess(Deficiency) of Revenues Over (Under) Expenditures</i>	(397,699)	(397,699)	40,583	438,282
Other financing sources (uses):				
Designated Cash	397,699	397,699	-	(397,699)
Total other financing sources (uses):	397,699	397,699	-	(397,699)
Net Changes in Fund Balances	-	-	40,583	40,583
Cash or Fund Balances - Beginning of Year	-	-	461,093	461,093
Cash or Fund Balances - End of Year	\$ -	-	501,676	501,676
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 40,583	
Adjustments to Revenues			-	
Adjustments to Expenditures			8,617	
NET CHANGE IN FUND BALANCE			\$ 49,200	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 8,076	9,651	9,651	-
Charges for Services	-	-	5	5
Total Revenues	8,076	9,651	9,656	5
EXPENDITURES				
Current:				
Instruction	20,076	21,651	3,212	18,439
Total Expenditures	20,076	21,651	3,212	18,439
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(12,000)</i>	<i>(12,000)</i>	<i>6,444</i>	<i>18,444</i>
Other financing sources (uses):				
Designated Cash	11,458	11,458	-	(11,458)
Total other financing sources (uses):	11,458	11,458	-	(11,458)
Net Changes in Fund Balances	(542)	(542)	6,444	6,986
Cash or Fund Balances - Beginning of Year	-	-	11,458	11,458
Cash or Fund Balances - End of Year	\$ (542)	(542)	17,902	18,444
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,444	
Adjustments to Revenues			(5)	
Adjustments to Expenditures			10	
NET CHANGE IN FUND BALANCE			\$ 6,449	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 24,197	33,513	34,809	1,296
Total Revenues	<u>24,197</u>	<u>33,513</u>	<u>34,809</u>	<u>1,296</u>
EXPENDITURES				
Current:				
Instruction	22,750	31,513	9,279	22,234
Support Services:				
General Administration	1,447	2,000	-	2,000
Total Expenditures	<u>24,197</u>	<u>33,513</u>	<u>9,279</u>	<u>24,234</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	25,530	25,530
Net Changes in Fund Balances	-	-	25,530	25,530
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>25,530</u>	<u>25,530</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 25,530	
Adjustments to Revenues			(25,530)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Aldo Leopold Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 25,525	28,524	28,524	-
Total Revenues	25,525	28,524	28,524	-
EXPENDITURES				
Current:				
Instruction	12,000	12,000	12,000	-
Support Services:				
Students	13,525	16,524	16,524	-
Total Expenditures	25,525	28,524	28,524	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Aldo Leopold Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher and Principal Training 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 5,445	12,137	4,897	(7,240)
Total Revenues	<u>5,445</u>	<u>12,137</u>	<u>4,897</u>	<u>(7,240)</u>
EXPENDITURES				
Current:				
Instruction	5,445	12,137	12,137	-
Total Expenditures	<u>5,445</u>	<u>12,137</u>	<u>12,137</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(7,240)	(7,240)
Net Changes in Fund Balances	-	-	(7,240)	(7,240)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,240)</u>	<u>(7,240)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,240)	
Adjustments to Revenues			7,240	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Aldo Leopold Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Dual Credit Instructional Materials 27103
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ -	1,644	1,782	138
Total Revenues	-	1,644	1,782	138
EXPENDITURES				
Current:				
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	1,644	1,782	138
Net Changes in Fund Balances	-	1,644	1,782	138
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	1,644	1,782	138
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,782	
Adjustments to Revenues			(138)	
Adjustments to Expenditures			(1,644)	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Youth Conservation Corp 28133
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	126,208	84,824	(41,384)
Total Revenues	-	126,208	84,824	(41,384)
EXPENDITURES				
Current:				
Support Services:				
Students	-	120,310	104,465	15,845
Community Services Operations	-	5,898	17,934	(12,036)
Total Expenditures	-	126,208	122,399	3,809
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(37,575)	(37,575)
Net Changes in Fund Balances	-	-	(37,575)	(37,575)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(37,575)	(37,575)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (37,575)	
Adjustments to Revenues			37,575	
Adjustments to Expenditures				
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Private Dir Grants (Categorical) 29102
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	35,000	36,500	1,500
Total Revenues	-	35,000	36,500	1,500
EXPENDITURES				
Current:				
Support Services:				
General Administration	3,184	17,584	5,469	12,115
School Administration	9,700	9,700	1,455	8,245
Central Services	2,000	5,750	4,391	1,359
Community Services Operations	16,383	29,233	30,078	(845)
Total Expenditures	31,267	62,267	41,393	20,874
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(31,267)	(27,267)	(4,893)	22,374
Other financing sources (uses):				
Designated Cash	31,267	27,267	-	(27,267)
Total other financing sources (uses):	31,267	27,267	-	(27,267)
Net Changes in Fund Balances	-	-	(4,893)	(4,893)
Cash or Fund Balances - Beginning of Year	-	-	30,190	30,190
Cash or Fund Balances - End of Year	\$ -	\$ -	\$ 25,297	25,297
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,893)	
Adjustments to Revenues			-	
Adjustments to Expenditures			(2,877)	
NET CHANGE IN FUND BALANCE			<u>\$ (7,770)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	66,396	30,338	(36,058)
Total Revenues	-	66,396	30,338	(36,058)
EXPENDITURES				
Capital Outlay	-	66,396	66,396	-
Total Expenditures	-	66,396	66,396	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(36,058)	(36,058)
Net Changes in Fund Balances	-	-	(36,058)	(36,058)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(36,058)	(36,058)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (36,058)	
Adjustments to Revenues			36,058	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 42,500	42,500	62,135	19,635
State Grant	6,701	6,701	7,758	1,057
Total Revenues	49,201	49,201	69,893	20,692
EXPENDITURES				
Capital Outlay	102,043	102,043	16,693	85,350
Total Expenditures	102,043	102,043	16,693	85,350
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(52,842)</i>	<i>(52,842)</i>	<i>53,200</i>	<i>106,042</i>
Other financing sources (uses):				
Designated Cash	52,842	52,842	-	(52,842)
Total other financing sources (uses):	52,842	52,842	-	(52,842)
Net Changes in Fund Balances	-	-	53,200	53,200
Cash or Fund Balances - Beginning of Year	-	-	73,742	73,742
Cash or Fund Balances - End of Year	\$ -	-	126,942	126,942
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 53,200	
Adjustments to Revenues			(1,572)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 51,628	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
First American Bank	FHLB SLVR-BELEN SD #2	077581NQ5	8/1/2017	61,421
First American Bank	FHLB SLVR-Las Cruces SD	517534PX5	8/1/2019	108,201
First American Bank	FHLB ARTA-GNMA II	36225E2K7	7/20/2040	311,615
				<u>\$ 481,237</u>

Total Cash per Schedule of Cash Accounts:	\$ 817,307
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	567,307

Collateral Requirement:	283,654
Pledged Collateral Held by Pledging Financial Institution:	<u>481,237</u>
Balance Over Collateralized:	<u>\$ 197,584</u>

Balance Uninsured and Uncollateralized at June 30, 2016: **\$ 86,070**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Aldo Leopold Charter School
 Schedule of Cash Accounts
 June 30, 2016

Bank Account Type	First American Bank
Checking - Operational Account	\$ 813,761
Checking - Agency	<u>3,546</u>
Total on Deposit	817,307
Reconciling Items	<u>(25,170)</u>
Reconciled Balance June 30, 2016	<u>792,137</u>
Less Agency Funds	<u>(12,673)</u>
Total Cash	<u><u>\$ 779,464</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Cash Reconciliation
June 30, 2016

	Operational Fund 11000	Instructional Materials Fund 14000	Federal Flowthrough Fund 24000
	<u>11000</u>	<u>14000</u>	<u>24000</u>
Cash, June 30, 2015	\$ 619,750	11,458	171,238
Add:			
2015-16 revenues	<u>1,587,487</u>	<u>9,656</u>	<u>68,230</u>
Total Cash Available	2,207,237	21,114	239,468
Less:			
2015-16 expenditures	(1,546,903)	(3,212)	62,077
Receivables/Payables	199,249	-	9,279
Outstanding Loans	<u>(95,733)</u>	<u>-</u>	<u>21,416</u>
Cash June 30, 2016	<u>763,850</u>	<u>17,902</u>	<u>332,240</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassification to cash	<u>(150,041)</u>	<u>5</u>	<u>(332,240)</u>
Cash Per Books	<u>613,809</u>	<u>17,907</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>(103,516)</u>	<u>-</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u><u>\$ 510,293</u></u>	<u><u>17,907</u></u>	<u><u>-</u></u>

The accompanying notes are an integral part of these financial statements

State Flowthrough Fund 27000	State Direct Fund 28000	Local/ State Fund 29000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
3,513	265,069	30,503	(47,079)	70,913	1,125,365
1,782	84,824	36,500	30,338	69,894	1,888,711
5,295	349,893	67,003	(16,741)	140,807	3,014,076
-	122,399	(41,393)	(66,396)	(16,693)	(1,490,121)
12,562	59,295	1,214	16,599	-	298,198
425	57,293	-	16,599	-	-
18,282	588,880	26,824	(49,939)	124,114	1,822,153
(18,282)	(588,880)	(3,190)	49,939	-	(1,042,689)
-	-	23,634	-	124,114	779,464
-	-	(1,214)	-	1,256	(103,474)
-	-	22,420	-	125,370	675,990

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 58,815
Receivables	
Due from Other Governments	124,954
Total Current Assets	<u>183,769</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	156,496
Less: Accumulated Depreciation	(149,789)
Total Noncurrent Assets	<u>6,707</u>

Total Assets	<u>190,476</u>
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Deferred Outflows - Pension Related	<u>284,660</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	11,023
Accrued Liabilities	52,423
Total Current Liabilities	<u>63,446</u>

Noncurrent Liabilities:

Net Pension Liability	2,561,759
Total Noncurrent Liabilities	<u>2,561,759</u>

Total Liabilities	<u>2,625,205</u>
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Deferred Inflows - Pension Related	<u>120,531</u>
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NET POSITION

Investment in Capital Assets	6,707
Restricted	26,739
Unrestricted (Deficit)	(2,304,046)

Total Net Position	<u>\$ (2,270,600)</u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 1,359,264	920	156,913	-	(1,201,431)
Support Services:					
Students	36,694	-	-	-	(36,694)
General Administration	30,804	-	-	-	(30,804)
School Administration	252,243	-	-	-	(252,243)
Central Services	140,410	-	-	-	(140,410)
Operation & Maintenance of Plant	141,335	-	-	-	(141,335)
Food Services	57,006	18,680	-	-	(38,326)
Facilities Materials, Supplies & Other Services	154,527	-	-	154,527	-
Total Governmental Activities	<u>\$ 2,172,283</u>	<u>19,600</u>	<u>156,913</u>	<u>154,527</u>	<u>(1,841,243)</u>
General Revenues:					
State Equalization Guarantee					\$ 1,850,983
Total General Revenues					<u>1,850,983</u>
Change in Net Position					9,740
Net Position (Deficit), Beginning					<u>(2,280,340)</u>
Net Position (Deficit), Ending					<u>\$ (2,270,600)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 42,458	1,465	5,165	-
Accounts Receivable				
Due from Government	-	-	-	36,785
Due from Other Funds	127,192	-	13,382	-
Total Assets	\$ 169,650	1,465	18,547	36,785
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 11,023	-	-	-
Accrued Expenditures	52,423	-	-	-
Due to Other Funds	12,620	-	3,000	36,785
Total Liabilities	76,066	-	3,000	36,785
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	1,465	-	-
Food Service Operations	-	-	15,547	-
Unassigned	93,584	-	-	-
Total Fund Balance	93,584	1,465	15,547	-
Total Liabilities and Fund Balances	\$ 169,650	1,465	18,547	36,785

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Spaceport Grant 26204	Dual Credit Instructional Material 27103	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	9,727	-	-	-	58,815
40,769	-	550	35,892	10,958	124,954
-	-	-	-	-	140,574
40,769	9,727	550	35,892	10,958	324,343
-	-	-	-	-	11,023
-	-	-	-	-	52,423
40,769	-	550	35,892	10,958	140,574
40,769	-	550	35,892	10,958	204,020
-	9,727	-	-	-	11,192
-	-	-	-	-	15,547
-	-	-	-	-	93,584
-	9,727	-	-	-	120,323
40,769	9,727	550	35,892	10,958	324,343

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 120,323**

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

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

Capital Assets	156,496	
Accumulated Depreciation	(149,789)	
	6,707	6,707

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		284,660
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		(2,561,759)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(120,531)
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Net Position (Deficit)-Total Governmental Activities **\$ (2,270,600)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Statement of Revenues, Expenditures, And Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Local & County Grant	\$ -	-	-	-
State Grant	1,850,983	13,797	-	-
Federal Grant	-	-	53,216	36,785
Charges for Services	920	-	18,680	-
Total Revenues	1,851,903	13,797	71,896	36,785
EXPENDITURES				
Current:				
Instruction	1,263,259	16,177	-	36,785
Support Services:				
Students	-	-	-	-
General Administration	30,804	-	-	-
School Administration	248,067	-	-	-
Central Services	137,224	-	-	-
Operation & Maintenance of Plant	135,847	-	-	-
Food Services Operations	-	-	57,006	-
Capital Outlay	-	-	-	-
Total Expenditures	1,815,201	16,177	57,006	36,785
Net Changes in Fund Balances	36,702	(2,380)	14,890	-
Fund Balances - Beginning of Year	56,882	3,845	657	-
Fund Balances - End of Year	\$ 93,584	1,465	15,547	-

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Spaceport Grant 26204	Dual Credit Instructional Materials 27103	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
-	11,796	-	-	-	11,796
-	-	550	143,569	10,958	2,019,857
40,769	-	-	-	-	130,770
-	-	-	-	-	19,600
40,769	11,796	550	143,569	10,958	2,182,023
4,075	9,809	550	-	-	1,330,655
36,694	-	-	-	-	36,694
-	-	-	-	-	30,804
-	-	-	-	-	248,067
-	-	-	-	-	137,224
-	-	-	-	-	135,847
-	-	-	-	-	57,006
-	-	-	143,569	10,958	154,527
40,769	9,809	550	143,569	10,958	2,130,824
-	1,987	-	-	-	51,199
-	7,740	-	-	-	69,124
-	9,727	-	-	-	120,323

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For The Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 51,199**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the Statement
 of Activities. This is the amount by which capital outlay exceeds depreciation
 for the period.

Depreciation Expense	(4,219)
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Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability	<u>(37,240)</u>
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Change in Net Position-Total Governmental Activities	<u><u>\$ 9,740</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Alma d' Arte Charter High School
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 5,777
Total Assets	<u>\$ 5,777</u>
 LIABILITIES	
Deposits Held for Others	\$ 5,777
Total Liabilities	<u>\$ 5,777</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2016

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 447	12,297	(6,967)	5,777
Total Assets	<u>\$ 447</u>	<u>12,297</u>	<u>(6,967)</u>	<u>5,777</u>
LIABILITIES				
Deposits Held for Others	\$ 447	12,297	(6,967)	5,777
Total Liabilities	<u>\$ 447</u>	<u>12,297</u>	<u>(6,967)</u>	<u>5,777</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the acquisition cost as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The Alma d' Arte Charter High School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Alma d' Arte Charter High School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment 5 years

Capital assets for the Alma d' Arte Charter School are recorded in the Statement of Net Position.

Pensions. For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	June 30, 2015	Additions	Deletions	June 30, 2016
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 156,496	-	-	156,496
<i>Total</i>	156,496	-	-	156,496
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(145,570)	(4,219)	-	(149,789)
<i>Total</i>	(145,570)	(4,219)	-	(149,789)
Capital Assets, Net	\$ 10,926	(4,219)	-	6,707

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expensed for the year ended June 30, 2016 was expensed to the following function:

Instruction	\$	4,219
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NOTE 3. COMMITMENTS AND CONTINGENCIES

The Alma d' Arte Charter High School leased facilities under a long-term cancelable operating lease. Rental expenses for the year ended June 30, 2016 were \$141,856.

The following is a schedule of operating lease payments as of June 30, 2016:

Year Ending June 30:		
2017	\$	141,856
2018		141,856
2019		141,856
2020		141,856
2021		141,856
2022 – 2026		709,280
2027 – 2031		709,280
2032 – 2033		425,568
Total operating lease payments	\$	<u>2,553,408</u>

NOTE 4. RELATED PARTIES

The Business Manager of the school is also the Business Manager of La Academia Dolores Huerta.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Alma d' Arte Charter High School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Contributions. The contribution requirements of defined benefit plan members and Alma d' Arte Charter High School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2016 and 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Alma d' Arte Charter High School were \$157,319 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, and the net pension liability was measured as of that date. At June 30, 2016, Alma d' Arte Charter High School reported a liability of \$2,561,759 for its proportionate share of the net pension liability. The Alma d' Arte Charter High School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Alma d' Arte Charter High School's proportion was 0.03955%, which was a decrease of 0.00129 from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Alma d' Arte Charter High School recognized pension expense of \$194,559. At June 30, 2016, Alma d' Arte Charter High School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (47,493)
Changes in assumptions	88,113	-
Net difference between projected and actual earnings on pension plan investments	-	(11,531)
Changes in proportion	39,228	(61,507)
Alma d' Arte Charter High School contributions subsequent to the measurement date	157,319	-
Total	<u>\$ 284,660</u>	<u>\$ (120,531)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The amount of \$157,319 reported as deferred outflows of resources related to pensions resulting from Alma d' Arte Charter High School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ 6,148
2018	7,251
2019	15,371
2020	(35,580)
Total	<u>\$ (6,810)</u>

Sensitivity of Alma d' Arte Charter High School's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Alma d' Arte Charter High School's proportionate share of the net pension liability	\$ 3,447,018	2,561,759	1,818,049

Payables to the pension plan. For the year ending June 30, 2016, Alma d' Arte Charter High School's accrued liability due to ERB was \$23,056 for payroll paid in July 2016.

NOTE 6. BUDGETARY INFORMATION

A budget was not adopted for the Dual Credit Instructional Materials Fund 27103. Therefore, a budgetary schedule is not provided for this fund.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALMA D' ARTE CHARTER HIGH SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,330	2,562	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,126	1,080	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.98%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALMA D' ARTE CHARTER HIGH SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 156	157	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	156	157	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 186	5		\$ (44)	(44)	(45)	(53)	-				
2015	(7)	5			6	7	15	(35)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ 179			\$ (44)	(38)	(38)	(38)	(35)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 1,846,399	1,850,983	1,850,983	-
Charges for Services	4,000	4,000	920	(3,080)
Total Revenues	1,850,399	1,854,983	1,851,903	(3,080)
EXPENDITURES				
Current:				
Instruction	1,244,115	1,289,799	1,287,897	1,902
Support Services:				
General Administration	44,000	34,000	33,979	21
School Administration	247,491	262,491	253,497	8,994
Central Services	158,010	140,010	137,104	2,906
Operation & Maintenance of Plant	207,522	179,422	140,868	38,554
Total Expenditures	1,901,138	1,905,722	1,853,345	52,377
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(50,739)</i>	<i>(50,739)</i>	<i>(1,442)</i>	<i>49,297</i>
Other Financing Sources (Uses):				
Designated Cash	50,739	50,739	-	50,739
Total Other Financing Sources (Uses):	50,739	50,739	-	50,739
Net Changes in Fund Balances	-	-	(1,442)	100,036
Cash or Fund Balances - Beginning of Year	-	-	56,882	56,882
Cash or Fund Balances - End of Year	\$ -	-	55,440	55,440
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,442)	
Adjustments to Revenues			-	
Adjustments to Expenditures			38,144	
NET CHANGE IN FUND BALANCE			\$ 36,702	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
State Grant	\$ 11,050	13,797	13,797	-
Total Revenues	11,050	13,797	13,797	-
Expenditures:				
Current:				
Instruction	11,050	13,797	13,349	448
Total Expenditures	11,050	13,797	13,349	448
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	448	448
Net Changes in Fund Balances	-	-	448	448
Cash or Fund Balances - Beginning of Year	-	-	3,845	3,845
Cash or Fund Balances - End of Year	\$ -	-	4,293	4,293
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 448	
Adjustments to Revenues			-	
Adjustments to Expenditures			(2,828)	
NET CHANGE IN FUND BALANCE			\$ (2,380)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Federal Grant	\$ 37,000	37,000	48,692	11,692
Charges for Services	25,000	25,000	18,680	(6,320)
Total Revenues	62,000	62,000	67,372	5,372
Expenditures:				
Current:				
Food Services Operations	62,000	62,000	57,006	4,994
Total Expenditures	62,000	62,000	57,006	4,994
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	10,366	10,366
Net Changes in Fund Balances	-	-	10,366	10,366
Cash or Fund Balances - Beginning of Year	-	-	657	657
Cash or Fund Balances - End of Year	\$ -	-	11,023	11,023
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 10,366	
Adjustments to Revenues			4,524	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 14,890	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Federal Grant	\$ 23,841	36,785	5,053	(31,732)
Total Revenues	23,841	36,785	5,053	(31,732)
Expenditures:				
Current:				
Instruction	23,841	36,785	36,785	-
Total Expenditures	23,841	36,785	36,785	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(31,732)	(31,732)
Net Changes in Fund Balances	-	-	(31,732)	(31,732)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(31,732)	(31,732)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (31,732)	
Adjustments to Revenues			31,732	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Alma d' Arte Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Entitlement IDEA-B 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Federal Grant	\$ 36,694	40,769	3,936	(36,833)
Total Revenues	<u>36,694</u>	<u>40,769</u>	<u>3,936</u>	<u>(36,833)</u>
Expenditures:				
Current:				
Instruction	-	4,075	4,075	-
Support Services:				
Students	36,694	36,694	36,694	-
Total Expenditures	<u>36,694</u>	<u>40,769</u>	<u>40,769</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(36,833)	(36,833)
Net Changes in Fund Balances	-	-	(36,833)	(36,833)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(36,833)</u>	<u>(36,833)</u>
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			\$ (36,833)	
Adjustments to Revenues			36,833	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Spaceport Grant – 26204
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Local & County Grant	\$ -	11,798	11,796	(2)
Total Revenues	-	11,798	11,796	(2)
Expenditures:				
Current:				
Instruction	-	11,798	9,809	1,989
Total Expenditures	-	11,798	9,809	1,989
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	1,987	1,987
Net changes in fund balances	-	-	1,987	1,987
Cash or fund balances - beginning of year	-	-	7,740	7,740
Cash or fund balances - end of year	\$ -	-	9,727	9,727
Reconciliation to GAAP Basis:				
<i>Excess (deficiency) of revenues over (under) expenditures</i>			\$ 1,987	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 1,987	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
State Grant	\$ -	143,569	107,677	(35,892)
Total Revenues	-	143,569	107,677	(35,892)
Expenditures:				
Capital Outlay	-	143,569	143,569	-
Total Expenditures	-	143,569	143,569	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(35,892)	(35,892)
Net Changes in Fund Balances	-	-	(35,892)	(35,892)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(35,892)	(35,892)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Revenues</i>			\$ (35,892)	
Adjustments to Revenues			35,892	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Alma d' Arte Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State Grant	\$ 10,958	20,767	-	(20,767)
Total Revenues	10,958	20,767	-	(20,767)
Expenditures:				
Capital Outlay	10,958	20,767	10,958	9,809
Total Expenditures	10,958	20,767	10,958	9,809
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(10,958)	(10,958)
Net Changes in Fund Balances	-	-	(10,958)	(10,958)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(10,958)	(10,958)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (10,958)	
Adjustments to Revenues			10,958	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Alma d' Arte Charter High School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -

Total Cash per Schedule of Cash Accounts:	\$	64,592
Less: FDIC coverage:		<u>(64,592)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Alma d' Arte Charter High School
 Schedule of Cash Accounts
 June 30, 2016

Bank Account Type	Century Bank
Checking - Operational Account	\$ 53,650
Checking - Food Service	5,165
Checking - Student Activities	5,777
Total on Deposit	64,592
Reconciling Items	-
Reconciled Balance June 30, 2016	64,592
Less Agency Funds	(5,777)
Total Cash	\$ 58,815

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Agency Funds 23000
Cash, June 30, 2015	\$ 115,804	3,845	(3,686)	447
Add:				
2015-16 revenues	1,851,903	13,797	67,372	12,297
Total Cash Available	1,967,707	17,642	63,686	12,744
Less:				
2015-16 expenditures	(1,853,345)	(13,349)	(57,006)	(6,967)
Receivables/Payables	(171,448)	-	(20,764)	-
Outstanding Loans	99,544	(2,828)	19,249	-
Cash June 30, 2016	42,458	1,465	5,165	5,777
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	51,126	-	10,382	(5,777)
Fund Balance, Modified Accrual Basis	\$ 93,584	\$ 1,465	\$ 15,547	\$ -

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	Local Grants Account 26000	State Flow Through Account 27000	Public School Capital Outlay 31200	Teacher Public School Capital Outlay 31600	SB-9 Capital Improvements 31700	Total
(16,106)	7,740	-	-	-	-	108,044
8,989	11,796	-	107,677	-	-	2,073,831
(7,117)	19,536	-	107,677	-	-	2,181,875
(77,554)	(9,809)	-	(143,569)	-	(10,958)	(2,172,557)
153,236	-	550	35,892	35,892	21,916	55,274
(68,565)	-	(550)	-	(35,892)	(10,958)	-
-	9,727	-	-	-	-	64,592
					Less: Agency Funds	(5,777)
						<u>\$ 58,815</u>
-	-	-	-	-	-	55,731
<u>\$ -</u>	<u>\$ 9,727</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,323</u>

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2016

VOLUME IV



**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,522,398
Restricted Cash	12,103
Receivables	
Due from Other Governments	77,086
Total Current Assets	<u>1,611,587</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	4,053,278
Furniture, Fixtures, and Equipment	228,244
Less: Accumulated Depreciation	<u>(1,324,763)</u>
Total Noncurrent Assets	<u>2,956,759</u>
Total Assets	<u>4,568,346</u>

Deferred Outflows - Pension Related	<u>542,414</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	28,758
Accrued Liabilities	<u>1,082</u>
Total Current Liabilities	<u>29,840</u>

Noncurrent Liabilities:

Net Pension Liability	<u>4,431,098</u>
Total Noncurrent Liabilities	<u>4,431,098</u>
Total Liabilities	<u>4,460,938</u>

Deferred Inflows - Pension Related	<u>110,919</u>
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NET POSITION

Investment in Capital Assets	2,956,759
Restricted	666,846
Unrestricted (Deficit)	<u>(3,084,702)</u>
Total Net Position	<u>\$ 538,903</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,802,350	19,973	341,781	-	(1,440,596)
Support Services:					
Students	772,914	-	-	-	(772,914)
Instruction	77,217	-	-	-	(77,217)
General Administration	118,526	-	-	-	(118,526)
School Administration	269,489	-	-	-	(269,489)
Central Services	183,339	-	-	-	(183,339)
Operation & Maintenance of Plant	275,265	-	-	-	(275,265)
Other Support Services	214,074	-	-	-	(214,074)
Student Transportation	6,000	-	-	-	(6,000)
Food Services	55,708	6,515	31,885	-	(17,308)
Facilities Materials, Supplies & Other Services	424,157	-	-	219,818	(204,339)
Total Governmental Activities	\$ 4,199,039	26,488	373,666	219,818	(3,579,067)
General Revenues:					
Property Taxes				\$	273,626
State Equalization Guarantee					3,208,169
Miscellaneous					312,411
Total General Revenues					<u>3,794,206</u>
Change in Net Position					215,139
Net Position, Beginning of Year					<u>323,764</u>
Net position, Ending				\$	<u>538,903</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 650,169	15,750	-	-
Restricted Cash	-	-	-	-
Accounts Receivable				
Due from Government	-	-	-	5,484
Due from Other Funds	72,576	-	-	-
Other	-	-	-	-
Total Assets	\$ 722,745	15,750	-	5,484
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 6,630	-	-	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	-	-	-	5,484
Total Liabilities	6,630	-	-	5,484
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	15,750	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	716,115	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	716,115	15,750	-	-
Total Liabilities and Fund Balances	\$ 722,745	15,750	-	5,484

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

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I School Improvement 24162	Amy Biehl High School Foundation 26187	Dual Credit Instructional Materials 27103
-	-	-	-	-	-
-	-	-	-	-	-
1,707	6,757	2,534	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,707</u>	<u>6,757</u>	<u>2,534</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
1,707	6,757	2,534	-	-	-
<u>1,707</u>	<u>6,757</u>	<u>2,534</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,707</u>	<u>6,757</u>	<u>2,534</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Beginning Teacher Mentoring 27154	Public School Capital Outlay 31200	Special Capital Outlay State 31400	HB-33 Capital Improvements 31600
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	554,895
Restricted Cash	-	-	-	-
Accounts Receivable				
Due from Government	-	54,574	1,520	3,064
Due from Other Funds	-	-	-	-
Other	-	-	-	-
Total Assets	\$ -	54,574	1,520	557,959
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	-	54,574	1,520	-
Total Liabilities	-	54,574	1,520	-
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	-
Capital Improvements	-	-	-	557,959
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	-	-	-	557,959
Total Liabilities and Fund Balances	\$ -	54,574	1,520	557,959

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

SB-9 Capital Improvements 31700	Foundation	Total
91,691	209,893	1,522,398
-	12,103	12,103
1,446	-	77,086
-	-	72,576
-	-	-
<u>93,137</u>	<u>221,996</u>	<u>1,684,163</u>
-	22,128	28,758
-	1,082	1,082
-	-	72,576
<u>-</u>	<u>23,210</u>	<u>102,416</u>
-	-	15,750
93,137	-	651,096
-	-	716,115
-	198,786	198,786
<u>93,137</u>	<u>198,786</u>	<u>1,581,747</u>
<u>93,137</u>	<u>221,996</u>	<u>1,684,163</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds **\$ 1,581,747**

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

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

Capital Assets	4,281,522	
Accumulated Depreciation	<u>(1,324,763)</u>	2,956,759

Defined benefit pension plan deferred outflows are not financial
 resources and, therefore, are not reported in the funds. 542,414

The net pension liability is not due in the current
 period and, therefore, is not reported in the funds. (4,431,098)

Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, are not reported
 in the funds. (110,919)

Net Position-Total Governmental Activities **\$ 538,903**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	5,895	217	-	-
State Grant	3,208,169	22,661	-	-
Federal Grant	-	-	31,885	73,816
Charges for Services	19,973	-	6,515	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>3,234,037</u>	<u>22,878</u>	<u>38,400</u>	<u>73,816</u>
EXPENDITURES				
Current:				
Instruction	1,516,177	15,623	-	73,816
Support Services:				
Students	691,787	-	-	-
Instruction	74,521	-	-	-
General Administration	101,332	-	-	-
School Administration	261,935	-	-	-
Central Services	180,122	-	-	-
Operation & Maintenance of Plant	273,473	-	-	-
Student Transportation	6,000	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	16,893	-	38,419	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>3,122,240</u>	<u>15,623</u>	<u>38,419</u>	<u>73,816</u>
Net Changes in Fund Balances	<u>111,797</u>	<u>7,255</u>	<u>(19)</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>604,318</u>	<u>8,495</u>	<u>19</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 716,115</u>	<u>15,750</u>	<u>-</u>	<u>-</u>

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

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I School Improvement 24162	Amy Biehl High School Foundation 26187	Dual Credit Instructional Materials 27103
-	-	-	-	-	-
-	-	-	-	75,582	-
-	-	-	-	-	3,313
53,281	95,118	10,898	1,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
53,281	95,118	10,898	1,000	75,582	3,313
47,509	48,703	7,252	1,000	47,294	3,313
5,772	46,415	2,400	-	27,892	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,246	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	396	-
-	-	-	-	-	-
53,281	95,118	10,898	1,000	75,582	3,313
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2016

	Beginning Teacher Mentoring <u>27154</u>	Public School Capital Outlay <u>31200</u>	Special Capital Outlay State <u>31400</u>	HB-33 Capital Improvements <u>31600</u>
REVENUES				
Property Taxes	\$ -	-	-	182,549
Local & County Grant	-	-	-	-
State Grant	-	218,298	1,520	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>218,298</u>	<u>1,520</u>	<u>182,549</u>
EXPENDITURES				
Current:				
Instruction	5,494	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	1,825
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	218,298	1,520	75,182
Total Expenditures	<u>5,494</u>	<u>218,298</u>	<u>1,520</u>	<u>77,007</u>
Net Changes in Fund Balances	<u>(5,494)</u>	<u>-</u>	<u>-</u>	<u>105,542</u>
Fund Balances - Beginning of Year	<u>5,494</u>	<u>-</u>	<u>-</u>	<u>452,417</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>557,959</u>

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

SB-9 Capital Improvements 31700	Foundation	Total
91,077	-	273,626
-	-	81,694
-	-	3,453,961
-	-	265,998
-	-	26,488
-	312,411	312,411
<u>91,077</u>	<u>312,411</u>	<u>4,414,178</u>
-	-	1,766,181
-	-	774,266
-	-	74,521
911	-	104,068
-	-	263,181
-	-	180,122
-	-	273,473
-	-	6,000
-	214,074	214,074
-	-	55,708
44,024	-	339,024
<u>44,935</u>	<u>214,074</u>	<u>4,050,618</u>
<u>46,142</u>	<u>98,337</u>	<u>363,560</u>
<u>46,995</u>	<u>100,449</u>	<u>1,218,187</u>
<u>93,137</u>	<u>198,786</u>	<u>1,581,747</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 363,560**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Capital Outlays	38,731	
Depreciation Expense	(123,864)	
	(85,133)	(85,133)

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		(63,288)
		(63,288)

Change in Net Position-Total Governmental Activities **\$ 215,139**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	<u>\$ 14,302</u>
Total Assets	<u><u>\$ 14,302</u></u>
LIABILITIES	
Deposits Held for Others	<u>\$ 14,302</u>
Total Liabilities	<u><u>\$ 14,302</u></u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 11,802	10,224	(7,724)	14,302
Total Assets	<u>\$ 11,802</u>	<u>10,224</u>	<u>(7,724)</u>	<u>14,302</u>
 LIABILITIES				
Deposits Held for Others	\$ 11,802	10,224	(7,724)	14,302
Total Liabilities	<u>\$ 11,802</u>	<u>10,224</u>	<u>(7,724)</u>	<u>14,302</u>

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the Amy Biehl Charter High School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	June 30, 2015	Additions	Reclass	June 30, 2016
Capital Assets being Depreciated:				
Furniture, Fixtures and Equipment	\$ 189,513	38,731	-	228,244
Land and Improvements	33,950	-	(33,950)	-
Building and Improvements	4,019,328	-	33,950	4,053,278
Total	<u>4,242,791</u>	<u>38,731</u>	<u>-</u>	<u>4,281,522</u>
Less: Accumulated Depreciation				
Furniture, Fixtures and Equipment	(150,484)	(21,484)	-	(171,968)
Land and Improvements	(5,653)	-	5,653	-
Building and Improvements	(1,044,762)	(102,380)	(5,653)	(1,152,795)
Total	<u>(1,200,899)</u>	<u>(123,864)</u>	<u>-</u>	<u>(1,324,763)</u>
Capital Assets, Net	<u>\$ 3,041,892</u>	<u>(85,133)</u>	<u>-</u>	<u>2,956,759</u>

Depreciation expense for the year ended June 30, 2016 was expensed to the following functions:

Facilities, Materials, Supplies & Other Services	\$ 123,864
Total	<u>\$ 123,864</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The Amy Biehl Charter High School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$241,742. The Amy Biehl Charter High School's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ 263,724
2018	257,384
2019	226,704
2020	226,704
2021	<u>226,704</u>
Total	<u>\$ 1,201,220</u>

NOTE 4. RELATED PARTY TRANSACTIONS

The Amy Biehl Charter High School created a Foundation to purchase a school building. The Foundation is considered a component unit of the Amy Biehl Charter High School and is presented as a blended component unit.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Amy Biehl Charter High School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Amy Biehl Charter High School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2015 and 2016, employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Amy Biehl Charter High School were \$299,787 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, and the net pension liability was measured as of that date. At June 30, 2016, Amy Biehl Charter High School reported a liability of \$4,431,098 for its proportionate share of the net pension liability. Amy Biehl Charter High School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Amy Biehl Charter High School's proportion was 0.06841% percent, which was an increase of 0.00196% from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Amy Biehl Charter High School recognized pension expense of \$363,089. At June 30, 2016, Amy Biehl Charter High School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(82,148)
Changes in assumptions	152,409	-
Net difference between projected and actual earnings on pension plan investments	-	(19,945)
Changes in proportion and differences between Amy Biehl Charter High School contributions and proportionate share of contributions	90,218	(8,826)
Amy Biehl Charter High School contributions subsequent to the measurement date	<u>299,787</u>	<u>-</u>
Total	<u>\$ 542,414</u>	<u>(110,919)</u>

The amount of \$299,787 reported as deferred outflows of resources related to pensions resulting from Amy Biehl Charter High School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (15,911)
2018	(18,897)
2019	(35,358)
2020	<u>(61,542)</u>
Total	<u>\$ (131,708)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Amy Biehl Charter High School's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Amy Biehl Charter High School's proportionate share of the net pension liability.	<u>\$ 5,962,338</u>	<u>4,431,098</u>	<u>3,144,697</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
AMY BIEHL CHARTER HIGH SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.07%	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 3,792	4,431	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,832	1,868	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.02%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the prior year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
AMY BIEHL CHARTER HIGH SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 308	300	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	270	300	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 38	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 415	5		\$ 110	110	108	87	-				
2015	(132)	5			(16)	(19)	(35)	(62)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ 283			\$ 110	94	89	52	(62)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	19,813	5,895	(13,918)
State Grant	3,084,788	3,208,170	3,208,169	(1)
Charges for Services	20,098	20,098	19,973	(125)
Total Revenues	3,104,886	3,248,081	3,234,037	(14,044)
EXPENDITURES				
Current:				
Instruction	1,856,997	1,883,924	1,516,046	367,878
Support Services:				
Students	839,159	864,159	687,098	177,061
Instruction	77,171	92,171	73,915	18,256
General Administration	104,767	120,767	101,926	18,841
School Administration	298,167	323,167	260,955	62,212
Central Services	204,219	205,593	180,420	25,173
Operation & Maintenance of Plant	305,590	338,776	273,829	64,947
Student Transportation	6,000	7,082	6,000	1,082
Food Services Operations	11,755	18,755	17,416	1,339
Total Expenditures	3,703,825	3,854,394	3,117,605	736,789
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(598,939)</i>	<i>(606,313)</i>	<i>116,432</i>	<i>722,745</i>
Other Financing Sources (Uses):				
Designated Cash	598,939	606,313	-	606,313
Total Other Financing Sources (Uses):	598,939	606,313	-	606,313
Net Changes in Fund Balances	-	-	116,432	1,329,058
Cash or Fund Balances - Beginning of Year	-	-	604,318	604,318
Cash or Fund Balances - End of Year	\$ -	-	720,750	720,750
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 116,432	
Adjustments to Expenditures			(4,635)	
NET CHANGE IN FUND BALANCE			\$ 111,797	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	217	217
State Grant	16,611	22,661	22,661	-
Total Revenues	16,611	22,661	22,878	217
EXPENDITURES				
Current:				
Instruction	22,852	31,156	15,623	15,533
Total Expenditures	22,852	31,156	15,623	15,533
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(6,241)</u>	<u>(8,495)</u>	<u>7,255</u>	<u>15,750</u>
Other Financing Sources (Uses):				
Designated Cash	6,241	8,495	-	8,495
Total Other Financing Sources (Uses):	6,241	8,495	-	8,495
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>7,255</u>	<u>24,245</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>8,495</u>	<u>8,495</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>15,750</u>	<u>15,750</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 7,255	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 7,255</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	605	605
Federal Grant	28,000	36,000	31,885	(4,115)
Charges for Services	6,400	6,400	6,515	115
Total Revenues	34,400	42,400	39,005	(3,395)
EXPENDITURES				
Current:				
Food Services Operations	34,400	42,419	39,024	3,395
Total Expenditures	34,400	42,419	39,024	3,395
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(19)	(19)	-
Other Financing Sources (Uses):				
Designated Cash	-	19	-	(19)
Total Other Financing Sources (Uses):	-	19	-	(19)
Net Changes in Fund Balances	-	-	(19)	(19)
Cash or Fund Balances - Beginning of Year	-	-	19	19
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (19)	
Adjustments to Revenues			605	
Adjustments to Expenditures			(605)	
NET CHANGE IN FUND BALANCE			\$ (19)	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 66,338	85,729	73,983	(11,746)
Total Revenues	66,338	85,729	73,983	(11,746)
EXPENDITURES				
Current:				
Instruction	66,338	85,729	73,816	11,913
Total Expenditures	66,338	85,729	73,816	11,913
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	167	167
Net Changes in Fund Balances	-	-	167	167
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	167	167
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 167	
Adjustments to Revenues			(167)	
NET CHANGE IN FUND BALANCE			\$ -	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 46,457	53,281	52,767	(514)
Total Revenues	46,457	53,281	52,767	(514)
EXPENDITURES				
Current:				
Instruction	46,457	47,509	47,509	-
Support Services:				
Students	-	5,772	5,772	-
Total Expenditures	46,457	53,281	53,281	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(514)	(514)
Net Changes in Fund Balances	-	-	(514)	(514)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(514)	(514)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (514)	
Adjustments to Revenues			514	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	111,886	88,361	(23,525)
Total Revenues	<u>-</u>	<u>111,886</u>	<u>88,361</u>	<u>(23,525)</u>
EXPENDITURES				
Current:				
Instruction	-	57,376	48,703	8,673
Support Services:				
Students	-	54,510	46,415	8,095
Total Expenditures	<u>-</u>	<u>111,886</u>	<u>95,118</u>	<u>16,768</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,757)</u>	<u>(6,757)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(6,757)</u>	<u>(6,757)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(6,757)</u>	<u>(6,757)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,757)	
Adjustments to Revenues			<u>6,757</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 10,476	20,580	10,398	(10,182)
Total Revenues	<u>10,476</u>	<u>20,580</u>	<u>10,398</u>	<u>(10,182)</u>
EXPENDITURES				
Current:				
Instruction	5,476	12,476	7,252	5,224
Support Services:				
Students	2,500	5,604	2,400	3,204
School Administration	2,500	2,500	1,246	1,254
Total expenditures	<u>10,476</u>	<u>20,580</u>	<u>10,898</u>	<u>9,682</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(500)	(500)
Net changes in Fund Balances	-	-	(500)	(500)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(500)</u>	<u>(500)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (500)	
Adjustments to Revenues			500	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I School Improvement 24162
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	1,000	1,000	-
Total Revenues	-	1,000	1,000	-
EXPENDITURES				
Current:				
Instruction	-	1,000	1,000	-
Total Expenditures	-	1,000	1,000	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Amy Biehl High School Foundation 26187
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ 70,500	76,975	75,582	(1,393)
Total Revenues	<u>70,500</u>	<u>76,975</u>	<u>75,582</u>	<u>(1,393)</u>
EXPENDITURES				
Current:				
Instruction	42,500	48,575	47,294	1,281
Support Services:				
Students	27,500	27,900	27,892	8
Food Services Operations	500	500	396	104
Total Expenditures	<u>70,500</u>	<u>76,975</u>	<u>75,582</u>	<u>1,393</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Dual Credit Instructional Materials 27103
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	3,313	3,313	-
Total Revenues	<u>-</u>	<u>3,313</u>	<u>3,313</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	3,313	3,313	-
Total Expenditures	<u>-</u>	<u>3,313</u>	<u>3,313</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Beginning Teacher Mentoring 27154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
<i>Net Changes in Fund Balances</i>	-	-	-	-
<i>Cash or Fund Balances - Beginning of Year</i>	5,494	5,494	5,494	-
<i>Cash or Fund Balances - End of Year</i>	\$ 5,494	5,494	5,494	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			(5,494)	
NET CHANGE IN FUND BALANCE			\$ (5,494)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	229,656	163,723	(65,933)
Total Revenues	<u>-</u>	<u>229,656</u>	<u>163,723</u>	<u>(65,933)</u>
EXPENDITURES				
Capital Outlay	-	229,656	218,298	11,358
Total Expenditures	<u>-</u>	<u>229,656</u>	<u>218,298</u>	<u>11,358</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(54,575)	(54,575)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(54,575)</u>	<u>(54,575)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(54,575)</u>	<u>(54,575)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (54,575)	
Adjustments to Revenues			54,575	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 33,292	33,292	10,458	(22,834)
Total Revenues	<u>33,292</u>	<u>33,292</u>	<u>10,458</u>	<u>(22,834)</u>
EXPENDITURES				
Capital Outlay	33,292	33,292	1,520	31,772
Total Expenditures	<u>33,292</u>	<u>33,292</u>	<u>1,520</u>	<u>31,772</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	8,938	8,938
Net Changes in Fund Balances	-	-	8,938	8,938
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>8,938</u>	<u>8,938</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,938	
Adjustments to Revenues			(8,938)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 179,749	179,749	183,669	3,920
Total Revenues	179,749	179,749	183,669	3,920
EXPENDITURES				
Current:				
Support Services:				
General Administration	2,003	2,000	1,837	163
Capital Outlay	636,591	625,994	75,182	550,812
Total Expenditures	638,594	627,994	77,019	550,975
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(458,845)</i>	<i>(448,245)</i>	<i>106,650</i>	<i>554,895</i>
Other financing sources (uses):				
Designated Cash	458,845	448,245	-	448,245
Total other financing sources (uses):	458,845	448,245	-	448,245
Net Changes in Fund Balances	-	-	106,650	1,003,140
Cash or Fund Balances - Beginning of Year	-	-	452,417	452,417
Cash or Fund Balances - End of Year	\$ -	-	559,067	559,067
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 106,650	
Adjustments to Revenues			(1,120)	
Adjustments to Expenditures			12	
NET CHANGE IN FUND BALANCE			\$ 105,542	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 89,999	89,999	91,523	1,524
State Grant	12,178	19,772	-	(19,772)
Total Revenues	102,177	109,771	91,523	(18,248)
EXPENDITURES				
Current:				
Support Services:				
General Administration	999	999	915	84
Capital Outlay	146,669	153,879	44,024	109,855
Total Expenditures	147,668	154,878	44,939	109,939
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(45,491)	(45,107)	46,584	91,691
Other Financing Sources (Uses):				
Designated Cash	45,491	45,107	-	45,107
Total Other Financing Sources (Uses):	45,491	45,107	-	45,107
Net Changes in Fund Balances	-	-	46,584	136,798
Cash or Fund Balances - Beginning of Year	-	-	46,995	46,995
Cash or Fund Balances - End of Year	\$ -	-	93,579	93,579
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 46,584	
Adjustments to Revenues			(446)	
Adjustments to Expenditures			4	
NET CHANGE IN FUND BALANCE			\$ 46,142	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>LOC #</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
US Bank	Letter of Credit	520142	8/31/2016	\$ 550,000
Southwest Capital Bank	Letter of Credit	3033001219	1/25/2017	\$ 250,000
				<u>\$ 800,000</u>
Total Cash per Schedule of Cash Accounts:				\$ 1,646,956
Less: FDIC coverage:				(935,014)
Uninsured Public Funds:				<u>711,942</u>
Collateral Requirement:				355,971
Pledged Collateral Held by Pledging Financial Institution:				<u>800,000</u>
Balance Over Collateralized:				<u>\$ 444,029</u>
Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ -</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Cash Accounts
June 30, 2016

Bank Account Type	Southwest Capital Bank	US Bank	New Mexico Bank & Trust	Total
Checking - Operational Account	\$ 671,474	-	-	671,474
Checking - Operational Account	-	526,166	-	526,166
Checking - Operational Account	-	-	225,351	225,351
Checking - Activity Account	14,302	-	-	14,302
Checking - Foundation	-	144,423	-	144,423
Money Market - Foundation	-	28,332	-	28,332
Money Market - Foundation	-	11,774	-	11,774
CD - Foundation	-	-	25,134	25,134
Total on Deposit	685,776	710,695	250,485	1,646,956
Reconciling Items	(110,486)	230	-	(110,256)
Reconciled Balance June 30, 2016	<u>\$ 575,290</u>	<u>\$ 710,925</u>	<u>250,485</u>	<u>1,536,700</u>
Less Agency Funds				(14,302)
Total Cash				<u><u>\$ 1,522,398</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2015	\$ 586,007	8,495	19	11,802	-
Add:					
2015-16 revenues	<u>3,234,037</u>	<u>22,878</u>	<u>39,005</u>	<u>10,224</u>	<u>226,509</u>
Total Cash Available	3,820,044	31,373	39,024	22,026	226,509
Less:					
2015-16 expenditures	(3,117,605)	(15,623)	(39,024)	(7,724)	(234,112)
Receivables/Payables	-	-	-	-	-
Outstanding Loans	<u>(72,576)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,481</u>
Cash June 30, 2016	<u>629,863</u>	<u>15,750</u>	<u>-</u>	<u>14,302</u>	<u>8,878</u>
Fund Balance Reconciliations to GAAP Basis:					
Audit reclassifications to cash	20,306	-	-	-	(8,878)
Cash Per Books	<u>650,169</u>	<u>15,750</u>	<u>-</u>	<u>14,302</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	65,946	-	-	(14,302)	-
Fund Balance, Modified Accrual Basis	<u>\$ 716,115</u>	<u>15,750</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

Local Grant Funds 26000	State Account 27000	Public School Capital Outlay 31200	Special Capital Outlay State 31400	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
-	5,494	-	-	448,245	45,107	1,105,169
<u>75,582</u>	<u>3,313</u>	<u>163,723</u>	<u>10,458</u>	<u>183,669</u>	<u>91,523</u>	<u>4,060,921</u>
75,582	8,807	163,723	10,458	631,914	136,630	5,166,090
(75,582)	(8,807)	(218,298)	(1,520)	(77,019)	(44,939)	(3,840,253)
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>54,575</u>	<u>1,520</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>10,458</u>	<u>554,895</u>	<u>91,691</u>	<u>1,325,837</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,458)</u>	<u>-</u>	<u>-</u>	<u>970</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>554,895</u>	<u>91,691</u>	<u>1,326,807</u>
						Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund: (14,302)
						Balance Sheet-Foundation: 209,893
						Plus Foundation Restricted Held by ACF: 12,103
						<u>\$ 1,534,501</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,064</u>	<u>1,446</u>	<u>56,154</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>557,959</u>	<u>93,137</u>	<u>1,382,961</u>
						Add: Foundation: 198,786
						Balance Sheets - Governmental Funds: <u>\$ 1,581,747</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 178,763
Receivables	
Due from Other Governments	27,598
Total Current Assets	<u>206,361</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	752,608
Furniture, Fixtures, and Equipment	32,921
Less: Accumulated Depreciation	(94,225)
Total Noncurrent Assets	<u>691,304</u>
Total Assets	<u>897,665</u>

Deferred Outflows - Pension Related	<u>81,036</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	639
Accrued Liabilities	44,430
Total Current Liabilities	<u>45,069</u>

Noncurrent Liabilities:

Net Pension Liability	843,340
Total Noncurrent Liabilities	<u>843,340</u>
Total Liabilities	<u>888,409</u>

Deferred Inflows - Pension Related	<u>159,536</u>
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NET POSITION

Investment in Capital Assets	691,304
Restricted	31,646
Unrestricted(Deficit)	(792,194)
Total Net Position	<u>\$ (69,244)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 422,661	10	64,903	-	(357,748)
Support Services:					
Students	6,278	-	-	-	(6,278)
Instruction	5,500	-	-	-	(5,500)
General Administration	28,407	-	-	-	(28,407)
School Administration	251,626	-	-	-	(251,626)
Central Services	81,592	-	-	-	(81,592)
Operation & Maintenance of Plant	177,657	-	-	-	(177,657)
Food Services	49,536	-	29,909	-	(19,627)
Facilities Materials, Supplies & Other Services	35,376	-	-	51,365	15,989
Total Governmental Activities	\$ 1,058,633	10	94,812	51,365	(912,446)

General Revenues:

Property Taxes	\$ 9,045
State Equalization Guarantee	831,610
Total General Revenues	840,655

Change in Net Position (71,791)

Net Position, Beginning 2,547

Net Position, Ending \$ (69,244)

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 164,948	7,344	1,724	-
Accounts Receivable				
Due from Government	-	-	-	2,003
Due from Other Funds	19,036	-	-	-
Total Assets	183,984	7,344	1,724	2,003
 <i>Total Assets</i>	 \$ 183,984	 7,344	 1,724	 2,003
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 639	-	-	-
Accrued Expenditures	43,823	-	-	354
Due to Other Funds	-	-	-	1,649
Total Liabilities	44,462	-	-	2,003
 Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	7,344	-	-
Food Service Operations	-	-	1,724	-
Capital Improvements	-	-	-	-
Assigned To:				
Subsequent Years Expenditures and Other Programs	139,522	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	139,522	7,344	1,724	-
 <i>Total Liabilities and Fund Balances</i>	 \$ 183,984	 7,344	 1,724	 2,003

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

IDEA-B Entitlement 24106	Carl D Perkins		Spaceport Grant 26204	2012 SB-66			Total Government
	Secondary Redistribution-2 24183	Medicaid 3 - 21 Years 25153		Student Library 27107	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	
-	-	160	4,587	-	-	-	178,763
3,249	-	-	5,591	2,404	12,240	2,111	27,598
-	-	-	-	-	-	-	19,036
3,249	-	160	10,178	2,404	12,240	2,111	225,397
3,249	-	160	10,178	2,404	12,240	2,111	225,397
-	-	-	-	-	-	-	639
253	-	-	-	-	-	-	44,430
2,996	-	-	-	2,404	-	11,987	19,036
3,249	-	-	-	2,404	-	11,987	64,105
-	-	160	10,178	-	-	-	17,682
-	-	-	-	-	-	-	1,724
-	-	-	-	-	12,240	-	12,240
-	-	-	-	-	-	-	139,522
-	-	-	-	-	-	(9,876)	(9,876)
-	-	160	10,178	-	12,240	(9,876)	161,292
3,249	-	160	10,178	2,404	12,240	2,111	225,397

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Anthony Charter School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balance - Total Governmental Funds **\$ 161,292**

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

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

Capital assets	785,529	
Accumulated depreciation	<u>(94,225)</u>	
		691,304

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.

81,036

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability	<u>(843,340)</u>	
		(843,340)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.

(159,536)

Net Position-Total Governmental Activities **\$ (69,244)**

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Statement Of Revenues, Expenditures, And Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	1,362	-	-	-
State Grant	831,610	5,504	-	-
Federal Grant	-	-	29,909	32,963
Charges for services	10	-	-	-
Total Revenues	832,982	5,504	29,909	32,963
EXPENDITURES				
Current:				
Instruction	383,807	7,106	-	32,963
Support Services:				
Students	6,278	-	-	-
Instruction	3,096	-	-	-
General Administration	28,407	-	-	-
School Administration	264,675	-	-	-
Central Services	81,592	-	-	-
Operation & Maintenance of Plant	125,042	-	-	-
Food Services Operations	15,457	-	28,185	-
Capital outlay	9,735	-	-	-
Total expenditures	918,089	7,106	28,185	32,963
Net changes in fund balances	(85,107)	(1,602)	1,724	-
Fund Balances (Deficit) - Beginning of Year	224,629	8,946	-	-
Fund Balances - End of Year	\$ 139,522	7,344	1,724	-

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

	Carl D Perkins			2012 SB-66			
IDEA-B Entitlement 24106	Secondary Redistribution-2 24183	Medicaid 3 - 21 Years 25153	Spaceport Grant 26204	Student Library 27107	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
-	-	-	-	-	-	9,045	9,045
-	-	-	5,591	-	-	-	6,953
-	-	-	-	2,404	48,961	-	888,479
13,699	5,784	-	-	-	-	-	82,355
-	-	-	-	-	-	-	10
13,699	5,784	-	5,591	2,404	48,961	9,045	986,842
13,699	-	-	19,646	-	-	-	457,221
-	-	-	-	-	-	-	6,278
-	-	-	-	2,404	-	-	5,500
-	-	-	-	-	-	-	28,407
-	-	-	-	-	-	-	264,675
-	-	-	-	-	-	-	81,592
-	-	-	-	-	49,188	-	174,230
-	5,784	-	-	-	-	-	49,426
-	-	-	-	-	-	34,467	44,202
13,699	5,784	-	19,646	2,404	49,188	34,467	1,111,531
-	-	-	(14,055)	-	(227)	(25,422)	(124,689)
-	-	160	24,233	-	12,467	15,546	285,981
-	-	160	10,178	-	12,240	(9,876)	161,292

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ (124,689)**

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

Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlays	40,829	
Depreciation expense	<u>(38,111)</u>	2,718

Changes in deferred outflows of resources - pension related, deferred inflows of resources - pension related, and the net pension liability		<u>50,180</u>
---	--	---------------

Change in Net Position-Total Governmental Activities **\$ (71,791)**

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Anthony Charter School
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2016

	<u>Funds</u>
ASSETS	
Cash in Bank	\$ 890
Total Assets	<u>\$ 890</u>
LIABILITIES	
Deposits Held for Others	\$ 890
Total Liabilities	<u>\$ 890</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Anthony Charter School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 1,150	7,770	(8,030)	890
Total assets	<u>\$ 1,150</u>	<u>7,770</u>	<u>(8,030)</u>	<u>890</u>
LIABILITIES				
Deposits Held for Others	\$ 1,150	7,770	(8,030)	890
Total liabilities	<u>\$ 1,150</u>	<u>7,770</u>	<u>(8,030)</u>	<u>890</u>

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the Anthony Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 19,873	13,048	-	32,921
Buildings and Improvements	724,827	27,781	-	752,608
<i>Total</i>	<u>744,700</u>	<u>40,829</u>	<u>-</u>	<u>785,529</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(19,873)	(944)	-	(20,817)
Buildings and Improvements	(36,241)	(37,167)	-	(73,408)
<i>Total</i>	<u>(56,114)</u>	<u>(38,111)</u>	<u>-</u>	<u>(94,225)</u>
Capital Assets, Net	<u>\$ 688,586</u>	<u>2,718</u>	<u>-</u>	<u>691,304</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Operation and Maintenance of Plant	\$ 2,639
Food Services	96
Facilities, Materials, Supplies	35,376
Total	<u>\$ 38,111</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The Anthony Charter School leased land under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016, was \$39,432. The school's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 39,432
2018	39,432
2019	39,432
2020	39,432
Total lease payments	<u>\$ 157,728</u>

NOTE 4. RELATED PARTY TRANSACTIONS

The business manager services are performed by an outside manager, which performed services for multiple state charter schools.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Anthony Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Anthony Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2016 and 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Anthony Charter School were \$52,029 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, and the net pension liability was measured as of that date. At June 30, 2016, Anthony Charter School reported a liability of \$843,340 for its proportionate share of the net pension liability. The proportionate share of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Anthony Charter School's proportion was 0.01302 percent, which was a decrease of 0.00137 from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Anthony Charter School recognized pension expense of \$1,849. At June 30, 2016, Anthony Charter School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actuarial experience	\$ -	15,635
Changes in assumptions	29,007	-
Net difference between projected and actual earnings on pension plan investments	-	3,796
Changes in proportion	-	140,105
Anthony Charter School contributions subsequent to the measurement date	52,029	-
Total	<u>\$ 81,036</u>	<u>159,536</u>

\$52,029 reported as deferred outflows of resources related to pensions resulting from Anthony Charter School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2017	\$	64,230
2018		58,955
2019		19,058
2020		(11,714)
Total	<u>\$</u>	<u>130,529</u>

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Anthony Charter School's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Anthony Charter School's proportionate share of the net pension liability	<u>\$ 1,134,770</u>	<u>843,340</u>	<u>598,508</u>

Payables to the pension plan. For the year ending June 30, 2016, Anthony Charter School's accrued liability due to ERB was \$11,795 for payroll paid in July 2016.

NOTE 6. DEFICIT FUND BALANCES

Anthony Charter School had a deficit fund balance of \$9,876 in the SB-9 Capital Improvements Fund. The Charter School anticipates having surplus operations in FY 2017 to eliminate this deficit.

NOTE 7. BUDGETARY INFORMATION

The Medicaid 3-21 Years Fund – 25153 does not have a budget for the fiscal year 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ANTHONY CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 821	843	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 397	355	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.94%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ANTHONY CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 59	52	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	51	52	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 8	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (202)	5		\$ (63)	(63)	(58)	(18)	-				
2015	131	5			65	59	19	(12)				
2016	-	5				-	-	-				
2017	-	5				-	-	-				
2018	-	5				-	-	-				
2019	-	5				-	-	-				
2020	-	5				-	-	-				
2021	-	5				-	-	-				
2022	-	5				-	-	-				
2023	-	5				-	-	-				
	\$ (71)			\$ (63)	2	1	1	(12)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	1,362	1,362
State Grant	726,150	831,611	831,610	(1)
Charges for Services	-	-	10	10
Total Revenues	726,150	831,611	832,982	1,371
EXPENDITURES				
Current:				
Instruction	413,753	441,139	383,807	57,332
Support Services:				
Students	11,350	13,018	6,278	6,740
Instruction	6,500	6,694	4,408	2,286
General Administration	80,500	90,730	38,154	52,576
School Administration	241,984	269,712	264,938	4,774
Central Services	92,250	86,653	86,359	294
Operation & Maintenance of Plant	85,044	129,213	125,212	4,001
Food Services Operations	12,170	15,818	15,457	361
Capital Outlay	-	20,000	9,735	10,265
Total Expenditures	943,551	1,072,977	934,348	138,629
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(217,401)</i>	<i>(241,366)</i>	<i>(101,366)</i>	<i>140,000</i>
Other Financing Sources (Uses):				
Designated Cash	217,401	241,366	-	(241,366)
Total Other Financing Sources (Uses):	217,401	241,366	-	(241,366)
Net Changes in Fund Balances	-	-	(101,366)	(101,366)
Cash or Fund Balances - Beginning of Year	-	-	224,629	224,629
Cash or Fund Balances - End of Year	\$ -	-	123,263	123,263
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ -	
Adjustments to Expenditures			16,259	
NET CHANGE IN FUND BALANCE			\$ (85,107)	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 3,872	5,504	5,504	-
Total Revenues	<u>3,872</u>	<u>5,504</u>	<u>5,504</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	13,072	14,704	7,106	7,598
Total Expenditures	<u>13,072</u>	<u>14,704</u>	<u>7,106</u>	<u>7,598</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(9,200)</u>	<u>(9,200)</u>	<u>(1,602)</u>	<u>7,598</u>
Other Financing Sources (Uses):				
Designated Cash	8,946	8,946	-	(8,946)
Total Other Financing Sources (Uses):	<u>8,946</u>	<u>8,946</u>	<u>-</u>	<u>(8,946)</u>
Net Changes in Fund Balances	<u>(254)</u>	<u>(254)</u>	<u>(1,602)</u>	<u>(1,348)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>8,946</u>	<u>8,946</u>
Cash or Fund Balances - End of Year	<u>\$ (254)</u>	<u>(254)</u>	<u>7,344</u>	<u>7,598</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ -	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (1,602)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 29,000	29,000	29,909	909
Total Revenues	<u>29,000</u>	<u>29,000</u>	<u>29,909</u>	<u>909</u>
EXPENDITURES				
Current:				
Food Services Operations	29,000	29,000	28,185	815
Total Expenditures	<u>29,000</u>	<u>29,000</u>	<u>28,185</u>	<u>815</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,724</u>	<u>1,724</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,724</u>	<u>1,724</u>
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures				
Adjustments to Revenues			\$ -	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1,724</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I - IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 33,312	76,353	30,960	(45,393)
Total Revenues	<u>33,312</u>	<u>76,353</u>	<u>30,960</u>	<u>(45,393)</u>
EXPENDITURES				
Current:				
Instruction	33,312	65,820	32,963	32,857
Support Services:				
Students	-	10,533	-	10,533
Total Expenditures	<u>33,312</u>	<u>76,353</u>	<u>32,963</u>	<u>43,390</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,003)</u>	<u>(2,003)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,003)</u>	<u>(2,003)</u>
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures				
Adjustments to Revenues			\$ 2,003	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Anthony Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Entitlement IDEA-B 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 12,271	13,719	10,450	(3,269)
Total Revenues	<u>12,271</u>	<u>13,719</u>	<u>10,450</u>	<u>(3,269)</u>
EXPENDITURES				
Current:				
Instruction	12,271	13,719	13,699	20
Total Expenditures	<u>12,271</u>	<u>13,719</u>	<u>13,699</u>	<u>20</u>
Net Changes in Fund Balances	-	-	(3,249)	(3,249)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,249)</u>	<u>(3,249)</u>
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures				
Adjustments to Revenues			\$ 3,249	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Carl D Perkins Secondary Redistribution 24183
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Federal grant	\$ -	6,000	5,784	(216)
Total Revenues	<u>-</u>	<u>6,000</u>	<u>5,784</u>	<u>(216)</u>
Expenditures:				
Current:				
Food Services Operations	-	6,000	5,784	216
Total expenditures	<u>-</u>	<u>6,000</u>	<u>5,784</u>	<u>216</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Spaceport Grant – Dona Ana County 26204
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Local & County Grant	\$ -	6,193	6,192	(1)
Total Revenues	<u>-</u>	<u>6,193</u>	<u>6,192</u>	<u>(1)</u>
EXPENDITURES				
Current:				
Instruction	18,041	24,234	19,646	4,588
Total Expenditures	<u>18,041</u>	<u>24,234</u>	<u>19,646</u>	<u>4,588</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(18,041)</u>	<u>(18,041)</u>	<u>(13,454)</u>	<u>4,587</u>
Other Financing Sources (Uses):				
Designated Cash	18,041	18,041	-	(18,041)
Total Other Financing Sources (Uses):	<u>18,041</u>	<u>18,041</u>	<u>-</u>	<u>(18,041)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(13,454)</u>	<u>(13,454)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>24,233</u>	<u>24,233</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>10,779</u>	<u>10,779</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ (601)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (14,055)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
2012 SB-66 Student Library 27107
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
State grant	\$ -	6,291	2,404	(3,887)
Total Revenues	-	6,291	2,404	(3,887)
Expenditures:				
Support Services:				
Instruction	-	6,291	2,404	3,887
Total expenditures	-	6,291	2,404	3,887
Net changes in fund balances	-	-	-	-
Cash or fund balances - beginning of year	-	-	-	-
Cash or fund balances - end of year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Anthony Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ -	48,961	36,721	(12,240)
Total Revenues	<u>-</u>	<u>48,961</u>	<u>36,721</u>	<u>(12,240)</u>
EXPENDITURES				
Current:				
Operation & Maintenance of Plant	-	48,961	48,961	-
Total Expenditures	<u>-</u>	<u>48,961</u>	<u>48,961</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(12,240)</u>	<u>(12,240)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>12,467</u>	<u>12,467</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>227</u>	<u>227</u>
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures				
Adjustments to Revenues			\$ 12,240	
Adjustments to Expenditures			<u>(227)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (227)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ 47,081	47,081	7,073	(40,008)
State Grant	12,113	25,401	-	(25,401)
Total Revenues	<u>59,194</u>	<u>72,482</u>	<u>7,073</u>	<u>(65,409)</u>
EXPENDITURES				
Capital Outlay	91,787	105,075	34,467	70,608
Total Expenditures	<u>91,787</u>	<u>105,075</u>	<u>34,467</u>	<u>70,608</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(32,593)</u>	<u>(32,593)</u>	<u>(27,394)</u>	<u>5,199</u>
Other Financing Sources (Uses):				
Designated Cash	15,546	15,546	-	(15,546)
Total Other Financing Sources (Uses):	<u>15,546</u>	<u>15,546</u>	<u>-</u>	<u>(15,546)</u>
Net Changes in Fund Balances	<u>(17,047)</u>	<u>(17,047)</u>	<u>(27,394)</u>	<u>(10,347)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>15,546</u>	<u>15,546</u>
Cash or Fund Balances - End of Year	<u>\$ (17,047)</u>	<u>(17,047)</u>	<u>(11,848)</u>	<u>5,199</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ 1,972	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (25,422)</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Anthony Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30,2016</u>
N/A	N/A	N/A	N/A	\$ -

Total Cash per Schedule of Cash Accounts:	\$	180,046
Less: FDIC coverage:		<u>(180,046)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Anthony Charter School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo Bank</u>
Checking - Operational Account	\$ 180,046
<i>Total on Deposit</i>	180,046
Reconciling Items	(393)
Reconciled Balance June 30, 2016	179,653
Less Agency Funds	(890)
<i>Total Cash</i>	\$ 178,763

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Federal Flowthrough 24000
Cash, June 30, 2015	\$ 280,953	8,946	-	(19,637)
Add:				
2015-16 revenues	<u>832,982</u>	<u>5,504</u>	<u>29,909</u>	<u>41,410</u>
Total Cash Available	1,113,935	14,450	29,909	21,773
Less:				
2015-16 expenditures	(934,348)	(7,106)	(28,185)	(46,662)
Receivables/Payables	44,475	-	-	1,617
Outstanding Loans	<u>(30,267)</u>	<u>-</u>	<u>-</u>	<u>3,636</u>
Cash June 30, 2016	<u>\$ 193,795</u>	<u>7,344</u>	<u>1,724</u>	<u>(19,636)</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>(28,847)</u>	<u>-</u>	<u>-</u>	<u>19,636</u>
Cash Per Books	<u>164,948</u>	<u>7,344</u>	<u>1,724</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	\$ (25,426)	-	-	-
Fund Balance , Modified Accrual Basis	<u>\$ 139,522</u>	<u>7,344</u>	<u>1,724</u>	<u>-</u>

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

Federal Direct 25000	State Flowthrough 26000	State Flowthrough 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
160	18,041	-	12,467	15,407	316,337
-	6,192	2,404	36,721	7,073	962,195
160	24,233	2,404	49,188	22,480	1,278,532
-	(19,646)	(2,404)	(48,961)	(34,467)	(1,121,779)
-	-	-	(12,467)	(139)	33,486
-	-	-	12,240	11,987	(2,404)
160	4,587	-	-	(139)	187,835
-	-	-	-	139	(9,072)
160	4,587	-	-	-	178,763
-	5,591	-	12,240	(9,876)	(17,471)
160	10,178	-	12,240	(9,876)	161,292

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$	317,173
Restricted Cash		715,572
Receivables		
Taxes Receivable		698
Due from Other Governments		112,477
Total Current Assets		<u>1,145,920</u>

Noncurrent Assets:

Capital Assets		
Land		647,989
Building and Improvements		4,871,470
Furniture, Fixtures, and Equipment		189,428
Less: Accumulated Depreciation		(106,867)
Total Noncurrent Assets		<u>5,602,020</u>

Total Assets 6,747,940

Deferred Outflows - Pension Related 1,053,473

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable		2,006
Accrued Liabilities		173,135
Current Portion of Long-Term Debt		81,885
Total Current Liabilities		<u>257,026</u>

Noncurrent Liabilities:

Long-Term Debt		6,382,772
Net Pension Liability		3,061,156
Total Noncurrent Liabilities		<u>9,443,928</u>

Total Liabilities 9,700,954

Deferred Inflows - Pension Related 70,530

NET POSITION

Net Investment in Capital Assets		(862,637)
Restricted		814,216
Unrestricted (Deficit)		(1,921,650)
Total Net Position	\$	<u>(1,970,071)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,954,178	11,980	145,106	-	(1,797,092)
Support Services:					
Students	394,617	-	-	-	(394,617)
Instruction	14,700	-	-	-	(14,700)
General Administration	56,244	-	-	-	(56,244)
School Administration	425,403	-	-	-	(425,403)
Central Services	127,142	-	-	-	(127,142)
Operation & Maintenance of Plant	632,665	-	-	-	(632,665)
Other Support Services	14,984	-	-	-	(14,984)
Facilities Materials, Supplies & Other Services	817,830	-	-	491,836	(325,994)
Total Governmental Activities	\$ 4,437,763	11,980	145,106	491,836	(3,788,841)
General Revenues:					
Property Taxes					\$ 69,981
State Equalization Guarantee					2,999,469
Miscellaneous					359,351
Total General Revenues					<u>3,428,801</u>
Change in Net Position					(360,040)
Net Position- Beginning					(1,610,031)
Net position, Ending					<u>\$ (1,970,071)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	IDEA-B "Risk Pool" Fund 24120
ASSETS				
Cash and Cash Equivalents	\$ 236,669	224	-	-
Restricted Cash	-	-	-	-
Accounts Receivable				
Due from Governments	-	-	-	-
Taxes Receivable	-	-	-	-
Due from Other Funds	95,002	-	-	-
Total Assets	\$ 331,671	224	-	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 2,006	-	-	-
Accrued Expenditures	173,102	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	175,108	-	-	-
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	224	-	-
Capital Improvements	-	-	-	-
Unassigned	156,563	-	-	-
Total Fund Balance	156,563	224	-	-
Total Liabilities and Fund Balances	\$ 331,671	224	-	-

The accompanying notes are an integral part of these financial statements

Charter Schools 24146	Teacher Principal Training 24154	CNM Foundation 26207	Credit Instructional Materials 27103	2012 GO Bond Student Library Fund 27107	Robotics 2013 27116
2,834	-	1,256	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,885
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,834</u>	<u>-</u>	<u>1,256</u>	<u>-</u>	<u>-</u>	<u>2,885</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,885
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,885</u>
2,834	-	1,256	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,834</u>	<u>-</u>	<u>1,256</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,834</u>	<u>-</u>	<u>1,256</u>	<u>-</u>	<u>-</u>	<u>2,885</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	STEM Teacher Initiative 27181	Foundation UNM Sub Award 28102	ASBMB Grant 29102	Public School Capital Outlay 31200
ASSETS				
Cash and Cash Equivalents	\$ 33	-	1,377	-
Restricted Cash	-	-	-	-
Accounts Receivable				
Due from Government	-	-	-	50,893
Taxes Receivable	-	-	-	-
Due from Other Funds	-	-	-	-
Total Assets	\$ 33	-	1,377	50,893
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	33	-	-	-
Due to Other Funds	-	-	-	50,893
Total Liabilities	33	-	-	50,893
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	1,377	-
Capital Improvements	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	-	-	1,377	-
Total Liabilities and Fund Balances	\$ 33	-	1,377	50,893

The accompanying notes are an integral part of these financial statements

Special Capital Outlay State 31400	SB-9 Capital Improvements 31700	Foundation	Total
-	74,780	-	317,173
-	-	715,572	715,572
			-
41,224	17,475	-	112,477
-	698	-	698
-	-	-	95,002
<u>41,224</u>	<u>92,953</u>	<u>715,572</u>	<u>1,240,922</u>
-	-	-	2,006
-	-	-	173,135
<u>41,224</u>	<u>-</u>	<u>-</u>	<u>95,002</u>
<u>41,224</u>	<u>-</u>	<u>-</u>	<u>270,143</u>
-	-	-	5,691
-	92,953	715,572	808,525
-	-	-	156,563
<u>-</u>	<u>92,953</u>	<u>715,572</u>	<u>970,779</u>
<u>41,224</u>	<u>92,953</u>	<u>715,572</u>	<u>1,240,922</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balances - Total Governmental Funds **\$ 970,779**

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

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

Capital Assets	5,708,887	
Accumulated Depreciation	<u>(106,867)</u>	
		5,602,020

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		1,053,473
--	--	-----------

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Long-Term Debt	(6,464,657)	
Net Pension Liability	<u>(3,061,156)</u>	
		(9,525,813)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		<u>(70,530)</u>
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Net Position-Total Governmental Activities **\$ (1,970,071)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	IDEA-B "Risk Pool" Fund 24120
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	2,999,469	26,164	-	-
Federal Grant	-	-	47,677	52
Charges for Services	11,980	-	-	-
Miscellaneous Income	290	-	-	-
Total Revenues	<u>3,011,739</u>	<u>26,164</u>	<u>47,677</u>	<u>52</u>
EXPENDITURES				
Current:				
Instruction	1,526,370	47,940	-	-
Support Services:				
Students	346,888	-	47,677	52
Instruction	10,926	-	-	-
General Administration	45,915	-	-	-
School Administration	405,445	-	-	-
Central Services	127,142	-	-	-
Operation & Maintenance of Plant	624,430	-	-	-
Other Support Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>3,087,116</u>	<u>47,940</u>	<u>47,677</u>	<u>52</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(75,377)</u>	<u>(21,776)</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
Net proceeds from bond issues	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>(75,377)</u>	<u>(21,776)</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>231,940</u>	<u>22,000</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 156,563</u>	<u>224</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Charter Schools 24146	Teacher Principal Training 24154	CNM Foundation 26207	Credit Instructional Materials 27103	2012 GO Bond Student Library Fund 27107	Robotics 2013 27116
-	-	-	-	-	-
-	-	-	1,091	3,774	2,885
-	2,500	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>2,500</u>	<u>-</u>	<u>1,091</u>	<u>3,774</u>	<u>2,885</u>
-	2,500	-	1,091	-	2,885
-	-	-	-	-	-
-	-	-	-	3,774	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>2,500</u>	<u>-</u>	<u>1,091</u>	<u>3,774</u>	<u>2,885</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,834</u>	<u>-</u>	<u>1,256</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u><u>2,834</u></u>	<u><u>-</u></u>	<u><u>1,256</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016

	STEM Teacher Initiative 27181	Foundation UNM Sub Award 28102	ASBMB Grant 29102	Public School Capital Outlay 31200
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	60,963	-	-	203,572
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	60,963	-	-	203,572
EXPENDITURES				
Current:				
Instruction	60,963	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Other Support Services Operations	-	-	-	-
Capital Outlay	-	-	-	203,572
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	60,963	-	-	203,572
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
OTHER FINANCING SOURCES (USES):				
Net proceeds from bond issues	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Fund Balances (Deficit) - Beginning of Year	-	-	1,377	-
Fund Balances - End of Year	\$ -	-	1,377	-

The accompanying notes are an integral part of these financial statements

Special Capital Outlay State 31400	SB-9 Capital Improvements 31700	Foundation	Total
-	69,981	-	69,981
251,224	37,040	-	3,586,182
-	-	-	50,229
-	-	-	11,980
-	-	359,061	359,351
<u>251,224</u>	<u>107,021</u>	<u>359,061</u>	<u>4,077,723</u>
-	-	-	1,641,749
-	-	-	394,617
-	-	-	14,700
-	-	10,329	56,244
-	-	-	405,445
-	-	-	127,142
-	-	8,235	632,665
-	-	14,984	14,984
251,224	94,923	4,344,960	4,894,679
-	-	-	-
-	-	379,465	379,465
<u>251,224</u>	<u>94,923</u>	<u>4,757,973</u>	<u>8,561,690</u>
-	12,098	(4,398,912)	(4,483,967)
-	-	-	-
-	-	-	-
-	12,098	(4,398,912)	(4,483,967)
-	80,855	5,114,484	5,454,746
-	92,953	715,572	970,779

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ (4,483,967)**

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

Change in net pension liability (312,429)

Expenditures to purchase or build capital assets, pay for interest on debt, and
 amortization on long term assets are reported in governmental funds as
 expenditures. However, for governmental activities those costs are shown in
 the Statement of Net Position and allocated over their estimated useful lives
 as annual depreciation expenses in the Statement of Activities. This is the
 amount by which capital outlay exceeds depreciation for the period

Capital Outlays	4,545,086	
Depreciation Expense	(100,615)	
	4,444,471	4,444,471

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Amortization of Bond Issuance Costs	(8,115)	
	(8,115)	

Change in Net Position-Total Governmental Activities **\$ (360,040)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2016

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 3,247
Total Assets	<u>\$ 3,247</u>
 LIABILITIES	
Deposits Held for Others	\$ 3,247
Total Liabilities	<u>\$ 3,247</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 6,942	25,720	(29,415)	3,247
Total Assets	<u>\$ 6,942</u>	<u>25,720</u>	<u>(29,415)</u>	<u>3,247</u>
LIABILITIES				
Deposits Held for Others	\$ 6,942	25,720	(29,415)	3,247
Total Liabilities	<u>\$ 6,942</u>	<u>25,720</u>	<u>(29,415)</u>	<u>3,247</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Notes to the Financial Statements
 June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5-10 years
Land and Land Improvements	15 years
Buildings and Improvements	5-40 years

Capital assets for ASK are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2016 are as follows:

Due from Other Governments:	
Robotics 2013	\$ 2,885
Public School Capital Outlay	50,893
Special Capital Outlay State	41,224
SB-9 Capital Improvements	<u>17,475</u>
Total Due from Other Governments	<u>\$ 112,477</u>
Taxes Receivable:	
SB-9 Capital Improvements	<u>\$ 698</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Notes to the Financial Statements
June 30, 2016

NOTE 3. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Reclass</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets not being Depreciated</i>				
Land	\$ 647,989	-	-	647,989
Construction in Progress	500,000	-	(500,000)	-
<i>Total</i>	<u>1,147,989</u>	<u>-</u>	<u>(500,000)</u>	<u>647,989</u>
<i>Capital Assets being Depreciated:</i>				
Leasehold Improvements	-	96,145	-	96,145
Furniture, Fixtures and Equipment	15,812	173,616	-	189,428
Building and Improvements	-	4,275,325	500,000	4,775,325
<i>Total</i>	<u>15,812</u>	<u>4,545,086</u>	<u>500,000</u>	<u>5,060,898</u>
<i>Less: Accumulated Depreciation</i>				
Leasehold Improvements	-	(1,068)	-	(1,068)
Furniture, Fixtures and Equipment	(6,252)	(19,958)	-	(26,210)
Building and Improvements	-	(79,589)	-	(79,589)
<i>Total</i>	<u>(6,252)</u>	<u>(100,615)</u>	<u>-</u>	<u>(106,867)</u>
Capital Assets, Net	<u>\$ 1,157,549</u>	<u>4,444,471</u>	<u>-</u>	<u>5,602,020</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Facilities, Materials, Supplies & Other Services	\$ 80,657
School Administration	19,958
Total	<u>\$ 100,615</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Notes to the Financial Statements
June 30, 2016

NOTE 4. COMMITMENTS AND LIABILITIES

ASK leases buildings and equipment under short-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$564,367. ASK's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ 534,903
2018	534,903
2019	534,903
2020	534,903
2021	534,903
2022 and beyond	<u>13,060,554</u>
Total minimum lease payments	<u>\$ 15,735,069</u>

During the year ended June 30, 2016, the following changes occurred in the liabilities reported in the government-wide financial statement of net position:

	Balance			Balance	Due Within
	<u>06-30-2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>06-30-16</u>	<u>One Year</u>
Bonds Payable	\$6,700,000	-	-	6,700,000	(90,000)
Discount	<u>(243,458)</u>	-	<u>8,115</u>	<u>(235,343)</u>	<u>8,115</u>
	<u>\$6,456,542</u>	<u>-</u>	<u>8,115</u>	<u>6,464,657</u>	<u>(81,885)</u>

Revenue Bonds are secured by pledges of certain revenues and assets. On February 12, 2015, The ASK Academy, pursuant to a lease purchase agreement with The ASK Academy Foundation, Inc. and indenture of trust, issued its Educational Facility Revenue Bonds Series 2015 in the aggregate principal amount of \$6,360,000 and \$340,000 Taxable Educational Facility Revenue Bonds Series 2015. Bond proceeds were used to purchase land and construct a charter school facility that houses classrooms from seventh through twelfth grade. ASK pledges, transfers, and grants a security interest in and assigns to Wells Fargo Bank, N.A. to secure the payment of lease payments in accordance with the terms and provisions of the lease, all funds, monies, grants, or other distributions received by the School from the State of New Mexico with respect to Equalization Guarantee funding, State Leasing or account established by ASK, but specifically excluding State funding under the Charter School Act which is specifically dedicated to the payment of expenses of the Charter School which do not include payment of amounts due under the Lease and all such operating expenses of ASK required under State or federal laws to provide required educational program expenditures.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Notes to the Financial Statements
June 30, 2016

NOTE 4. COMMITMENTS AND LIABILITIES (Continued)

The total bond payable as of June 30, 2016 is as follows:

Series 2015 Education Facility Revenue Bond; Interest rate 5.25% due in quarterly installments; Maturing February 1, 2025	\$ 670,000
Series 2015 Education Facility Revenue Bond; Interest rate 5.75% due in quarterly installments; Maturing February 1, 2035	1,880,000
Series 2015 Education Facility Revenue Bond; Interest rate 6.00% due in quarterly installments; Maturing February 1, 2045	3,810,000
Series 2015 Taxable Education Facility Revenue Bond; Interest rate 5.75% due in quarterly installments; Maturing February 1, 2020	340,000
Total Bond Payable	<u>\$ 6,700,000</u>

The aggregate amounts of principal maturities and interest of bonds payable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 90,000	391,425	481,425
2018	95,000	386,250	481,250
2019	100,000	380,788	480,788
2020	105,000	375,037	480,037
2021-2025	620,000	1,784,300	2,404,300
2026-2030	810,000	1,595,237	2,405,237
2031-2035	1,070,000	1,334,763	2,404,763
2036-2040	1,420,000	983,100	2,403,100
2041-2043	2,390,000	500,700	2,890,700
Total	<u>\$ 6,700,000</u>	<u>7,731,600</u>	<u>14,431,600</u>

NOTE 5. DEFICIT FUND BALANCE

There were no funds that had a deficit fund balance at June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Notes to the Financial Statements
June 30, 2016

NOTE 6. OVERSPENT BUDGET LINE ITEMS

The ASK Academy did not have any funds with expenditures in excess of the budget during the year ended June 30, 2016.

NOTE 7. RELATED PARTY TRANSACTIONS

The ASK Academy has created a Foundation which donates various funds to the school and entered revenue bonds to construct a building for the school. The Foundation is considered a component unit of the School and is presented as a blended component unit.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to The ASK Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and The ASK Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal years ended June 30, 2015 and June 30, 2016 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from The ASK Academy were \$219,407 for the year ended June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2015. At June 30, 2016, The ASK Academy reported a liability of \$3,061,156 for its proportionate share of the net pension liability. The ASK Academy’s proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, The ASK Academy’s proportion was 0.04726% percent, which was an increase of 0.00997% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, The ASK Academy recognized pension expense of \$531,837. As of June 30, 2016, The ASK Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	56,751
Changes in assumptions	105,289	-
Net difference between projected and actual earnings on pension plan investments	-	13,779
Changes in proportion and differences between The ASK Academy’s contributions and proportionate share of contributions	728,777	-
The ASK Academy’s contributions subsequent to the measurement date	219,407	-
Total	<u>\$ 1,053,473</u>	<u>70,530</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

\$219,407 reported as deferred outflows of resources related to pensions resulting from The ASK Academy's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$	291,965
2018		276,963
2019		152,091
2020		<u>42,517</u>
Total	\$	<u><u>763,536</u></u>

Sensitivity of The ASK Academy's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
The ASK Academy's proportionate share of the net pension liability	<u>\$ 4,118,990</u>	<u>3,061,156</u>	<u>2,172,465</u>

Payables to the pension plan. The ASK Academy accrued \$48,905 in ERB benefits at June 30, 2016 for teachers with ten month contracts.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,128	3,061	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,028	1,290	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.00%	237.29%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*These amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 135	187	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	135	213	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	(26)	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (175)	5		\$ (80)	(80)	(64)	49	-						
2015	\$ 764	5			292	277	152	43	-					
2016	-	5				-	-	-	-	-				
2017	-	5					-	-	-	-				
2018	-	5						-	-	-				
2019	-	5							-	-				
2020	-	5								-				
2021	-	5									-			
2022	-	5										-		
2023	-	5											-	
	\$ 589			\$ (80)	212	213	201	43	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 3,062,558	2,999,470	2,999,469	(1)
Federal Grant	-	-	-	-
Charges for Services	-	11,744	11,980	236
Miscellaneous Income	-	273	290	17
Total Revenues	<u>3,062,558</u>	<u>3,011,487</u>	<u>3,011,739</u>	<u>252</u>
EXPENDITURES				
Current:				
Instruction	1,660,911	1,578,876	1,529,565	49,311
Support Services:				
Students	320,208	365,257	349,150	16,107
Instruction	25,000	12,112	10,926	1,186
General Administration	40,500	52,581	48,274	4,307
School Administration	395,432	425,777	405,739	20,038
Central Services	130,500	152,101	131,787	20,314
Operation & Maintenance of Plant	540,007	671,631	624,577	47,054
Capital Outlay	-	-	-	-
Total Expenditures	<u>3,112,558</u>	<u>3,258,335</u>	<u>3,100,018</u>	<u>158,317</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(50,000)</u>	<u>(246,848)</u>	<u>(88,279)</u>	<u>158,569</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	50,000	246,848	-	(246,848)
Total Other Financing Sources (Uses):	<u>50,000</u>	<u>246,848</u>	<u>-</u>	<u>(246,848)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(88,279)</u>	<u>(88,279)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>246,848</u>	<u>246,848</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>158,569</u>	<u>158,569</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ (88,279)	
Adjustments to Expenditures			12,902	
NET CHANGE IN FUND BALANCE			<u>\$ (75,377)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 15,876	26,164	26,164	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>15,876</u>	<u>26,164</u>	<u>26,164</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	38,424	48,542	48,318	224
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>38,424</u>	<u>48,542</u>	<u>48,318</u>	<u>224</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(22,548)</u>	<u>(22,378)</u>	<u>(22,154)</u>	<u>224</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	22,548	22,378	-	(22,378)
Total Other Financing Sources (Uses):	<u>22,548</u>	<u>22,378</u>	<u>-</u>	<u>(22,378)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(22,154)</u>	<u>(22,154)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>22,378</u>	<u>22,378</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>224</u>	<u>224</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ (22,154)	
Adjustments to Expenditures			-	
			<u>378</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (21,776)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	-	-	-	-
Federal Grant	\$ 41,918	47,677	47,677	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>41,918</u>	<u>47,677</u>	<u>47,677</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	47,677	47,677	-
Instruction	41,918	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>41,918</u>	<u>47,677</u>	<u>47,677</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B "Risk Pool" Fund 24120
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	-	-	-	-
Federal Grant	\$ -	52	99	47
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>52</u>	<u>99</u>	<u>47</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	52	52	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>52</u>	<u>52</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>47</u>	<u>47</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>47</u>	<u>47</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(47)</u>	<u>(47)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 47	
Adjustments to Revenues			(47)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	-	-	-	-
Federal Grant	\$ 6,206	20,159	2,500	(17,659)
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>6,206</u>	<u>20,159</u>	<u>2,500</u>	<u>(17,659)</u>
EXPENDITURES				
Current:				
Instruction	6,206	14,206	2,500	11,706
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	5,953	-	5,953
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>6,206</u>	<u>20,159</u>	<u>2,500</u>	<u>17,659</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
CNM Foundation 26207
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	-	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>1,256</u>	<u>1,256</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,256</u>	<u>1,256</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Credit for Instructional Materials 27103
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	1,283	1,091	(192)
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>1,283</u>	<u>1,091</u>	<u>(192)</u>
EXPENDITURES				
Current:				
Instruction	-	1,283	1,091	192
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>1,283</u>	<u>1,091</u>	<u>192</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
2012 GO Bond Student Library Fund 27107
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,774	3,774	3,774	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	3,774	3,774	3,774	-
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	3,774	3,774	3,774	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	3,774	3,774	3,774	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Robotics 2013 27116
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 2,885	2,885	-	(2,885)
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>2,885</u>	<u>2,885</u>	<u>-</u>	<u>(2,885)</u>
EXPENDITURES				
Current:				
Instruction	-	2,885	2,885	-
Support Services:				
Students	-	-	-	-
Instruction	2,885	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,885</u>	<u>2,885</u>	<u>2,885</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(2,885)	(2,885)
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,885)</u>	<u>(2,885)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,885)</u>	<u>(2,885)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (2,885)	
Adjustments to Revenues			2,885	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
STEM Teacher Initiative 27181
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	66,825	74,419	7,594
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>66,825</u>	<u>74,419</u>	<u>7,594</u>
EXPENDITURES				
Current:				
Instruction	-	66,825	60,963	5,862
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>66,825</u>	<u>60,963</u>	<u>5,862</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>13,456</u>	<u>13,456</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>13,456</u>	<u>13,456</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(13,456)</u>	<u>(13,456)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$	13,456
Adjustments to Revenues				(13,456)
Adjustments to Expenditures				-
NET CHANGE IN FUND BALANCE			<u>\$</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Foundation UNM Sub Award 28102
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 11,629	11,629	6,541	(5,088)
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>11,629</u>	<u>11,629</u>	<u>6,541</u>	<u>(5,088)</u>
EXPENDITURES				
Current:				
Instruction	7,775	7,775	-	7,775
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	3,854	3,854	-	3,854
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>11,629</u>	<u>11,629</u>	<u>-</u>	<u>11,629</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	6,541	6,541
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>6,541</u>	<u>6,541</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(6,541)</u>	<u>(6,541)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ 6,541	
Adjustments to Expenditures			(6,541)	
			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	203,573	193,654	(9,919)
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>203,573</u>	<u>193,654</u>	<u>(9,919)</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Capital Outlay	-	203,573	203,572	1
Total Expenditures	<u>-</u>	<u>203,573</u>	<u>203,572</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(9,918)</u>	<u>(9,918)</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(9,918)</u>	<u>(9,918)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(40,975)</u>	<u>(40,975)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(50,893)</u>	<u>(50,893)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (9,918)	
Adjustments to Revenues			9,918	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 210,000	260,000	230,000	(30,000)
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>210,000</u>	<u>260,000</u>	<u>230,000</u>	<u>(30,000)</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	210,000	260,000	251,224	8,776
Total Expenditures	<u>210,000</u>	<u>260,000</u>	<u>251,224</u>	<u>8,776</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(21,224)	(21,224)
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	-	-	(21,224)	(21,224)
Cash or Fund Balances - Beginning of Year	-	-	(20,000)	(20,000)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(41,224)</u>	<u>(41,224)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (21,224)	
Adjustments to Revenues			21,224	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 70,048	70,048	85,246	15,198
State Grant	19,565	37,040	19,565	(17,475)
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>89,613</u>	<u>107,088</u>	<u>104,811</u>	<u>(2,277)</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Capital Outlay	145,948	163,423	94,923	68,500
Total Expenditures	<u>145,948</u>	<u>163,423</u>	<u>94,923</u>	<u>68,500</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(56,335)</u>	<u>(56,335)</u>	<u>9,888</u>	<u>66,223</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	56,335	56,335	-	(56,335)
Total Other Financing Sources (Uses):	<u>56,335</u>	<u>56,335</u>	<u>-</u>	<u>(56,335)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>9,888</u>	<u>9,888</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>64,892</u>	<u>64,892</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>74,780</u>	<u>74,780</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 9,888	
Adjustments to Revenues			2,210	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 12,098</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Wells Fargo Bank	FNMA FNMS 3.500%	31374CNU6	03/01/41	\$ 48,623
Wells Fargo Bank	FNMA FNMS 4.500%	31416WFW7	05/01/40	2,624
				<u>\$ 51,247</u>

Total Cash per Schedule of Cash Accounts (Excluding Foundation):	\$ 328,842
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	78,842
Collateral Requirement:	39,421
Pledged Collateral Held by Pledging Financial Institution:	<u>51,247</u>
Balance Over Collateralized:	<u>\$ 11,826</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ 27,595</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 328,842
Checking - Foundation	19,346
Savings - Foundation	1,175
Bond Principal Fund - Foundation	37,501
Bond Interest Fund - Foundation	163,164
Bond Reserve Fund - Foundation	480,016
Bond Project Fund - Foundation	1
Bond Revenue Fund - Foundation	14,468
<i>Total on Deposit</i>	1,044,513
Reconciling Items	<u>(8,521)</u>
Reconciled Balance June 30, 2016	<u>1,035,992</u>
Less Agency Funds	<u>(3,247)</u>
<i>Total Cash</i>	<u><u>\$ 1,032,745</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Student Activity Fund 23000
Cash, June 30, 2015	\$ 387,629	22,378	6,942
Add:			
2015-16 revenues	<u>2,870,958</u>	<u>26,164</u>	<u>25,720</u>
Total cash available	3,258,587	48,542	32,662
Less:			
2015-16 expenditures	(3,100,018)	(48,318)	(29,415)
Receivables/Payables	173,102	-	-
Outstanding Loans	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>331,671</u>	<u>224</u>	<u>3,247</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>(95,002)</u>	<u>-</u>	<u>-</u>
Cash per Books	<u>236,669</u>	<u>224</u>	<u>3,247</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>(175,108)</u>	<u>-</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 156,563</u>	<u>224</u>	<u>3,247</u>

The accompanying notes are an integral part of these financial statements

Federal Flowthrough 24000	Local Grants 26000	State Flowthrough 27000	State Direct 28000	Local or State Fund 29000	Public School Capital Outlay 31200
2,787	1,256	(13,456)	(6,541)	1,377	(40,975)
50,276	-	79,284	6,541	-	193,654
53,063	1,256	65,828	-	1,377	152,679
(50,229)	-	(68,713)	-	-	(203,572)
-	-	33	-	-	-
-	-	-	-	-	-
2,834	1,256	(2,852)	-	1,377	(50,893)
-	-	2,885	-	-	50,893
2,834	1,256	33	-	1,377	-
-	-	2,852	-	-	50,893
2,834	1,256	-	-	1,377	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Cash Reconciliation (Continued)
June 30, 2016

	Special Capital Outlay - State 31400	Capital Improvements SB-9 31700	Total
	<u>31400</u>	<u>31700</u>	<u>Total</u>
Cash, June 30, 2015	\$ (20,000)	64,892	406,289
Add:			
2015-16 revenues	<u>230,000</u>	<u>104,811</u>	<u>3,587,408</u>
Total cash available	210,000	169,703	3,993,697
Less:			
2015-16 expenditures	(251,224)	(94,923)	(3,846,412)
Receivables/Payables	-	-	173,135
Outstanding Loans	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>(41,224)</u>	<u>74,780</u>	<u>320,420</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>41,224</u>	-	-
Cash per Books	<u>-</u>	<u>74,780</u>	<u>320,420</u>
			Add: Foundation Cash per Balance Sheet - Governmental Funds: 715,572
			Less: Activity Funds Per Schedule of Changes in Assets and Liabilities - Agency Fund: 3,247
			Total Cash per Books: <u>\$ 1,032,745</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>41,224</u>	<u>18,173</u>	<u>(61,966)</u>
Fund Balance, Modified Accrual Basis	<u>\$ -</u>	<u>92,953</u>	<u>258,454</u>
			Add: Foundation: 715,572
			Less: Activity Funds Per Schedule of Changes in Assets and Liabilities - Agency Fund: 3,247
			Balance Sheets - Governmental Funds: <u>\$ 970,779</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 677,490
Receivables	
Due from Other Governments	125,609
Deposits	13,000
Prepaid Expenses	4,712
Total Current Assets	<u>820,811</u>

Noncurrent Assets:

Capital Assets	
Construction-in-Progress	39,917
Building and Improvements	23,270
Furniture, Fixtures, and Equipment	114,657
Less: Accumulated Depreciation	<u>(120,256)</u>
Total Noncurrent Assets	<u>57,588</u>

Total Assets 878,399

Deferred Outflows - Pension Related 278,136

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	5,818
Accrued Liabilities	44,292
Total Current Liabilities	<u>50,110</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,433,509</u>
Total Noncurrent Liabilities	<u>2,433,509</u>

Total Liabilities 2,483,619

Deferred Inflows - Pension Related 56,069

NET POSITION

Investment in Capital Assets	57,588
Restricted	138,270
Unrestricted (deficit)	<u>(1,579,011)</u>
Total Net Position	<u>\$ (1,383,153)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,007,486	-	179,762	-	(827,724)
Support Services:					
Students	327,855	-	-	-	(327,855)
Instruction	24,728	-	-	-	(24,728)
General Administration	28,849	-	-	-	(28,849)
School Administration	242,218	-	-	-	(242,218)
Central Services	147,606	-	-	-	(147,606)
Operation & Maintenance of Plant	413,579	-	-	-	(413,579)
Food Services	52,306	-	53,276	-	970
Facilities Materials, Supplies & Other Services	175,283	-	-	233,883	58,600
Total Governmental Activities	\$ 2,419,910	-	233,038	233,883	(1,952,989)
General Revenues:					
Property Taxes					\$ 60,687
State Equalization Guarantee					2,032,970
Miscellaneous					52
Total General Revenues					<u>2,093,709</u>
Change in Net Position					140,720
Net Position (deficit), Beginning					<u>(1,523,873)</u>
Net position (deficit), Ending					<u>\$ (1,383,153)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 472,923	4,447	739	2,864
Accounts Receivable				
Due from Government	-	-	-	11,621
Due from Other Funds	125,609	-	-	-
Deposits	13,000	-	-	-
Prepaid Expenditures	4,712	-	-	-
Total Assets	\$ 616,244	4,447	739	14,485
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 5,678	140	-	-
Accrued Expenditures	39,228	-	-	2,864
Due to Other Funds	-	-	-	11,621
Total Liabilities	44,906	140	-	14,485
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	13,000	-	-	-
Prepaid Expenditures	4,712	-	-	-
Restricted for:				
Instruction	-	4,307	-	-
Food Service Operations	-	-	739	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	553,626	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	571,338	4,307	739	-
Total Liabilities and Fund Balances	\$ 616,244	4,447	739	14,485

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I School Improvement 24162	Title XIX Medicaid 25152	CNM Foundation 26207
1,860	-	-	-	1,440	44
21,740	42	-	7,402	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>23,600</u>	<u>42</u>	<u>-</u>	<u>7,402</u>	<u>1,440</u>	<u>44</u>
-	-	-	-	-	-
1,860	-	-	-	-	-
21,740	42	-	7,402	-	-
<u>23,600</u>	<u>42</u>	<u>-</u>	<u>7,402</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	1,440	44
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	1,440	44
<u>23,600</u>	<u>42</u>	<u>-</u>	<u>7,402</u>	<u>1,440</u>	<u>44</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Dual Credit Instructional Materials 27103	2012 GO Bond Student Library SB-66 27107	NM Grown Fresh Fruits & Vegetables 27183	GRADS 28190
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	340
Accounts Receivable				
Due from Government	154	6,776	-	-
Due from Other Funds	-	-	-	-
Deposits	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	\$ 154	6,776	-	340
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	-	340
Due to Other Funds	154	6,776	-	-
Total Liabilities	154	6,776	-	340
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	-	-	-	-
Total Liabilities and Fund Balances	\$ 154	6,776	-	340

The accompanying notes are an integral part of these financial statements

GRADS Plus 28203	Public School Capital Outlay 31200	Special Capital Outlay State 31400	SB-9 Capital Improvements 31700	Foundation	Total
25	-	-	114,003	78,805	677,490
1,073	-	76,801	-	-	125,609
-	-	-	-	-	125,609
-	-	-	-	13,000	26,000
-	-	-	-	-	4,712
1,098	-	76,801	114,003	91,805	959,420
-	-	-	-	-	5,818
-	-	-	-	13,000	57,292
1,073	-	76,801	-	-	125,609
1,073	-	76,801	-	13,000	188,719
-	-	-	-	13,000	26,000
-	-	-	-	-	4,712
25	-	-	-	-	5,816
-	-	-	-	-	739
-	-	-	114,003	-	114,003
-	-	-	-	-	553,626
-	-	-	-	65,805	65,805
25	-	-	114,003	78,805	770,701
1,098	-	76,801	114,003	91,805	959,420

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds	\$	770,701
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Capital Assets	177,844	
Accumulated Depreciation	<u>(120,256)</u>	57,588
<p>Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.</p>		
		278,136
<p>Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
		(56,069)
<p>The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.</p>		
		<u>(2,433,509)</u>
Net Position-Total Governmental Activities	\$	<u><u>(1,383,153)</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	1,795	-	-	-
State Grant	2,032,970	14,583	-	-
Federal Grant	939	-	53,056	69,089
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>2,035,704</u>	<u>14,583</u>	<u>53,056</u>	<u>69,089</u>
EXPENDITURES				
Current:				
Instruction	779,680	25,569	-	68,887
Support Services:				
Students	311,991	-	-	202
Instruction	15,193	-	-	-
General Administration	28,244	-	-	-
School Administration	227,910	-	-	-
Central Services	141,611	-	-	-
Operation & Maintenance of Plant	413,147	-	-	-
Food Services Operations	815	-	51,271	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,918,591</u>	<u>25,569</u>	<u>51,271</u>	<u>69,089</u>
Net Changes in Fund Balances	<u>117,113</u>	<u>(10,986)</u>	<u>1,785</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>454,225</u>	<u>15,293</u>	<u>(1,046)</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 571,338</u>	<u>4,307</u>	<u>739</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I School Improvement 24162	Title XIX Medicaid 25152	CNM Foundation 26207
-	-	-	-	-	-
-	-	-	-	-	1,500
-	-	-	-	-	-
43,431	42	6,735	25,026	1,996	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>43,431</u>	<u>42</u>	<u>6,735</u>	<u>25,026</u>	<u>1,996</u>	<u>1,500</u>
43,431	42	3,610	22,267	-	1,456
-	-	-	-	739	-
-	-	-	2,759	-	-
-	-	-	-	-	-
-	-	125	-	-	-
-	-	3,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>43,431</u>	<u>42</u>	<u>6,735</u>	<u>25,026</u>	<u>739</u>	<u>1,456</u>
-	-	-	-	1,257	44
-	-	-	-	183	-
-	-	-	-	1,440	44

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016

	Dual Credit Instructional Materials 27103	2012 GO Bond Student Library SB-66 27107	NM Grown Fresh Fruits & Vegetables 27183	GRADS 28190
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	1,027	6,776	220	5,750
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>1,027</u>	<u>6,776</u>	<u>220</u>	<u>5,750</u>
EXPENDITURES				
Current:				
Instruction	1,027	-	-	5,750
Support Services:				
Students	-	-	-	-
Instruction	-	6,776	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Food Services Operations	-	-	220	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,027</u>	<u>6,776</u>	<u>220</u>	<u>5,750</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

GRADS Plus 28203	Public School Capital Outlay 31200	Special Capital Outlay State 31400	SB-9 Capital Improvements 31700	Foundation	Total
-	-	-	60,687	-	60,687
-	-	-	-	-	3,295
1,073	149,827	84,056	-	-	2,296,282
-	-	-	-	-	200,314
-	-	-	-	415,589	415,589
-	-	-	-	52	52
<u>1,073</u>	<u>149,827</u>	<u>84,056</u>	<u>60,687</u>	<u>415,641</u>	<u>2,976,219</u>
781	-	-	-	-	952,500
267	-	-	-	-	313,199
-	-	-	-	-	24,728
-	-	-	605	-	28,849
-	-	-	-	-	228,035
-	-	-	-	-	144,611
-	-	-	-	-	413,147
-	-	-	-	-	52,306
-	149,827	84,056	-	404,161	638,044
<u>1,048</u>	<u>149,827</u>	<u>84,056</u>	<u>605</u>	<u>404,161</u>	<u>2,795,419</u>
<u>25</u>	<u>-</u>	<u>-</u>	<u>60,082</u>	<u>11,480</u>	<u>180,800</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>53,921</u>	<u>67,325</u>	<u>589,901</u>
<u>25</u>	<u>-</u>	<u>-</u>	<u>114,003</u>	<u>78,805</u>	<u>770,701</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For The Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 180,800**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlay	47,172
Depreciation Expense	(8,455)

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability	<u>(78,797)</u>
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Change in Net Position-Total Governmental Activities **\$ 140,720**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cesar Chavez Community School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 5,257
Total Assets	<u>\$ 5,257</u>
LIABILITIES	
Deposits Held for Others	\$ 5,257
Total Liabilities	<u>\$ 5,257</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cesar Chavez Community School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 5,329	6,517	(6,589)	5,257
Accounts Receivable	279	-	(279)	-
Total Assets	<u>\$ 5,608</u>	<u>\$ 6,517</u>	<u>\$ (6,868)</u>	<u>\$ 5,257</u>
LIABILITIES				
Deposits Held for Others	\$ 5,608	6,517	(6,868)	5,257
Total Liabilities	<u>\$ 5,608</u>	<u>6,517</u>	<u>(6,868)</u>	<u>5,257</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5-7 years
Buildings and Improvements	5-7 years

Capital assets for Cesar Chavez Community School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets not being Depreciated:</i>				
Construction-in-progress	\$ -	39,917	-	39,917
<i>Total</i>	-	39,917	-	39,917
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	107,402	7,255	-	114,657
Building and Improvements	23,270	-	-	23,270
<i>Total</i>	130,672	7,255	-	137,927
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(88,531)	(8,455)	-	(96,986)
Building and improvements	(23,270)	-	-	(23,270)
<i>Total</i>	(111,801)	(8,455)	-	(120,256)
Capital Assets, Net	\$ 18,871	38,717	-	57,588

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 8,023
Facilities, Materials, Supplies & Other Services	432
Total	<u>\$ 8,455</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Cesar Chavez Community School leases equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2016 was \$426,037. The Cesar Chavez Community School's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ 442,297
2018	454,398
2019	466,860
2020	470,707
Total	<u>\$ 1,834,262</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Notes to the Financial Statements
June 30, 2016

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

The Cesar Chavez Community School Education Foundation (Foundation) leased a facility under a long-term cancelable operating lease. Rental expenses for the year ended June 30, 2016 was \$360,660. The Foundation’s minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ 403,336
2018	415,437
2019	427,899
2020	440,736
Total	<u>\$ 1,687,408</u>

NOTE 4. RELATED PARTY TRANSACTIONS

Cesar Chavez Community School has a Foundation which subleases the property to the school. The Foundation is considered a component unit of Cesar Chavez Community School and is presented as a blended component unit.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Cesar Chavez Community School and does not include general disclosure information pertaining to the New Mexico Educational Employees’ Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Cesar Chavez Community School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal years ended June 30, 2016 and 2015, employers contributed 13.90% of employees’ gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Cesar Chavez Community School were \$132,046 for the year ended June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015 using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date of June 30, 2015. At June 30, 2016, Cesar Chavez Community School reported a liability of \$2,433,509 for its proportionate share of the net pension liability. Cesar Chavez Community School’s proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Cesar Chavez Community School’s proportion was 0.03757%, which was an increase of 0.00075% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Cesar recognized pension expense of \$211,680. At June 30, 2016, Cesar Chavez Community School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(45,115)
Changes in assumptions	83,701	-
Net difference between projected and actual earnings on pension plan investments	-	(10,954)
Changes in proportion	62,389	-
Fiscal year 2016 employer contributions	<u>132,046</u>	<u>-</u>
Ending balance	<u>\$ 278,136</u>	<u>(56,069)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The amount of \$132,046 reported as deferred outflows of resources related to pensions resulting from Cesar Chavez Community School contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (21,014)
2018	(20,558)
2019	(14,650)
2020	<u>(33,799)</u>
Total	\$ <u>(90,021)</u>

Sensitivity of Cesar Chavez Community School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 3,274,449</u>	<u>2,433,509</u>	<u>1,727,032</u>

Payables to the pension plan. At June 30, 2016, Cesar Chavez Community School owed \$0 to ERB for fiscal year 2016 contributions.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
CEASAR CHAVEZ COMMUNITY SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,101	2,433	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,015	1,026	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.03%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 169	\$ 132	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	148	132	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 21	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Deferred	Amortization Years										
2014	\$ 179	5		\$ 44	\$ 44	\$ 44	\$ 47	-				
2015	(90)	5			(21)	(20)	(15)	(34)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ 89			\$ 44	\$ 23	24	32	(34)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	1,795	1,795
State Grant	2,027,935	2,032,969	2,032,970	1
Federal Grant	-	-	939	939
Total Revenues	<u>2,027,935</u>	<u>2,032,969</u>	<u>2,035,704</u>	<u>2,735</u>
EXPENDITURES				
Current:				
Instruction	1,223,941	1,224,106	776,979	447,127
Support Services:				
Students	364,957	358,076	313,332	44,744
Instruction	15,830	23,097	15,193	7,904
General Administration	26,040	47,739	32,897	14,842
School Administration	249,754	231,860	227,900	3,960
Central Services	130,396	165,811	156,197	9,614
Operation & Maintenance of Plant	380,905	447,575	419,638	27,937
Food Services Operations	-	5,972	815	5,157
Total Expenditures	<u>2,391,823</u>	<u>2,504,236</u>	<u>1,942,951</u>	<u>561,285</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(363,888)</u>	<u>(471,267)</u>	<u>92,753</u>	<u>564,020</u>
Other Financing Sources (Uses):				
Designated Cash	363,888	471,267	-	(471,267)
Total Other Financing Sources (Uses):	<u>363,888</u>	<u>471,267</u>	<u>-</u>	<u>(471,267)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>92,753</u>	<u>92,753</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>454,225</u>	<u>454,225</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>546,978</u>	<u>546,978</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 92,753	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>24,360</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 117,113</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 11,235	14,583	14,583	-
Total Revenues	<u>11,235</u>	<u>14,583</u>	<u>14,583</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	39,913	33,682	29,236	4,446
Total Expenditures	<u>39,913</u>	<u>33,682</u>	<u>29,236</u>	<u>4,446</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(28,678)</u>	<u>(19,099)</u>	<u>(14,653)</u>	<u>4,446</u>
Other Financing Sources (Uses):				
Designated Cash	28,678	19,099	-	(19,099)
Total Other Financing Sources (Uses):	<u>28,678</u>	<u>19,099</u>	<u>-</u>	<u>(19,099)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(14,653)</u>	<u>(14,653)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>15,293</u>	<u>15,293</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>640</u>	<u>640</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (14,653)	
Adjustments to Revenues			-	
Adjustments to Expenditures			3,667	
NET CHANGE IN FUND BALANCE			<u>\$ (10,986)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cesar Chavez Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 60,000	60,000	53,056	(6,944)
Total Revenues	<u>60,000</u>	<u>60,000</u>	<u>53,056</u>	<u>(6,944)</u>
EXPENDITURES				
Current:				
Food Services Operations	60,837	60,837	51,271	9,566
Total Expenditures	<u>60,837</u>	<u>60,837</u>	<u>51,271</u>	<u>9,566</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(837)</u>	<u>(837)</u>	<u>1,785</u>	<u>2,622</u>
Other Financing Sources (Uses):				
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>(837)</u>	<u>(837)</u>	<u>1,785</u>	<u>2,622</u>
Cash or Fund Balances (Deficit) - Beginning of Year	<u>-</u>	<u>-</u>	<u>(1,046)</u>	<u>(1,046)</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ (837)</u>	<u>(837)</u>	<u>739</u>	<u>1,576</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,785	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1,785</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 68,935	79,261	67,029	(12,232)
Total Revenues	<u>68,935</u>	<u>79,261</u>	<u>67,029</u>	<u>(12,232)</u>
EXPENDITURES				
Current:				
Instruction	67,935	78,261	68,887	9,374
Support Services:				
Students	1,000	1,000	202	798
Total Expenditures	<u>68,935</u>	<u>79,261</u>	<u>69,089</u>	<u>10,172</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,060)	(2,060)
Net Changes in Fund Balances	-	-	(2,060)	(2,060)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,060)</u>	<u>(2,060)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,060)	
Adjustments to Revenues			2,060	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 37,401	43,431	30,780	(12,651)
Total Revenues	<u>37,401</u>	<u>43,431</u>	<u>30,780</u>	<u>(12,651)</u>
EXPENDITURES				
Current:				
Instruction	37,401	43,431	43,431	-
Total Expenditures	<u>37,401</u>	<u>43,431</u>	<u>43,431</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(12,651)</u>	<u>(12,651)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(12,651)</u>	<u>(12,651)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(12,651)</u>	<u>(12,651)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (12,651)	
Adjustments to Revenues			12,651	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	42	-	(42)
Total Revenues	-	42	-	(42)
EXPENDITURES				
Current:				
Instruction	-	42	42	-
Total Expenditures	-	42	42	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(42)	(42)
Net Changes in Fund Balances	-	-	(42)	(42)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	\$ -	-	(42)	(42)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (42)	
Adjustments to Revenues			42	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 8,617	13,317	8,148	(5,169)
Total Revenues	<u>8,617</u>	<u>13,317</u>	<u>8,148</u>	<u>(5,169)</u>
EXPENDITURES				
Current:				
Instruction	6,043	7,743	3,610	4,133
Support Services:				
School Administration	2,574	2,574	125	2,449
Central Services	-	3,000	3,000	-
Total expenditures	<u>8,617</u>	<u>13,317</u>	<u>6,735</u>	<u>6,582</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,413	1,413
Net changes in Fund Balances	-	-	1,413	1,413
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,413</u>	<u>1,413</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,413	
Adjustments to Revenues			(1,413)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cesar Chavez Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I School Improvement 24162
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	25,760	17,624	(8,136)
Total Revenues	<u>-</u>	<u>25,760</u>	<u>17,624</u>	<u>(8,136)</u>
EXPENDITURES				
Current:				
Instruction	-	23,001	22,267	734
Support Services:				
Instruction	-	2,759	2,759	-
Total expenditures	<u>-</u>	<u>25,760</u>	<u>25,026</u>	<u>734</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(7,402)</u>	<u>(7,402)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(7,402)</u>	<u>(7,402)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,402)</u>	<u>(7,402)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,402)	
Adjustments to Revenues			7,402	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25152
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 2,000	2,000	1,996	(4)
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>1,996</u>	<u>(4)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	2,000	2,000	739	1,261
Total Expenditures	<u>2,000</u>	<u>2,000</u>	<u>739</u>	<u>1,261</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,257	1,257
Net Changes in Fund Balances	-	-	1,257	1,257
Cash or Fund Balances - Beginning of Year	-	-	183	183
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,440</u>	<u>1,440</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,257	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1,257</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
CNM Foundation 26207
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	1,500	1,500	-
Total Revenues	<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	1,500	1,456	44
Total Expenditures	<u>-</u>	<u>1,500</u>	<u>1,456</u>	<u>44</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>44</u>	<u>44</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>44</u>	<u>44</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>44</u>	<u>44</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 44	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 44</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cesar Chavez Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Dual Credit Instructional Materials 27103
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	1,027	873	(154)
Total Revenues	<u>-</u>	<u>1,027</u>	<u>873</u>	<u>(154)</u>
EXPENDITURES				
Current:				
Instruction	-	1,027	1,027	-
Total Expenditures	<u>-</u>	<u>1,027</u>	<u>1,027</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(154)</u>	<u>(154)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(154)</u>	<u>(154)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(154)</u>	<u>(154)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (154)	
Adjustments to Revenues			154	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
2012 GO Bond Student Library SB-66 27107
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 6,776	6,776	-	(6,776)
Total Revenues	<u>6,776</u>	<u>6,776</u>	<u>-</u>	<u>(6,776)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	6,776	6,776	6,776	-
Total Expenditures	<u>6,776</u>	<u>6,776</u>	<u>6,776</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(6,776)	(6,776)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(6,776)</u>	<u>(6,776)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(6,776)</u>	<u>(6,776)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,776)	
Adjustments to Revenues			6,776	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cesar Chavez Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 NM Grown Fresh Fruits & Vegetables 27183
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	220	220	-
Total Revenues	<u>-</u>	<u>220</u>	<u>220</u>	<u>-</u>
EXPENDITURES				
Current:				
Food Services Operations	-	220	220	-
Total Expenditures	<u>-</u>	<u>220</u>	<u>220</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cesar Chavez Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 GRADS 28190
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 11,500	5,750	5,750	-
Total Revenues	<u>11,500</u>	<u>5,750</u>	<u>5,750</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	11,500	5,750	5,750	-
Total Expenditures	<u>11,500</u>	<u>5,750</u>	<u>5,750</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
GRADS Plus 28203
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	3,207	14,477	11,270
Total Revenues	<u>-</u>	<u>3,207</u>	<u>14,477</u>	<u>11,270</u>
EXPENDITURES				
Current:				
Instruction	-	2,907	2,617	290
Support Services:				
Students	-	500	267	233
Total Expenditures	<u>-</u>	<u>3,407</u>	<u>2,884</u>	<u>523</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(200)</u>	<u>11,593</u>	<u>11,793</u>
Other financing sources (uses):				
Designated Cash	-	200	-	(200)
Total other financing sources (uses):	<u>-</u>	<u>200</u>	<u>-</u>	<u>(200)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>11,593</u>	<u>11,593</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>11,593</u>	<u>11,593</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 11,593	
Adjustments to Revenues			(13,404)	
Adjustments to Expenditures			1,836	
NET CHANGE IN FUND BALANCE			<u>\$ 25</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cesar Chavez Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	149,827	149,827	-
Total Revenues	<u>-</u>	<u>149,827</u>	<u>149,827</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	149,827	149,827	-
Total Expenditures	<u>-</u>	<u>149,827</u>	<u>149,827</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cesar Chavez Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay State 31400
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 58,000	93,030	7,255	(85,775)
Total Revenues	<u>58,000</u>	<u>93,030</u>	<u>7,255</u>	<u>(85,775)</u>
EXPENDITURES				
Capital Outlay	58,000	93,030	84,056	8,974
Total Expenditures	<u>58,000</u>	<u>93,030</u>	<u>84,056</u>	<u>8,974</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(76,801)	(76,801)
Net Changes in Fund Balances	-	-	(76,801)	(76,801)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(76,801)</u>	<u>(76,801)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (76,801)	
Adjustments to Revenues			76,801	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 56,000	56,000	60,687	4,687
State Grant	12,868	17,755	-	(17,755)
Total Revenues	68,868	73,755	60,687	(13,068)
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	1,000	605	395
Capital Outlay	123,377	126,676	-	126,676
Total Expenditures	123,377	127,676	605	127,071
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(54,509)</i>	<i>(53,921)</i>	<i>60,082</i>	<i>114,003</i>
Other Financing Sources (Uses):				
Designated Cash	54,509	53,921	-	(53,921)
Total Other Financing Sources (Uses):	54,509	53,921	-	(53,921)
Net Changes in Fund Balances	-	-	60,082	60,082
Cash or Fund Balances - Beginning of Year	-	-	53,921	53,921
Cash or Fund Balances - End of Year	\$ -	-	114,003	114,003
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 60,082	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 60,082	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cesar Chavez Community School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Wells Fargo	FNMA FNMS 4%	31419KZA6	12/1/2040	\$ 290,026
				<u>\$ 290,026</u>
Total Cash in Bank for the School per Schedule of Cash Accounts:				\$ 657,146
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				407,146
Collateral Requirement:				203,573
Pledged Collateral Held by Pledging Financial Institution:				<u>290,026</u>
Balance Over Collateralized:				<u>\$ 86,453</u>
School Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ 117,120</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Cash Accounts
June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>	<u>Bank of Albuquerque</u>	<u>Total</u>
Checking - Operational Account	\$ 651,889	-	651,889
Checking - Activity Account	5,257	-	5,257
Checking - Foundation	-	78,805	78,805
Total on Deposit	657,146	78,805	735,951
Reconciling Items	(53,204)	-	(53,204)
Reconciled Balance June 30, 2016	603,942	78,805	682,747
Less Agency Funds	(5,257)	-	(5,257)
Total Cash	<u>\$ 598,685</u>	<u>78,805</u>	<u>677,490</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 555,169	19,100	-	5,329
Add:				
2015-16 revenues	<u>2,035,704</u>	<u>14,583</u>	<u>53,056</u>	<u>6,517</u>
Total Cash Available	2,590,873	33,683	53,056	11,846
Less:				
2015-16 expenditures	(1,942,951)	(29,236)	(51,271)	(6,589)
Receivables/Payables	(74,718)	-	-	-
Outstanding Loans	<u>(100,281)</u>	<u>-</u>	<u>(1,046)</u>	<u>-</u>
Cash June 30, 2016	<u>472,923</u>	<u>4,447</u>	<u>739</u>	<u>5,257</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>472,923</u>	<u>4,447</u>	<u>739</u>	<u>5,257</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	98,415	(140)	-	(5,257)
Fund Balance, Modified Accrual Basis	<u>\$ 571,338</u>	<u>4,307</u>	<u>739</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	Federal Direct Account 25000	Local Grant Account 26000	State Account 27000	State Direct Account 28000	Public School Capital Outlay 31200
-	183	-	-	-	-
<u>123,581</u>	<u>1,996</u>	<u>1,500</u>	<u>1,093</u>	<u>20,227</u>	<u>149,827</u>
123,581	2,179	1,500	1,093	20,227	149,827
(144,323)	(739)	(1,456)	(8,023)	(8,634)	(149,827)
(3,698)	-	-	-	340	-
<u>29,164</u>	<u>-</u>	<u>-</u>	<u>6,930</u>	<u>(11,568)</u>	<u>-</u>
<u>4,724</u>	<u>1,440</u>	<u>44</u>	<u>-</u>	<u>365</u>	<u>-</u>
-	-	-	-	-	-
<u>4,724</u>	<u>1,440</u>	<u>44</u>	<u>-</u>	<u>365</u>	<u>-</u>
(4,724)	-	-	-	(340)	-
<u>-</u>	<u>1,440</u>	<u>44</u>	<u>-</u>	<u>25</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Cash Reconciliation (Continued)
June 30, 2016

	Special Capital Outlay - State <u>31400</u>	SB-9 Capital Improvements <u>31700</u>	<u>Total</u>
Cash, June 30, 2015	-	53,921	633,702
Add:			
2015-16 revenues	<u>7,255</u>	<u>60,687</u>	<u>2,476,026</u>
Total Cash Available	7,255	114,608	3,109,728
Less:			
2015-16 expenditures	(84,056)	(605)	(2,427,710)
Receivables/Payables	-	-	(78,076)
Outstanding Loans	<u>76,801</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>-</u>	<u>114,003</u>	<u>603,942</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	-	-	-
Cash Per Books	<u>-</u>	<u>114,003</u>	<u>603,942</u>
		Less: Agency Fund:	(5,257)
		Balance Sheet-Foundation:	<u>78,805</u>
			<u>\$ 677,490</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	-	-	87,954
Fund Balance, Modified Accrual Basis	<u>-</u>	<u>114,003</u>	691,896
		Add: Foundation:	<u>78,805</u>
			<u>\$ 770,701</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,096,894
Receivables	
Due from Government	255,647
Prepaid Expenses	19,162
Total Current Assets	<u>1,371,703</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	16,162
Furniture, Fixtures, and Equipment	182,602
Less: Accumulated Depreciation	(74,791)
Total Noncurrent Assets	<u>123,973</u>

Total Assets	<u>1,495,676</u>
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Deferred Outflows - Pension Related	<u>909,381</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	12,672
Accrued Expenditures	259,480
Due to Government	16,527
Total Current Liabilities	<u>288,679</u>

Noncurrent Liabilities:

Net Pension Liability	<u>3,471,815</u>
Total Noncurrent Liabilities	<u>3,471,815</u>

Total Liabilities	<u>3,760,494</u>
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Deferred Inflows - Pension Related	<u>79,991</u>
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NET POSITION

Investment in Capital Assets	123,973
Restricted	829,128
Unrestricted (Deficit)	(2,388,529)
Total Net Position	<u>\$ (1,435,428)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,193,510	59,169	249,347	-	(1,884,994)
Support Services:					
Students	213,937	-	-	-	(213,937)
Instruction	32,100	-	-	-	(32,100)
General Administration	33,524	-	-	-	(33,524)
School Administration	334,818	-	-	-	(334,818)
Central Services	86,725	-	-	-	(86,725)
Operation & Maintenance of Plant	320,110	-	-	-	(320,110)
Student Transportation	108,181	-	110,199	-	2,018
Food Services	83,583	26,946	56,175	-	(462)
Facilities Materials, Supplies & Other Services	384,688	-	-	323,556	(61,132)
Total Governmental Activities	\$ 3,791,176	86,115	415,721	323,556	(2,965,784)
General Revenues:					
Property Taxes					\$ 322,743
State Equalization Guarantee					2,693,037
Miscellaneous					3,486
Total General Revenues					<u>3,019,266</u>
Change in Net Position					53,482
Net Position, Beginning					<u>(1,488,910)</u>
Net Position, Ending					<u>\$ (1,435,428)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 279,313	33,054	22,625	21,623
Accounts Receivable				
Due from Government	-	-	-	-
Due from Other Funds	232,806	-	-	-
Prepaid Expenditures	19,162	-	-	-
Total Assets	\$ 531,281	33,054	22,625	21,623
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 12,672	-	-	-
Accrued Expenditures	245,551	-	-	-
Due to Government	-	16,527	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	258,223	16,527	-	-
Fund Balances				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	19,162	-	-	-
Restricted for:				
Instruction	-	-	22,625	-
Food Service Operations	-	-	-	21,623
Student Transportation	-	16,527	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	253,896	-	-	-
Total Fund Balance	273,058	16,527	22,625	21,623
Total Liabilities and Fund Balances	\$ 531,281	33,054	22,625	21,623

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

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25153	Golden Apple Foundation 26163
-	-	-	-	4,382	106
15,780	28,481	27,137	2,661	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>15,780</u>	<u>28,481</u>	<u>27,137</u>	<u>2,661</u>	<u>4,382</u>	<u>106</u>
-	-	-	-	-	-
4,537	4,548	-	-	-	-
-	-	-	-	-	-
11,243	23,933	27,137	2,661	-	-
<u>15,780</u>	<u>28,481</u>	<u>27,137</u>	<u>2,661</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	4,382	106
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,382</u>	<u>106</u>
<u>15,780</u>	<u>28,481</u>	<u>27,137</u>	<u>2,661</u>	<u>4,382</u>	<u>106</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Reads to Lead 27114	Teachers Hard to Staff Stipend 27195	Public School Capital Outlay 31200	Special Capital Outlay 31400
ASSETS				
Cash and Cash Equivalents	-	-	-	-
Accounts Receivable				
Due from Government	11,734	30,375	64,330	66,237
Due from Other Funds	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	11,734	30,375	64,330	66,237
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	-	-	-	-
Accrued Expenditures	4,844	-	-	-
Due to Government	-	-	-	-
Due to Other Funds	6,890	30,375	64,330	66,237
Total Liabilities	11,734	30,375	64,330	66,237
Fund Balances				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Food Service Operations	-	-	-	-
Student Transportation	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Total Fund Balance	-	-	-	-
Total Liabilities and Fund Balances	11,734	30,375	64,330	66,237

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

HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
613,049	122,742	1,096,894
-	8,912	255,647
-	-	232,806
-	-	19,162
<u>613,049</u>	<u>131,654</u>	<u>1,604,509</u>
-	-	12,672
-	-	259,480
-	-	16,527
-	-	232,806
<u>-</u>	<u>-</u>	<u>521,485</u>
-	-	19,162
-	-	27,113
-	-	21,623
-	-	16,527
613,049	131,654	744,703
-	-	253,896
<u>613,049</u>	<u>131,654</u>	<u>1,083,024</u>
<u>613,049</u>	<u>131,654</u>	<u>1,604,509</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cien Aguas International School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balances - Total Governmental Funds **\$ 1,083,024**

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

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

Capital Assets	198,764	
Accumulated Depreciation	<u>(74,791)</u>	
		123,973

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		909,381
--	--	---------

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(79,991)
--	--	----------

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(3,471,815)</u>
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Net Position -Total Governmental Activities **\$ (1,435,428)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	622	-	-	-
State Grant	2,693,037	110,199	26,633	-
Federal Grant	-	-	-	56,175
Charges for Services	59,169	-	-	26,946
Miscellaneous Income	3,486	-	-	-
Total Revenues	<u>2,756,314</u>	<u>110,199</u>	<u>26,633</u>	<u>83,121</u>
EXPENDITURES				
Current:				
Instruction	1,747,586	-	19,050	-
Support Services:				
Students	191,843	-	-	-
Instruction	32,100	-	-	-
General Administration	33,524	-	-	-
School Administration	301,172	-	-	-
Central Services	80,335	-	-	-
Operation & Maintenance of Plant	305,206	-	-	-
Student Transportation	-	108,181	-	-
Food Services Operations	7,597	-	-	75,986
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,699,363</u>	<u>108,181</u>	<u>19,050</u>	<u>75,986</u>
Net Changes in Fund Balances	<u>56,951</u>	<u>2,018</u>	<u>7,583</u>	<u>7,135</u>
Fund Balances - Beginning of Year	<u>216,107</u>	<u>14,509</u>	<u>15,042</u>	<u>14,488</u>
Fund Balances - End of Year	<u>\$ 273,058</u>	<u>16,527</u>	<u>22,625</u>	<u>21,623</u>

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25153	Golden Apple Foundation 26163
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
50,183	56,551	27,137	5,671	2,175	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>50,183</u>	<u>56,551</u>	<u>27,137</u>	<u>5,671</u>	<u>2,175</u>	<u>-</u>
50,183	45,554	27,070	5,351	-	593
-	10,997	67	320	1,320	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>50,183</u>	<u>56,551</u>	<u>27,137</u>	<u>5,671</u>	<u>1,320</u>	<u>593</u>
-	-	-	-	855	(593)
-	-	-	-	3,527	699
-	-	-	-	4,382	106

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2016

	Reads to Lead 27114	Teachers Hard to Staff Stipend 27195	Public School Capital Outlay 31200	Special Capital Outlay 31400
REVENUES				
Property Taxes	-	-	-	-
Local & County Grant	-	-	-	-
State Grant	50,000	30,375	257,319	66,237
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	50,000	30,375	257,319	66,237
EXPENDITURES				
Current:				
Instruction	50,000	30,375	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	257,319	66,237
Total Expenditures	50,000	30,375	257,319	66,237
Net Changes in Fund Balances	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances - End of Year	-	-	-	-

HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
209,297	113,446	322,743
-	-	622
-	-	3,233,800
-	-	197,892
-	-	86,115
-	-	3,486
<u>209,297</u>	<u>113,446</u>	<u>3,844,658</u>
-	-	1,975,762
-	-	204,547
-	-	32,100
-	-	33,524
-	-	301,172
-	-	80,335
-	-	305,206
-	-	108,181
-	-	83,583
-	82,812	406,368
<u>-</u>	<u>82,812</u>	<u>3,530,778</u>
<u>209,297</u>	<u>30,634</u>	<u>313,880</u>
<u>403,752</u>	<u>101,020</u>	<u>769,144</u>
<u>613,049</u>	<u>131,654</u>	<u>1,083,024</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 313,880**

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlays	24,705	
Depreciation Expense	<u>(20,623)</u>	4,082

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		<u>(264,480)</u>
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Change in Net Position-Total Governmental Activities **\$ 53,482**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cien Aguas International School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Funds</u> <u>Funds</u>
ASSETS	
Cash in Bank	\$ 1,639
Total Assets	<u>\$ 1,639</u>
 LIABILITIES	
Deposits Held for Others	\$ 1,639
Total Liabilities	<u>\$ 1,639</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cien Aguas International School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 1,201	2,419	(1,981)	1,639
Total Assets	<u>\$ 1,201</u>	<u>2,419</u>	<u>(1,981)</u>	<u>1,639</u>
LIABILITIES				
Deposits Held for Others	\$ 1,201	2,419	(1,981)	1,639
Total Liabilities	<u>\$ 1,201</u>	<u>2,419</u>	<u>(1,981)</u>	<u>1,639</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Building Improvements	15 years
Furniture, Fixtures and Equipment	3-15 years

Capital assets for Cien Aguas International School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 175,127	24,705	(17,230)	182,602
Building Improvements	16,162	-	-	16,162
<i>Total</i>	<u>191,289</u>	<u>24,705</u>	<u>(17,230)</u>	<u>198,764</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(66,908)	(17,929)	17,230	(67,607)
Building Improvements	(4,490)	(2,694)	-	(7,184)
<i>Total</i>	<u>(71,398)</u>	<u>(20,623)</u>	<u>17,230</u>	<u>(74,791)</u>
Capital Assets, Net	<u>\$ 119,891</u>	<u>4,082</u>	<u>-</u>	<u>123,973</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 3,025
Operation and Maintenance of Plant	14,904
Capital Outlay	<u>2,694</u>
Total	<u><u>\$ 20,623</u></u>

NOTE 3. COMMITMENTS AND LIABILITIES

Cien Aguas International School leases facilities under a long-term cancelable operating lease. Lease expense for the year ended June 30, 2016 was \$357,613. Cien Aguas International School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	372,557
2018	387,619
2019	403,283
2020	419,574
2021	436,357
Total	<u><u>\$ 2,019,390</u></u>

NOTE 4. RELATED PARTY TRANSACTIONS

A governing council member is employed by a company that provides services to the school. Payments to this vendor were approximately \$2,700 during the year.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Cien Aguas International School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Cien Aguas International School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from Cien Aguas International School were \$224,640 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Cien Aguas International School reported a liability of \$3,471,815 for its proportionate share of the net pension liability. Cien Aguas International School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Cien Aguas International School's proportion was 0.05360%, which was an increase of 0.00768% from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Cien Aguas International School recognized pension expense of \$496,514. At June 30, 2016, Cien Aguas International School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(64,364)
Changes in assumptions	119,414	-
Net difference between projected and actual earnings on pension plan investments	-	(15,627)
Changes in proportion	565,327	-
Fiscal year 2016 employer contributions	224,640	-
Ending balance	<u>\$ 909,381</u>	<u>(79,991)</u>

The amount of \$224,640 reported as deferred outflows of resources related to pensions resulting from Cien Aguas International Charter School contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (224,496)
2018	(213,271)
2019	(118,779)
2020	(48,202)
Total	<u>\$ (604,748)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Cien Aguas International School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Cien Aguas International School’s proportionate share of the net pension liability	<u>\$ 4,671,559</u>	<u>3,471,815</u>	<u>2,463,905</u>

Payables to the pension plan. At June 30, 2016, Cien Aguas International School owed \$73,073 to ERB for fiscal year 2016 contributions.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.05%	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,620	3,472	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,266	1,463	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.96%	237.24%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2024
Contractually Required Contribution	\$ 242	212	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	212	212	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 30	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2024
2014	\$ (38)	5		\$ (36)	(36)	(25)	59	-			
2015	\$ (605)	5			(224)	(213)	(119)	(48)	-		
2016	-	5				-	-	-	-	-	
2017	-	5				-	-	-	-	-	
2018	-	5				-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-
	\$ (643)			\$ (36)	\$ (260)	(238)	(60)	(48)	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	622	622
State Grant	2,639,975	2,691,738	2,693,037	1,299
Miscellaneous	-	3,486	3,486	-
Charges for Services	53,000	53,000	59,169	6,169
Total Revenues	2,692,975	2,748,224	2,756,314	8,090
EXPENDITURES				
Current:				
Instruction	1,913,235	1,902,591	1,752,474	150,117
Support Services:				
Students	179,075	231,422	194,169	37,253
Instruction	32,100	32,100	32,100	-
General Administration	27,000	37,550	33,369	4,181
School Administration	314,466	322,658	306,349	16,309
Central Services	78,741	79,766	78,726	1,040
Operation & Maintenance of Plant	273,523	500,526	275,402	225,124
Food Services Operations	1,800	9,100	7,597	1,503
Total Expenditures	2,819,940	3,115,713	2,680,186	435,527
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(126,965)</i>	<i>(367,489)</i>	<i>76,128</i>	<i>443,617</i>
Other Financing Sources (Uses):				
Designated Cash	126,965	367,489	-	(367,489)
Total Other Financing Sources (Uses):	126,965	367,489	-	(367,489)
Net Change in Fund Balance	-	-	76,128	76,128
Cash or Fund Balance - Beginning of Year	-	-	216,107	216,107
Cash or Fund Balance - End of Year	\$ -	-	292,235	292,235
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 76,128	
Adjustments to Revenues			-	
Adjustments to Expenditures			(19,177)	
NET CHANGE IN FUND BALANCE			\$ 56,951	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 120,007	126,726	126,726	-
Total Revenues	<u>120,007</u>	<u>126,726</u>	<u>126,726</u>	<u>-</u>
EXPENDITURES				
Current:				
Student Transportation	120,007	151,579	108,181	43,398
Total Expenditures	<u>120,007</u>	<u>151,579</u>	<u>108,181</u>	<u>43,398</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(24,853)</u>	<u>18,545</u>	<u>43,398</u>
Other Financing Sources (Uses):				
Designated Cash	-	24,853	-	(24,853)
Total Other Financing Sources (Uses):	<u>-</u>	<u>24,853</u>	<u>-</u>	<u>(24,853)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>18,545</u>	<u>18,545</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>14,509</u>	<u>14,509</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>33,054</u>	<u>33,054</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 18,545	
Adjustments to Revenues			(16,527)	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 2,018</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 19,416	26,593	26,633	40
Total Revenues	19,416	26,593	26,633	40
EXPENDITURES				
Current:				
Instruction	19,416	26,593	19,050	7,543
Total Expenditures	19,416	26,593	19,050	7,543
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	7,583	7,583
Net Change in Fund Balance	-	-	7,583	7,583
Cash or Fund Balance - Beginning of Year	-	-	15,042	15,042
Cash or Fund Balance - End of Year	\$ -	-	22,625	22,625
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 7,583	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 7,583	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 50,000	50,000	56,175	6,175
Charges for Services	29,000	29,000	26,946	(2,054)
Total Revenues	79,000	79,000	83,121	4,121
EXPENDITURES				
Current:				
Food Services Operations	79,000	79,000	75,986	3,014
Total Expenditures	79,000	79,000	75,986	3,014
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	7,135	7,135
Net Change in Fund Balance	-	-	7,135	7,135
Cash or Fund Balance - Beginning of Year	-	-	14,488	14,488
Cash or Fund Balance - End of Year	\$ -	-	21,623	21,623
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 7,135	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 7,135	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 39,643	73,906	48,591	(25,315)
Total Revenues	<u>39,643</u>	<u>73,906</u>	<u>48,591</u>	<u>(25,315)</u>
EXPENDITURES				
Current:				
Instruction	39,643	73,906	50,183	23,723
Total Expenditures	<u>39,643</u>	<u>73,906</u>	<u>50,183</u>	<u>23,723</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,592)	(1,592)
Net Change in Fund Balance	-	-	(1,592)	(1,592)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,592)</u>	<u>(1,592)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,592)	
Adjustments to Revenues			1,592	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 45,554	56,551	36,024	(20,527)
Total Revenues	45,554	56,551	36,024	(20,527)
EXPENDITURES				
Current:				
Instruction	45,554	45,554	45,554	-
Support Services:				
Students	-	10,997	10,997	-
Total Expenditures	45,554	56,551	56,551	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(20,527)	(20,527)
Net Change in Fund Balance	-	-	(20,527)	(20,527)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	(20,527)	(20,527)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (20,527)	
Adjustments to Revenues			20,527	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	27,137	68	(27,069)
Total Revenues	-	27,137	68	(27,069)
EXPENDITURES				
Current:				
Instruction	-	27,070	27,070	-
Support Services:				
Students	-	67	67	-
Total Expenditures	-	27,137	27,137	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(27,069)	(27,069)
Net Change in Fund Balance	-	-	(27,069)	(27,069)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	(27,069)	(27,069)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (27,069)	
Adjustments to Revenues			27,069	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 11,167	21,891	6,746	(15,145)
Total Revenues	11,167	21,891	6,746	(15,145)
EXPENDITURES				
Current:				
Instruction	9,554	20,278	5,351	14,927
Support Services:				
Students	1,613	1,613	320	1,293
Total expenditures	11,167	21,891	5,671	16,220
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,075	1,075
Net change in Fund Balance	-	-	1,075	1,075
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	1,075	1,075
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,075	
Adjustments to Revenues			(1,075)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25153
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	5,345	2,175	(3,170)
Total Revenues	<u>-</u>	<u>5,345</u>	<u>2,175</u>	<u>(3,170)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	5,345	1,320	4,025
Total Expenditures	<u>-</u>	<u>5,345</u>	<u>1,320</u>	<u>4,025</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	855	855
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>855</u>	<u>855</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>3,527</u>	<u>3,527</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,382</u>	<u>4,382</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 855	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 855</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Golden Apple Foundation 26163
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ 699	699	-	(699)
Total Revenues	699	699	-	(699)
EXPENDITURES				
Current:				
Instruction	699	699	593	106
Total Expenditures	699	699	593	106
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(593)	(593)
Net Change in Fund Balance	-	-	(593)	(593)
Cash or Fund Balance - Beginning of Year	-	-	699	699
Cash or Fund Balance - End of Year	\$ -	-	106	106
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (593)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (593)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Reads to Lead 27114
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 50,000	50,000	49,377	(623)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>49,377</u>	<u>(623)</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	50,000	-
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(623)	(623)
Net Change in Fund Balance	-	-	(623)	(623)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>(623)</u>	<u>(623)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (623)	
Adjustments to Revenues			623	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Teachers Hard to Staff Stipend 27195
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	30,375	-	(30,375)
Total Revenues	<u>-</u>	<u>30,375</u>	<u>-</u>	<u>(30,375)</u>
EXPENDITURES				
Current:				
Instruction	-	30,375	30,375	-
Total Expenditures	<u>-</u>	<u>30,375</u>	<u>30,375</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(30,375)	(30,375)
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(30,375)</u>	<u>(30,375)</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>(30,375)</u>	<u>(30,375)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (30,375)	
Adjustments to Revenues			30,375	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	257,319	192,989	(64,330)
Total Revenues	<u>-</u>	<u>257,319</u>	<u>192,989</u>	<u>(64,330)</u>
EXPENDITURES				
Capital Outlay	-	257,319	257,319	-
Total Expenditures	<u>-</u>	<u>257,319</u>	<u>257,319</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(64,330)	(64,330)
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(64,330)</u>	<u>(64,330)</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>(64,330)</u>	<u>(64,330)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (64,330)	
Adjustments to Revenues			64,330	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay 31400
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 479,500	479,500	-	(479,500)
Total Revenues	<u>479,500</u>	<u>479,500</u>	<u>-</u>	<u>(479,500)</u>
EXPENDITURES				
Capital Outlay	479,500	479,500	66,237	413,263
Total Expenditures	<u>479,500</u>	<u>479,500</u>	<u>66,237</u>	<u>413,263</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(66,237)	(66,237)
Net Change in Fund Balance	-	-	(66,237)	(66,237)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>(66,237)</u>	<u>(66,237)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (66,237)	
Adjustments to Revenues			66,237	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ -	48,427	209,297	160,870
Total Revenues	<u>-</u>	<u>48,427</u>	<u>209,297</u>	<u>160,870</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	4,036	4,036	-	4,036
Capital Outlay	349,310	397,737	-	397,737
Total Expenditures	<u>353,346</u>	<u>401,773</u>	<u>-</u>	<u>401,773</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(353,346)</u>	<u>(353,346)</u>	<u>209,297</u>	<u>562,643</u>
Other Financing Sources (Uses):				
Designated Cash	353,346	353,346	-	(353,346)
Total Other Financing Sources (Uses):	<u>353,346</u>	<u>353,346</u>	<u>-</u>	<u>(353,346)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>209,297</u>	<u>209,297</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>403,752</u>	<u>-</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>613,049</u>	<u>209,297</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 209,297	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 209,297</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 104,999	104,999	104,534	(465)
State Grant	-	8,912	8,155	(757)
Total Revenues	<u>104,999</u>	<u>113,911</u>	<u>112,689</u>	<u>(1,222)</u>
EXPENDITURES				
Capital Outlay	223,016	231,928	80,494	151,434
Total Expenditures	<u>223,016</u>	<u>231,928</u>	<u>80,494</u>	<u>151,434</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(118,017)</u>	<u>(118,017)</u>	<u>32,195</u>	<u>150,212</u>
Other Financing Sources (Uses):				
Designated Cash	118,017	118,017	-	(118,017)
Total Other Financing Sources (Uses):	<u>118,017</u>	<u>118,017</u>	<u>-</u>	<u>(118,017)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>32,195</u>	<u>32,195</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>101,020</u>	<u>101,020</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>133,215</u>	<u>133,215</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 32,195	
Adjustments to Revenues			757	
Adjustments to Expenditures			<u>(2,318)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 30,634</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
US Bank	FNMA POOL AD8206	31418WDL1	10/1/2025	\$ 96,596
US Bank	FNMA POOL MA3892 25DD	31418DKE1	9/1/2021	527,006
US Bank	FNMA POOL G13923	31418MCSL0	11/1/2025	273,796
				<u>\$ 897,398</u>

Total Cash per Schedule of Cash Accounts:	\$ 1,109,259
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	859,259
Collateral Requirement:	429,630
Pledged Collateral Held by Pledging Financial Institution:	<u>897,398</u>
Balance Over Collateralized:	<u>\$ 467,768</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Cash Accounts
June 30, 2016

<u>Bank Account Type</u>	<u>US Bank</u>
Checking - Operational Account	\$ 1,046,649
Checking - Lunch Account	100
Checking - Walton Account	<u>62,510</u>
<i>Total on Deposit</i>	1,109,259
Reconciling Items	<u>(10,726)</u>
Reconciled Balance June 30, 2016	<u>1,098,533</u>
Less Agency Funds	<u>(1,639)</u>
<i>Total Cash</i>	<u><u>\$ 1,096,894</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Cash Reconciliation
June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2015	\$ 385,229	29,019	15,042	14,488
Add:				
2015-16 revenues	<u>2,756,314</u>	<u>126,726</u>	<u>26,633</u>	<u>83,121</u>
Total Cash Available	3,141,543	155,745	41,675	97,609
Less:				
2015-16 expenditures	(2,680,186)	(108,181)	(19,050)	(75,986)
Receivables/Payables	28,646	(14,510)	-	-
Outstanding Loans	<u>(210,690)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>279,313</u>	<u>33,054</u>	<u>22,625</u>	<u>21,623</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>279,313</u>	<u>33,054</u>	<u>22,625</u>	<u>21,623</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(6,255)	(16,527)	-	-
Fund Balance, Modified Accrual Basis	<u>\$ 273,058</u>	<u>16,527</u>	<u>22,625</u>	<u>21,623</u>

The accompanying notes are an integral part of these financial statements

Non-Instruct. Fund 23000	Federal Projects Account 24000	Federal Direct Account 25000	Local Account 26000	State Account 27000	Public School Capital Outlay 31200
1,201	-	3,527	699	-	-
<u>2,419</u>	<u>91,429</u>	<u>2,175</u>	<u>-</u>	<u>49,377</u>	<u>192,989</u>
3,620	91,429	5,702	699	49,377	192,989
(1,981)	(139,542)	(1,320)	(593)	(80,375)	(257,319)
-	215	-	-	(1,227)	-
-	<u>47,898</u>	-	-	<u>32,225</u>	<u>64,330</u>
<u>1,639</u>	<u>-</u>	<u>4,382</u>	<u>106</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
<u>1,639</u>	<u>-</u>	<u>4,382</u>	<u>106</u>	<u>-</u>	<u>-</u>
(1,639)	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>4,382</u>	<u>106</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Cash Reconciliation - continued
June 30, 2016

	Special Capital Outlay <u>31400</u>	HB-33 Capital Improvements <u>31600</u>	SB-9 Capital Improvements <u>31700</u>	<u>Total</u>
Cash, June 30, 2015	\$ -	\$ 403,752	90,547	943,504
Add:				
2015-16 revenues	-	209,297	112,689	3,653,169
Total Cash Available	-	613,049	203,236	4,596,673
Less:				
2015-16 expenditures	(66,237)	-	(80,494)	(3,511,264)
Receivables/Payables	-	-	-	13,124
Outstanding Loans	66,237	-	-	-
Cash June 30, 2016	-	613,049	122,742	1,098,533
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	-	613,049	122,742	1,098,533
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:				(1,639)
				<u>\$ 1,096,894</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	-	-	8,912	(15,509)
Fund Balance, Modified Accrual Basis	\$ -	\$ 613,049	131,654	1,083,024

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Statement of Net Position
 June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 88,111
Receivables	
Due from Other Governments	60,307
Total Current Assets	<u>148,418</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	84,437
Less: Accumulated Depreciation	<u>(42,965)</u>
Total Noncurrent Assets	<u>41,472</u>
Total Assets	<u>189,890</u>

Deferred Outflows-Pension related	<u>830,671</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	31,908
Accrued Liabilities	<u>9,725</u>
Total Current Liabilities	<u>41,633</u>

Noncurrent Liabilities:

Net Pension Liability	<u>1,553,248</u>
Total Noncurrent Liabilities	<u>1,553,248</u>
Total Liabilities	<u>1,594,881</u>

Deferred Inflows-Pension related	<u>35,787</u>
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NET POSITION

Net Investment in Capital Assets	41,472
Restricted	10,093
Unrestricted (Deficit)	<u>(661,672)</u>
Total Net Position	<u>\$ (610,107)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,202,302	-	201,509	-	(1,000,793)
Support Services:					
Students	115,826	-	-	-	(115,826)
Instruction	2,944	-	-	-	(2,944)
General Administration	47,140	-	-	-	(47,140)
School Administration	218,991	-	-	-	(218,991)
Central Services	160,757	-	-	-	(160,757)
Operation & Maintenance of Plant	175,266	-	-	-	(175,266)
Other Support Services	17,500	-	-	-	(17,500)
Food Services	43,145	9,041	26,227	-	(7,877)
Facilities Materials, Supplies & Other Services	147,461	-	-	148,964	1,503
Total Governmental Activities	\$ 2,131,332	9,041	227,736	148,964	(1,745,591)
General Revenues:					
Property Taxes					\$ 41,103
State Equalization Guarantee					1,328,609
Total General Revenues					1,369,712
Change in Net Position					(375,879)
Net Position (Deficit)- Beginning					(234,228)
Net position (Deficit), Ending					<u>\$ (610,107)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 76,473	2,583	3,738	-
Accounts Receivable				
Due from Government	-	-	-	3,154
Due from Other Funds	61,817	-	-	-
Total Assets	\$ 138,290	2,583	3,738	3,154
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 31,908	-	-	-
Accrued Expenditures	9,690	-	-	25
Due to Other Funds	-	-	-	3,129
Total Liabilities	41,598	-	-	3,154
<i>Fund Balances</i>				
Fund Balance:				
Restricted for:				
Instruction	-	2,583	-	-
Food Service Operations	-	-	3,738	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	96,692	-	-	-
Total Fund Balance	96,692	2,583	3,738	-
Total Liabilities and Fund Balances	\$ 138,290	2,583	3,738	3,154

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Charter Schools 24146	Teacher Principal Training 24154	Library GO Bonds 27107	Center for Teacher Excellence 27114	PreK Initiative 27149
-	-	-	-	-	-
8,707	-	-	3,205	22,221	7,279
-	-	-	-	-	-
<u>8,707</u>	<u>-</u>	<u>-</u>	<u>3,205</u>	<u>22,221</u>	<u>7,279</u>
-	-	-	-	-	-
-	-	-	-	-	10
8,707	-	-	3,205	22,221	7,269
<u>8,707</u>	<u>-</u>	<u>-</u>	<u>3,205</u>	<u>22,221</u>	<u>7,279</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,707</u>	<u>-</u>	<u>-</u>	<u>3,205</u>	<u>22,221</u>	<u>7,279</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Balance Sheets - Governmental Funds - (Continued)
June 30, 2016

	K-3 Plus Summer 27166	After School Enrichment Program 27168	Enrichment Program NM Grown 27183	Public School Public Outlay 31200
ASSETS				
Cash and Cash Equivalents	\$ 1,545	-	-	-
Accounts Receivable				
Due from Government	-	15,741	-	-
Due from Other Funds	-	-	-	-
Total Assets	\$ 1,545	15,741	-	-
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	1,545	15,741	-	-
Total Liabilities	1,545	15,741	-	-
<i>Fund Balances</i>				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Total Fund Balance	-	-	-	-
Total Liabilities and Fund Balances	\$ 1,545	15,741	-	-

The accompanying notes are an integral part of these financial statements

SB 9 Capital Improvements 31700	Total
3,772	88,111
-	60,307
-	61,817
<u>3,772</u>	<u>210,235</u>
-	31,908
-	9,725
-	61,817
<u>-</u>	<u>103,450</u>
-	2,583
-	3,738
3,772	3,772
-	96,692
<u>3,772</u>	<u>106,785</u>
<u>3,772</u>	<u>210,235</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds **\$ 106,785**

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

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

Capital Assets	84,437	
Accumulated Depreciation	(42,965)	
		41,472

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.	830,671
--	---------

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	(35,787)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.	(1,553,248)
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Net Position-Total Governmental Activities	\$ (610,107)
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Local & County Grant	\$ -	-	-	-
State Grant	1,328,609	12,796	-	-
Federal Grant	-	-	26,227	35,510
Charges for Services	-	-	9,041	-
Total Revenues	<u>1,328,609</u>	<u>12,796</u>	<u>35,268</u>	<u>35,510</u>
EXPENDITURES				
Current:				
Instruction	833,614	11,841	-	35,510
Support Services:				
Students	34,049	-	-	-
Instruction	-	-	-	-
General Administration	44,072	-	-	-
School Administration	188,997	-	-	-
Central Services	138,580	-	-	-
Operation & Maintenance of Plant	169,000	-	-	-
Other Support Services Operations	17,500	-	-	-
Food Services Operations	7,233	-	34,440	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,433,045</u>	<u>11,841</u>	<u>34,440</u>	<u>35,510</u>
Net Changes in Fund Balances	<u>(104,436)</u>	<u>955</u>	<u>828</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>201,128</u>	<u>1,628</u>	<u>2,910</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 96,692</u>	<u>2,583</u>	<u>3,738</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Charter School 24146	Teacher Principal Training 24154	Library GO Bonds 27107	Center for Teacher Excellence 27114	PreK Initiative 27149
-	-	-	-	-	-
-	-	-	3,205	49,997	82,685
27,538	-	1,819	-	-	-
-	-	-	-	-	-
<u>27,538</u>	<u>-</u>	<u>1,819</u>	<u>3,205</u>	<u>49,997</u>	<u>82,685</u>
-	7,262	1,819	-	-	82,685
27,538	-	-	-	49,997	-
-	-	-	3,205	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>27,538</u>	<u>7,262</u>	<u>1,819</u>	<u>3,205</u>	<u>49,997</u>	<u>82,685</u>
<u>-</u>	<u>(7,262)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>7,262</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	K-3 Plus Summer 27166	After School Enrichment Program 27168	Enrichment Program NM Grown 27183	Public School Public Outlay 31200
REVENUES				
Local & County Grant	\$ -	-	-	-
State Grant	13,169	15,741	152	107,861
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	<u>13,169</u>	<u>15,741</u>	<u>152</u>	<u>107,861</u>
EXPENDITURES				
Current:				
Instruction	13,169	13,281	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	2,460	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	152	-
Capital Outlay	-	-	-	107,861
Total Expenditures	<u>13,169</u>	<u>15,741</u>	<u>152</u>	<u>107,861</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

SB 9 Capital Improvements 31700	Total
41,103	41,103
-	1,614,215
-	91,094
-	9,041
<u>41,103</u>	<u>1,755,453</u>
-	999,181
-	111,584
-	3,205
-	46,532
-	188,997
-	138,580
-	169,000
-	17,500
-	41,825
39,600	147,461
<u>39,600</u>	<u>1,863,865</u>
<u>1,503</u>	<u>(108,412)</u>
<u>2,269</u>	<u>215,197</u>
<u><u>3,772</u></u>	<u><u>106,785</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ (108,412)**

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlays	17,148
Depreciation Expense	(16,887)

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability	(267,728)
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Change in Net Position-Total Governmental Activities **\$ (375,879)**

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
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Capital assets for Coral Community Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	June 30, 2015	Additions	Deletions	June 30, 2016
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 67,289	17,148	-	84,437
<i>Total</i>	<u>67,289</u>	<u>17,148</u>	<u>-</u>	<u>84,437</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(26,078)	(16,887)	-	(26,078)
<i>Total</i>	<u>(26,078)</u>	<u>(16,887)</u>	<u>-</u>	<u>(26,078)</u>
Capital Assets, Net	<u>\$ 41,211</u>	<u>261</u>	<u>-</u>	<u>41,472</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following function:

Instruction	<u>\$ 16,887</u>
Total	<u>\$ 16,887</u>

NOTE 3. COMMITMENTS AND CONTINGENCIES

Coral Community Charter School leases their current location from the Coral Foundation for Excellence in Education (the "Foundation"). Coral Community Charter School signed a lease agreement with the Foundation in August 2016 for the 2016-2017 school year. The term of the lease is from August 2016-July 2017.

Coral Community Charter School will lease the facilities under an annual leases agreement with the Foundation. Rental expenses for the year ended June 30, 2016 were \$162,855. Coral Community Charter School's minimum future payments on the new lease are as follows:

Year Ending June 30:	
2017	\$ 165,000
2018	<u>15,000</u>
Total	<u>\$ 180,000</u>

NOTE 4. RELATED PARTY TRANSACTIONS

Coral Community Charter School has an agreement with the Foundation to lease a building (see Note 3). The Foundation's activity during the year ending June 30, 2016 was not significant and has not been presented.

The father of the Coral Community Charter School business manager is employed by a vendor of the School who provided various services for the School. Coral Community Charter School paid this vendor \$28,800 for services provided by the father of the business manager.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Coral Academy Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Coral Community Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from Coral Community Charter School were \$121,387 for the year ended June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. Therefore, the employer’s portion was established as of the measurement date of June 30, 2015. At June 30, 2016, Coral Community Charter School reported a liability of \$1,553,248 for its proportionate share of the net pension liability. Coral Community Charter School’s proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Coral Community Charter School’s proportion was 0.02398%, which was an increase of 0.00875% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Coral Community Charter School recognized pension expense of \$389,130. At June 30, 2016, Coral Community Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(28,796)
Changes in proportion	53,424	-
Net difference between projected and actual earnings on pension plan investments	-	(6,991)
Changes in proportion	655,860	-
Fiscal year 2016 employer contributions	<u>121,387</u>	<u>-</u>
Ending balance	<u>\$ 830,671</u>	<u>(35,787)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Coral Community Charter School reported \$121,387 as deferred outflows of resources related to pensions resulting from Coral Community Charter School contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (267,432)
2018	(252,635)
2019	(131,830)
2020	<u>(21,600)</u>
Total	<u>\$ (673,497)</u>

Sensitivity of Coral Community Charter School proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Coral Community Charter School’s proportionate share of the net pension liability	<u>\$ 2,090,000</u>	<u>1,553,248</u>	<u>1,102,322</u>

Payables to the pension plan. At June 30, 2016, Coral Community Charter School had no payable recorded related to ERB for fiscal year 2016 contributions.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 CORAL COMMUNITY CHARTER SCHOOL
 SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 June 30, 2016

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data*
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	2.66%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 869	1,553	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 420	655	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.06%	237.14%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
CORAL COMMUNITY CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 108	95	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	95	95	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 13	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Deferred	Amortization Years										
2014	\$ (284)	5		\$ (106)	\$ (106)	\$ (91)	\$ 19	-				
2015	\$ (673)	5			(267)	(253)	(132)	(21)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ (957)			\$ (106)	\$ (373)	(344)	(113)	(21)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 1,331,643	1,331,643	1,328,609	(3,034)
Total Revenues	<u>1,331,643</u>	<u>1,331,643</u>	<u>1,328,609</u>	<u>(3,034)</u>
EXPENDITURES				
Current:				
Instruction	898,205	880,452	833,614	46,838
Support Services:				
Students	42,983	35,073	34,049	1,024
General Administration	32,000	34,700	29,664	5,036
School Administration	181,528	202,626	188,997	13,629
Central Services	128,001	140,338	139,008	1,330
Operation & Maintenance of Plant	224,530	204,298	171,117	33,181
Food Services Operations	-	9,760	7,233	2,527
Total Expenditures	<u>1,507,247</u>	<u>1,507,247</u>	<u>1,403,682</u>	<u>103,565</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(175,604)</u>	<u>(175,604)</u>	<u>(75,073)</u>	<u>100,531</u>
Other Financing Sources (Uses):				
Designated Cash	175,604	175,604	-	(175,604)
Total Other Financing Sources (Uses):	<u>175,604</u>	<u>175,604</u>	<u>-</u>	<u>(175,604)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(75,073)</u>	<u>(75,073)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>201,128</u>	<u>201,128</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>126,055</u>	<u>126,055</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (75,073)	
Adjustments to Revenues			-	
Adjustments to Expenditures			(29,363)	
NET CHANGE IN FUND BALANCE			<u>\$ (104,436)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	12,796	12,796	-
Total Revenues	-	12,796	12,796	-
EXPENDITURES				
Current:				
Instruction	-	12,796	11,841	955
Total Expenditures	-	12,796	11,841	955
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	955	955
Net Changes in Fund Balances	-	-	955	955
Cash or Fund Balances - Beginning of Year	-	-	1,628	1,628
Cash or Fund Balances - End of Year	\$ -	-	2,583	2,583
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 955	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 955	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$	35,824	26,227	(9,597)
Charges for Services	-	-	9,041	9,041
Total Revenues	-	35,824	35,268	(556)
EXPENDITURES				
Current:				
Food Services Operations	-	35,824	35,824	-
Total Expenditures	-	35,824	35,824	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(556)	(556)
Net Changes in Fund Balances	-	-	(556)	(556)
Cash or Fund Balances - Beginning of Year	-	-	2,910	2,910
Cash or Fund Balances - End of Year	\$	-	2,354	2,354
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (556)	
Adjustments to Revenues			-	
Adjustments to Expenditures			1,384	
NET CHANGE IN FUND BALANCE			\$ 828	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I IASA 24101
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 27,446	50,269	36,989	(13,280)
Total Revenues	<u>27,446</u>	<u>50,269</u>	<u>36,989</u>	<u>(13,280)</u>
EXPENDITURES				
Current:				
Instruction	27,034	49,857	35,510	14,347
Support Services:				
School Administration	412	412	-	412
Total Expenditures	<u>27,446</u>	<u>50,269</u>	<u>35,510</u>	<u>14,759</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>1,479</u>	<u>1,479</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,479</u>	<u>1,479</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,479</u>	<u>1,479</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,479	
Adjustments to Revenues			(1,479)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 21,194	28,076	19,460	(8,616)
Total Revenues	<u>21,194</u>	<u>28,076</u>	<u>19,460</u>	<u>(8,616)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	21,194	28,076	27,538	538
Total Expenditures	<u>21,194</u>	<u>28,076</u>	<u>27,538</u>	<u>538</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(8,078)	(8,078)
Net Changes in Fund Balances	-	-	(8,078)	(8,078)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(8,078)</u>	<u>(8,078)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (8,078)	
Adjustments to Revenues			8,078	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Charter Schools 24146
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>7,262</u>	<u>7,262</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>7,262</u>	<u>7,262</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(7,262)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (7,262)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	9,933	1,819	(8,114)
Total Revenues	-	9,933	1,819	(8,114)
EXPENDITURES				
Current:				
Instruction	-	9,933	1,819	8,114
Total Expenditures	-	9,933	1,819	8,114
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Library GO Bonds 27107
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 6,594	6,594	-	(6,594)
Total Revenues	<u>6,594</u>	<u>6,594</u>	<u>-</u>	<u>(6,594)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	6,594	6,594	3,205	3,389
Total Expenditures	<u>6,594</u>	<u>6,594</u>	<u>3,205</u>	<u>3,389</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,205)	(3,205)
Net Changes in Fund Balances	-	-	(3,205)	(3,205)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,205)</u>	<u>(3,205)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,205)	
Adjustments to Revenues			3,205	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Center for Teacher Excellence 27114
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 50,000	50,000	29,126	(20,874)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>29,126</u>	<u>(20,874)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	50,000	50,000	49,997	3
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>49,997</u>	<u>3</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(20,871)	(20,871)
Net Changes in Fund Balances	-	-	(20,871)	(20,871)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(20,871)</u>	<u>(20,871)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (20,871)	
Adjustments to Revenues			20,871	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 PreK Initiative 27149
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 109,011	83,361	75,406	(7,955)
Total Revenues	<u>109,011</u>	<u>83,361</u>	<u>75,406</u>	<u>(7,955)</u>
EXPENDITURES				
Current:				
Instruction	109,011	83,361	82,685	676
Total Expenditures	<u>109,011</u>	<u>83,361</u>	<u>82,685</u>	<u>676</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(7,279)	(7,279)
Net Changes in Fund Balances	-	-	(7,279)	(7,279)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,279)</u>	<u>(7,279)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,279)	
Adjustments to Revenues			7,279	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 K-3 Plus Summer 27166
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	13,169	48,200	35,031
Total Revenues	-	13,169	48,200	35,031
EXPENDITURES				
Current:				
Instruction	-	13,169	13,169	-
Total Expenditures	-	13,169	13,169	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	35,031	35,031
Net Changes in Fund Balances	-	-	35,031	35,031
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	35,031	35,031
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 35,031	
Adjustments to Revenues			(35,031)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 After School Enrichment Program 27168
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	15,991	-	(15,991)
Total Revenues	<u>-</u>	<u>15,991</u>	<u>-</u>	<u>(15,991)</u>
EXPENDITURES				
Current:				
Instruction	-	13,491	13,281	210
Support Services:				
General Administration	-	2,500	2,460	40
Total Expenditures	<u>-</u>	<u>15,991</u>	<u>15,741</u>	<u>250</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(15,741)</u>	<u>(15,741)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(15,741)</u>	<u>(15,741)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(15,741)</u>	<u>(15,741)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (15,741)	
Adjustments to Revenues			15,741	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Enrichment Program NM Grown 27183
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	154	152	(2)
Total Revenues	-	154	152	(2)
EXPENDITURES				
Current:				
Food Services Operations	-	154	152	2
Total Expenditures	-	154	152	2
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Public Outlay 31200
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	107,861	107,861	-
Total Revenues	-	107,861	107,861	-
EXPENDITURES				
Capital Outlay	-	107,861	107,861	-
Total Expenditures	-	107,861	107,861	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ 46,380	46,380	41,103	(5,277)
Total Revenues	46,380	46,380	41,103	(5,277)
EXPENDITURES				
Capital Outlay	46,380	46,380	39,600	6,780
Total Expenditures	46,380	46,380	39,600	6,780
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,503	1,503
Net Changes in Fund Balances	-	-	1,503	1,503
Cash or Fund Balances - Beginning of Year	-	-	2,269	2,269
Cash or Fund Balances - End of Year	\$ -	-	3,772	3,772
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,503	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 1,503	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
				\$ -
				\$ -

Total Cash per Schedule of Cash Accounts:	\$	130,121
Less: FDIC coverage:		<u>(130,121)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 130,121
<i>Total on Deposit</i>	130,121
Reconciling Items	<u>(42,010)</u>
Reconciled Balance June 30, 2016	<u>88,111</u>
<i>Total Cash</i>	<u><u>\$ 88,111</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Cash Reconciliation
June 30, 2016

	Operational	Instructional	Food	Federal Projects
	11000	Materials	Services	Account
	11000	14000	21000	24000
Cash, June 30, 2015	\$ 170,076	1,628	4,292	-
Add:				
2015-16 revenues	1,328,609	12,796	35,268	58,268
Total Cash Available	1,498,685	14,424	39,560	58,268
Less:				
2015-16 expenditures	(1,403,682)	(11,841)	(35,824)	(64,867)
Receivables/Payables	1,661	-	2	1,553
Outstanding Loans	(20,191)	-	-	5,046
Cash June 30, 2016	76,473	2,583	3,738	-
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	76,473	2,583	3,738	-
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	20,219	-	-	-
Fund Balance (Deficit), Modified Accrual Basis	\$ 96,692	2,583	3,738	-

The accompanying notes are an integral part of these financial statements

State Account 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	2,269	178,265
152,884	107,861	41,103	1,736,789
152,884	107,861	43,372	1,915,054
(164,949)	(107,861)	(39,600)	(1,828,624)
(1,535)	-	-	1,681
15,145	-	-	-
1,545	-	3,772	88,111
-	-	-	-
1,545	-	3,772	\$ 88,111
(1,545)	-	-	18,674
-	-	3,772	106,785
			-
Balance Sheets - Governmental Funds:			\$ 106,785

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,637,051
Receivables	
Due from Other Governments	213,213
Taxes Receivable	3,123
Other Receivables	1,128
Due from Agency Funds	8,936
Prepaid Expenditures	13,298
Total Current Assets	<u>1,876,749</u>

Noncurrent Assets:

Capital Assets	
Land and Land Improvements	3,172,430
Building and Improvements	5,770,204
Furniture, Fixtures, and Equipment	43,564
Less: Accumulated Depreciation	<u>(445,501)</u>
Total Noncurrent Assets	8,540,697
Website, net of Accumulated Amortization	298
Total Assets	<u>10,417,744</u>

Deferred Outflows - Pension Related	<u>910,775</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	6,814
Accrued Liabilities	368,473
Accrued Interest Payable	52,631
Current Portion of Long-Term Debt	<u>160,000</u>
Total Current Liabilities	<u>587,918</u>

Noncurrent Liabilities:

Long-Term Debt	10,290,000
Net Pension Liability	<u>5,215,495</u>
Total Noncurrent Liabilities	<u>15,505,495</u>
Total Liabilities	<u>16,093,413</u>

Deferred Inflows - Pension Related	<u>120,167</u>
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NET POSITION

Net Investment in Capital Assets	(1,909,005)
Restricted	1,439,634
Unrestricted (Deficit)	<u>(4,415,690)</u>
Total Net Position	<u>\$ (4,885,061)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 3,334,114	30,867	210,024	-	(3,093,223)
Support Services:					
Students	232,054	-	-	-	(232,054)
Instruction	41,711	-	-	-	(41,711)
General Administration	58,761	-	-	-	(58,761)
School Administration	337,205	-	-	-	(337,205)
Central Services	185,824	-	-	-	(185,824)
Operation & Maintenance of Plant	534,674	-	-	-	(534,674)
Other Support Services	103,179	-	-	-	(103,179)
Student Transportation	283,825	-	281,465	-	(2,360)
Facilities Materials, Supplies & Other Services	1,591,467	-	-	498,083	(1,093,384)
Total Governmental Activities	\$ 6,702,814	30,867	491,489	498,083	(5,682,375)
General Revenues:					
Property Taxes					\$ 177,672
State Equalization Guarantee					4,261,019
Miscellaneous					918,756
Total General Revenues					<u>5,357,447</u>
Change in Net Position					<u>(324,928)</u>
Net Position- Beginning					(4,560,133)
Net position, Ending					<u>\$ (4,885,061)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 212,346	84,495	91,613	-
Accounts Receivable				
Due from Governments	-	-	-	-
Taxes Receivable	-	-	-	-
Other Receivables	-	-	-	-
Due from Other Funds	215,026	-	-	-
Prepaid Expenditures	13,298	-	-	-
Total Assets	\$ 440,670	84,495	91,613	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 4,829	-	-	-
Accrued Expenditures	360,715	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	365,544	-	-	-
Fund Balances				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	13,298	-	-	-
Restricted for:				
Instruction	-	-	91,613	-
Student Transportation	-	84,495	-	-
Capital Improvements	-	-	-	-
Unassigned	61,828	-	-	-
Total Fund Balance	75,126	84,495	91,613	-
Total Liabilities and Fund Balances	\$ 440,670	84,495	91,613	-

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	USHHS/CDC School Health 24186	2012 SB-66 Student Library 27107	Technology for Education 27117
-	-	-	-	-	-
87,857	117	783	4,999	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>87,857</u>	<u>117</u>	<u>783</u>	<u>4,999</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
7,122	-	-	-	-	-
<u>80,735</u>	<u>117</u>	<u>783</u>	<u>4,999</u>	<u>-</u>	<u>-</u>
<u>87,857</u>	<u>117</u>	<u>783</u>	<u>4,999</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>87,857</u>	<u>117</u>	<u>783</u>	<u>4,999</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	GO Bonds Instructional Materials 27171	Next Generation Assessments 27185	Public School Capital Outlay 31200	Special Capital Outlay State 31400
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Governments	-	-	119,457	-
Taxes Receivable	-	-	-	-
Other Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	\$ -	-	119,457	-
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	-	-	119,456	-
Total Liabilities	-	-	119,456	-
<i>Fund Balances</i>				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Student Transportation	-	-	-	-
Capital Improvements	-	-	1	-
Unassigned	-	-	-	-
Total Fund Balance	-	-	1	-
Total Liabilities and Fund Balances	\$ -	-	119,457	-

The accompanying notes are an integral part of these financial statements

SB-9 Capital Improvements 31700	Foundation	Total
-	1,248,597	1,637,051
-	-	213,213
3,123	-	3,123
-	1,128	1,128
-	-	215,026
-	-	13,298
<u>3,123</u>	<u>1,249,725</u>	<u>2,082,839</u>
-	1,985	6,814
-	636	368,473
-	-	206,090
<u>-</u>	<u>2,621</u>	<u>581,377</u>
-	-	13,298
-	-	91,613
-	-	84,495
3,123	1,247,104	1,250,228
-	-	61,828
<u>3,123</u>	<u>1,247,104</u>	<u>1,501,462</u>
<u>3,123</u>	<u>1,249,725</u>	<u>2,082,839</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balances - Total Governmental Funds **\$ 1,501,462**

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

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

Other Assets	298	
Capital Assets	8,986,198	
Accumulated Depreciation	<u>(445,501)</u>	8,540,995

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		910,775
--	--	---------

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Accrued Interest Payable	(52,631)	
Long-Term Debt	(10,450,000)	
Net Pension Liability	<u>(5,215,495)</u>	(15,718,126)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		<u>(120,167)</u>
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Net Position-Total Governmental Activities **\$ (4,885,061)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	4,261,019	281,465	50,755	-
Federal Grant	-	-	-	-
Charges for Services	30,867	-	-	-
Miscellaneous Income	21,304	-	-	-
Total Revenues	4,313,190	281,465	50,755	-
EXPENDITURES				
Current:				
Instruction	3,031,779	-	27,233	-
Support Services:				
Students	197,114	-	-	-
Instruction	41,711	-	-	-
General Administration	35,227	-	-	-
School Administration	302,668	-	-	-
Central Services	185,824	-	-	-
Operation & Maintenance of Plant	541,925	-	-	-
Student Transportation	-	283,825	-	-
Other Support Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	4,336,248	283,825	27,233	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(23,058)</u>	<u>(2,360)</u>	<u>23,522</u>	<u>-</u>
Net Changes in Fund Balances	<u>(23,058)</u>	<u>(2,360)</u>	<u>23,522</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>98,184</u>	<u>86,855</u>	<u>68,091</u>	<u>-</u>
Fund Balances - End of Year	<u><u>\$ 75,126</u></u>	<u><u>84,495</u></u>	<u><u>91,613</u></u>	<u><u>-</u></u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	USHHS/CDC School Health 24186	2012 SB-66 Student Library 27107	Technology for Education 27117
-	-	-	-	-	-
-	-	-	-	-	-
148,034	117	6,119	4,999	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>148,034</u>	<u>117</u>	<u>6,119</u>	<u>4,999</u>	<u>-</u>	<u>-</u>
78,557	117	6,119	4,999	-	-
34,940	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
34,537	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>148,034</u>	<u>117</u>	<u>6,119</u>	<u>4,999</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016

	GO Bonds Instructional Materials 27171	Next Generation Assessments 27185	Public School Capital Outlay 31200	Special Capital Outlay State 31400
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	-	-	477,826	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	-	-	477,826	-
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Capital Outlay	-	-	477,825	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	477,825	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1	-
Net Changes in Fund Balances	-	-	1	-
Fund Balances (Deficit) - Beginning of Year	-	-	-	-
Fund Balances - End of Year	\$ -	-	1	-

The accompanying notes are an integral part of these financial statements

SB-9 Capital Improvements		
31700	Foundation	Total
177,672	-	177,672
20,257	-	5,091,322
-	-	159,269
-	-	30,867
-	897,452	918,756
<u>197,929</u>	<u>897,452</u>	<u>6,377,886</u>
-	-	3,148,804
-	-	232,054
-	-	41,711
-	23,534	58,761
-	-	337,205
-	-	185,824
-	214	542,139
-	-	283,825
-	103,179	103,179
275,401	-	753,226
-	160,000	160,000
-	635,891	635,891
<u>275,401</u>	<u>922,818</u>	<u>6,482,619</u>
<u>(77,472)</u>	<u>(25,366)</u>	<u>(104,733)</u>
<u>(77,472)</u>	<u>(25,366)</u>	<u>(104,733)</u>
<u>80,595</u>	<u>1,272,470</u>	<u>1,606,195</u>
<u>3,123</u>	<u>1,247,104</u>	<u>1,501,462</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ (104,733)**

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

Change in net pension liability (185,310)

Expenditures to purchase or build capital assets, pay for interest on debt,
 and amortization on long term assets are reported in governmental funds
 as expenditures. However, for governmental activities those costs are
 shown in the Statement of Net Position and allocated over their estimated
 useful lives as annual depreciation expenses in the Statement of Activities.
 This is the amount by which capital outlay exceeds depreciation for the
 period

Increase in Accrued Interest Payable	(52,631)	
Principal Payments	160,000	
Amortization Expense	(596)	
Depreciation Expense	(150,440)	
Capital Asset Additions	8,782	
	8,782	(34,885)

Change in Net Position-Total Governmental Activities **\$ (324,928)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2016

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ -
Total Assets	<u>\$ -</u>
LIABILITIES	
Deposits Held for Others	\$ (8,936)
Due to Governmental Funds	8,936
Total Liabilities	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2016</u>
ASSETS				
Cash in Bank	\$ (70)	45,465	(45,395)	-
Total Assets	<u>\$ (70)</u>	<u>45,465</u>	<u>(45,395)</u>	<u>-</u>
LIABILITIES				
Deposits Held for Others	\$ (70)	36,529	(45,395)	(8,936)
Due to Governmental Funds	-	8,936	-	8,936
Total Liabilities	<u>\$ (70)</u>	<u>45,465</u>	<u>(45,395)</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Notes to the Financial Statements
 June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

CCP

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

Furniture, Fixtures and Equipment	5-10 years
Land and Land Improvements	15 years
Buildings and Improvements	5-40 years

Capital assets for CCPS are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2016 are as follows:

Due from Other Governments:	
IDEA-B Entitlement	\$ 87,857
IDEA-B Risk Pool	117
Teacher / Principal Training	783
USHHS / CDC School Health	4,999
Public School Capital Outlay	<u>119,457</u>
Total Due from Other Governments	<u>\$ 213,213</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Notes to the Financial Statements
June 30, 2016

NOTE 2. RECEIVABLES (Continued)

Taxes Receivable:		
SB-9 Capital Improvements		\$ <u>3,123</u>
Total Taxes Receivable		\$ <u><u>3,123</u></u>
Other Receivables:		
Foundation		\$ <u>1,128</u>
Total Other Receivables		\$ <u><u>1,128</u></u>

NOTE 3. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets not being Depreciated</i>				
Land	\$ 3,167,743	-	-	3,167,743
Land Improvements	4,687	-	-	4,687
<i>Total</i>	<u>3,172,430</u>	<u>-</u>	<u>-</u>	<u>3,172,430</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 34,782	8,782	-	43,564
Building and Improvements	5,770,204	-	-	5,770,204
<i>Total</i>	<u>5,804,986</u>	<u>8,782</u>	<u>-</u>	<u>5,813,768</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(8,502)	(5,514)	-	(14,016)
Building and Improvements	(286,559)	(144,926)	-	(431,485)
<i>Total</i>	<u>(295,061)</u>	<u>(150,440)</u>	<u>-</u>	<u>(445,501)</u>
Capital Assets, Net	<u>\$ 8,682,355</u>	<u>(141,658)</u>	<u>-</u>	<u>8,540,697</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Facilities, Materials, Supplies & Other Services	\$ 149,123
Operation & Maintenance of Plant	<u>1,317</u>
Total	<u><u>\$ 150,440</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Notes to the Financial Statements
June 30, 2016

NOTE 4. COMMITMENTS AND LIABILITIES

Revenue Bonds are secured by pledges of certain revenues and assets. On December 1, 2012, Cottonwood Classical Preparatory School, pursuant to a lease purchase agreement with Cottonwood Classical Foundation, Inc. and indenture of trust, issued its Educational Facility Revenue Bonds Series 2012A in the aggregate principal amount of \$10,250,000 and \$360,000 Taxable Educational Facility Revenue Bonds Series 2012B. Bond proceeds were used to acquire and renovate a 47,161 square foot charter school facility that will house classrooms from sixth through twelfth grade. CCPS pledges, transfers, and grants a security interest in and assigns to Wells Fargo Bank, N.A. to secure the payment of lease payments in accordance with the terms and provisions of the lease, all funds, monies, grants, or other distributions received by the School from the State of New Mexico with respect to Equalization Guarantee funding, State Leasing or account established by CCPS, but specifically excluding State funding under the Charter School Act which is specifically dedicated to the payment of expenses of the Charter School which do not include payment of amounts due under the Lease and all such operating expenses of CCPS required under State or federal laws to provide required educational program expenditures.

The total bond payable as of June 30, 2016 is as follows:

Series 2012A Education Facility Revenue Bond; Interest rate 5.25% due in quarterly installments; Maturing December 1, 2022	\$ 1,200,000
Series 2012A Education Facility Revenue Bond; Interest rate 6.00% due in quarterly installments; Maturing December 1, 2032	3,220,000
Series 2012A Education Facility Revenue Bond; Interest rate 6.25% due in quarterly installments; Maturing December 1, 2042	5,830,000
Series 2012B Taxable Education Facility Revenue Bond; Interest rate 5.5% due in quarterly installments; Maturing December 1, 2017	<u>200,000</u>
Total Bond Payable	<u><u>\$ 10,450,000</u></u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Notes to the Financial Statements
 June 30, 2016

NOTE 4. COMMITMENTS AND LIABILITIES (Continued)

The aggregate amounts of principal maturities and interest of bonds payable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 170,000	631,575	801,575
2018	180,000	622,225	802,225
2019	190,000	612,700	802,700
2020	200,000	602,725	802,725
2021	210,000	592,225	802,225
2022-2026	1,230,000	2,778,575	4,008,575
2027-2031	1,635,000	2,368,775	4,003,775
2032-2036	2,200,000	1,811,638	4,011,638
2037-2041	2,970,000	1,037,500	4,007,500
2042-2043	1,465,000	138,750	1,603,750
Total	<u>\$ 10,450,000</u>	<u>11,196,688</u>	<u>21,646,688</u>

NOTE 5. DEFICIT FUND BALANCE

There were no funds that had a deficit fund balance at June 30, 2016.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

Cottonwood Classical Preparatory School did not have any funds with expenditures in excess of the budget during the year ended June 30, 2016.

NOTE 7. RELATED PARTY TRANSACTIONS

Cottonwood Classical Preparatory School has created a Foundation which donates various funds to the school and entered into revenue bonds to construct a building for the school. The Foundation is considered a component unit of the School and is presented as a blended component unit.

The Director of Operations' son is employed at the school.

The Business Manager of the school is also the CEO of the Vigil Group.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Cottonwood Classical Preparatory School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Cottonwood Classical Preparatory School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal years ended June 30, 2015 and June 30, 2016 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Cottonwood Classical Preparatory School were \$360,115 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Cottonwood Classical Preparatory School reported a liability of \$5,215,495 for its proportionate share of the net pension liability. Cottonwood Classical Preparatory School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Cottonwood Classical Preparatory School's proportion was 0.08052% percent, which was an increase of 0.00555% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Cottonwood Classical Preparatory School recognized pension expense of \$545,425. As of June 30, 2016, Cottonwood Classical Preparatory School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	96,690
Changes in assumptions	179,389	-
Net difference between projected and actual earnings on pension plan investments	-	23,476
Changes in proportion and differences between Cottonwood Classical Preparatory School's contributions and proportionate share of contributions	371,271	-
Cottonwood Classical Preparatory School's contributions subsequent to the measurement date	<u>360,115</u>	<u>-</u>
Total	<u>\$ 910,775</u>	<u>120,166</u>

\$360,115 reported as deferred outflows of resources related to pensions resulting from Cottonwood Classical Preparatory School's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ 136,295
2018	131,983
2019	89,777
2020	<u>72,439</u>
Total	<u>\$ 430,494</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Sensitivity of Cottonwood Classical Preparatory School's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Cottonwood Classical Preparatory School's proportionate share of the net pension liability	<u>\$ 7,017,797</u>	<u>5,215,495</u>	<u>3,701,374</u>

Payables to the pension plan. Cottonwood Classical Preparatory School accrued \$91,938 in ERB benefits at June 30, 2016 for teachers with ten month contracts.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	2.66%	0.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 4,278	5,215	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 2,067	2,198	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.97%	237.26%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*These amounts presented for each fiscal year were determined as of June 30, 2015

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 272	363	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	272	318	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	45	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods									
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 281	5		\$ 60	60	64	97	-				
2015	\$ 430	5			136	132	90	72	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	<u>\$ 711</u>			<u>\$ 60</u>	<u>196</u>	<u>196</u>	<u>187</u>	<u>72</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 4,132,939	4,261,020	4,261,019	(1)
Charges for Services	-	23,000	30,867	7,867
Miscellaneous Income	-	73,044	90,892	17,848
Total Revenues	<u>4,132,939</u>	<u>4,357,064</u>	<u>4,382,778</u>	<u>25,714</u>
EXPENDITURES				
Current:				
Instruction	2,959,048	3,052,633	3,031,779	20,854
Support Services:				
Students	179,806	191,665	197,114	(5,449)
Instruction	43,188	41,855	41,711	144
General Administration	34,434	35,395	35,227	168
School Administration	300,672	309,081	302,668	6,413
Central Services	163,021	233,226	190,504	42,722
Operation & Maintenance of Plant	542,770	519,770	543,679	(23,909)
Total Expenditures	<u>4,222,939</u>	<u>4,383,625</u>	<u>4,342,682</u>	<u>40,943</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(90,000)</u>	<u>(26,561)</u>	<u>40,096</u>	<u>66,657</u>
Net Changes in Fund Balances	<u>(90,000)</u>	<u>(26,561)</u>	<u>40,096</u>	<u>66,657</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>26,561</u>	<u>26,561</u>
Cash or Fund Balances - End of Year	<u>\$ (90,000)</u>	<u>(26,561)</u>	<u>66,657</u>	<u>93,218</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 40,096	
Adjustments to Revenues			(69,588)	
Adjustments to Expenditures			<u>6,434</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (23,058)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Student Transportation 13000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 294,942	324,893	281,465	(43,428)
Total Revenues	<u>294,942</u>	<u>324,893</u>	<u>281,465</u>	<u>(43,428)</u>
EXPENDITURES				
Current:				
Student Transportation	294,942	368,321	283,825	84,496
Total Expenditures	<u>294,942</u>	<u>368,321</u>	<u>283,825</u>	<u>84,496</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(43,428)</u>	<u>(2,360)</u>	<u>41,068</u>
Net Changes in Fund Balances	<u>-</u>	<u>(43,428)</u>	<u>(2,360)</u>	<u>41,068</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>86,855</u>	<u>86,855</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>(43,428)</u>	<u>84,495</u>	<u>127,923</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,360)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (2,360)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 36,730	50,755	50,755	-
Total Revenues	<u>36,730</u>	<u>50,755</u>	<u>50,755</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	56,456	70,481	27,233	43,248
Total Expenditures	<u>56,456</u>	<u>70,481</u>	<u>27,233</u>	<u>43,248</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(19,726)</u>	<u>(19,726)</u>	<u>23,522</u>	<u>43,248</u>
Net Changes in Fund Balances	<u>(19,726)</u>	<u>(19,726)</u>	<u>23,522</u>	<u>43,248</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>68,091</u>	<u>68,091</u>
Cash or Fund Balances - End of Year	<u>\$ (19,726)</u>	<u>(19,726)</u>	<u>91,613</u>	<u>111,339</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 23,522	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 23,522</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 85,366	148,034	62,961	(85,073)
Total Revenues	<u>85,366</u>	<u>148,034</u>	<u>62,961</u>	<u>(85,073)</u>
EXPENDITURES				
Current:				
Instruction	41,957	78,557	78,557	-
Support Services:				
Students	9,609	34,940	34,940	-
School Administration	33,800	34,537	34,537	-
Total Expenditures	<u>85,366</u>	<u>148,034</u>	<u>148,034</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(85,073)	(85,073)
Net Changes in Fund Balances	-	-	(85,073)	(85,073)
Cash or Fund Balances - Beginning of Year	-	-	(2,784)	(2,784)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(87,857)</u>	<u>(87,857)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (85,073)	
Adjustments to Revenues			85,073	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA B Risk Pool 24120
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	117	-	(117)
Total Revenues	<u>-</u>	<u>117</u>	<u>-</u>	<u>(117)</u>
EXPENDITURES				
Current:				
Instruction	-	117	117	-
Total Expenditures	<u>-</u>	<u>117</u>	<u>117</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(117)	(117)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(117)</u>	<u>(117)</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(117)</u>	<u>(117)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (117)	
Adjustments to Revenues			117	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 10,767	28,218	10,419	(17,799)
Total Revenues	<u>10,767</u>	<u>28,218</u>	<u>10,419</u>	<u>(17,799)</u>
EXPENDITURES				
Current:				
Instruction	10,767	28,218	6,119	22,099
Total Expenditures	<u>10,767</u>	<u>28,218</u>	<u>6,119</u>	<u>22,099</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	4,300	4,300
Net Changes in Fund Balances	-	-	4,300	4,300
Cash or Fund Balances - Beginning of Year	-	-	(5,083)	(5,083)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(783)</u>	<u>(783)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,300	
Adjustments to Revenues			(4,300)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
USHHS / CDC School Health 24186
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	4,999	4,822	(177)
Total Revenues	<u>-</u>	<u>4,999</u>	<u>4,822</u>	<u>(177)</u>
EXPENDITURES				
Current:				
Instruction	-	4,999	4,999	-
Total Expenditures	<u>-</u>	<u>4,999</u>	<u>4,999</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(177)</u>	<u>(177)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(177)</u>	<u>(177)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(4,822)</u>	<u>(4,822)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,999)</u>	<u>(4,999)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (177)	
Adjustments to Revenues			177	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
2012 SB-66 Student Library 27107
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 4,790	4,790	-	(4,790)
Total Revenues	<u>4,790</u>	<u>4,790</u>	<u>-</u>	<u>(4,790)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	4,790	4,790	-	4,790
Total Expenditures	<u>4,790</u>	<u>4,790</u>	<u>-</u>	<u>4,790</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Technology for Education 27117
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
EXPENDITURES				
Current:				
Instruction	\$ -	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
GO Bonds Instructional Materials 27171
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Next Generation Assessments 27185
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	477,826	469,454	(8,372)
Total Revenues	<u>-</u>	<u>477,826</u>	<u>469,454</u>	<u>(8,372)</u>
EXPENDITURES				
Capital Outlay	-	477,826	477,825	1
Total Expenditures	<u>-</u>	<u>477,826</u>	<u>477,825</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(8,371)	(8,371)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(8,371)</u>	<u>(8,371)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(111,085)</u>	<u>(111,085)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(119,456)</u>	<u>(119,456)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (8,371)	
Adjustments to Revenues			8,372	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 148,250	148,250	-	(148,250)
Total Revenues	<u>148,250</u>	<u>148,250</u>	<u>-</u>	<u>(148,250)</u>
EXPENDITURES				
Capital Outlay	148,250	148,250	-	148,250
Total Expenditures	<u>148,250</u>	<u>148,250</u>	<u>-</u>	<u>148,250</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 197,998	197,998	177,234	(20,764)
State Grant	-	17,009	74,804	57,795
Total Revenues	<u>197,998</u>	<u>215,007</u>	<u>252,038</u>	<u>37,031</u>
EXPENDITURES				
Capital Outlay	267,156	284,165	275,401	8,764
Total Expenditures	<u>267,156</u>	<u>284,165</u>	<u>275,401</u>	<u>8,764</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(69,158)</u>	<u>(69,158)</u>	<u>(23,363)</u>	<u>45,795</u>
Net Changes in Fund Balances	<u>(69,158)</u>	<u>(69,158)</u>	<u>(23,363)</u>	<u>45,795</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>23,363</u>	<u>23,363</u>
Cash or Fund Balances - End of Year	<u>\$ (69,158)</u>	<u>(69,158)</u>	<u>-</u>	<u>69,158</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (23,363)	
Adjustments to Revenues			(54,109)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (77,472)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Wells Fargo	FNMA FNMS	3138W7GG3	3/1/2043	\$ 129,341
				<u>\$ 129,341</u>

Total Cash per Schedule of Cash Accounts (excluding Foundation):	\$	397,729
Less: FDIC coverage:		<u>(250,000)</u>
Uninsured Public Funds:		147,729
Collateral Requirement:		73,865
Pledged Collateral Held by Pledging Financial Institution:		<u>129,341</u>
Balance Over Collateralized:	\$	<u>55,476</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>18,388</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 397,729
Checking - Foundation	92,628
Bond Accounts - Foundation	<u>1,155,969</u>
<i>Total on Deposit</i>	1,646,326
Reconciling Items	<u>(9,275)</u>
Reconciled Balance June 30, 2016	<u>1,637,051</u>
Less Agency Funds	<u>-</u>
<i>Total Cash</i>	<u><u>\$ 1,637,051</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Cash Reconciliation
June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000
Cash, June 30, 2015	\$ 351,974	86,855	68,091
Add:			
2015-16 revenues	<u>4,057,365</u>	<u>281,465</u>	<u>50,755</u>
Total cash available	4,409,339	368,320	118,846
Less:			
2015-16 expenditures	(4,342,682)	(283,825)	(27,233)
Receivables/Payables	360,715	-	-
Outstanding Loans	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>427,372</u>	<u>84,495</u>	<u>91,613</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>(215,026)</u>	<u>-</u>	<u>-</u>
Cash per Books	<u>212,346</u>	<u>84,495</u>	<u>91,613</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>(352,246)</u>	<u>-</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 75,126</u>	<u>84,495</u>	<u>91,613</u>

The accompanying notes are an integral part of these financial statements

Federal Flowthrough 24000	State Flowthrough 27000	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	Total
(11,318)	-	(111,085)	23,363	407,880
76,831	-	469,454	252,038	5,187,908
65,513	-	358,369	275,401	5,595,788
(159,269)	-	(477,825)	(275,401)	(5,566,235)
7,122	-	-	-	367,837
-	-	-	-	-
(86,634)	-	(119,456)	-	397,390
86,634	-	119,456	-	(8,936)
-	-	-	-	388,454
	Add: Foundation Cash per Balance Sheet - Governmental Funds			1,248,597
			Total Cash per Books	\$ 1,637,051
86,634	-	119,457	3,123	(143,032)
-	-	1	3,123	254,358
	Add: Foundation Fund Balance per Balance Sheet - Governmental Funds			1,247,104
			Total Fund Balance, Modified Accrual Basis	\$ 1,501,462

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2016

VOLUME V



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Statement of Net Position
June 30, 2016
Unaudited

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 126,835
Receivables	
Due from Other Governments	34
Total Current Assets	<u>126,869</u>
Total Assets	<u>126,869</u>

Deferred Outflows - Pension Related

270,070

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	305,623
Accrued Liabilities	26,895
Compensated Absences	4,988
Total Current Liabilities	<u>337,506</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,444,529</u>
Total Noncurrent Liabilities	<u>2,444,529</u>
Total Liabilities	<u>2,782,035</u>

Deferred Inflows - Pension Related

88,665

NET POSITION

Restricted	44,527
Unrestricted (Deficit)	<u>(2,518,288)</u>
Total Net Position	<u><u>\$ (2,473,761)</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Statement of Activities
For The Year Ended June 30, 2016
Unaudited

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,021,587	-	18,053	-	(1,003,534)
Support Services:					
Students	326,785	-	-	-	(326,785)
General Administration	159,391	-	-	-	(159,391)
School Administration	139,441	-	-	-	(139,441)
Central Services	138,986	-	-	-	(138,986)
Operation & Maintenance of Plant	247,083	-	-	-	(247,083)
Other Support Services	274,000	-	-	-	(274,000)
Facilities Materials, Supplies & Other Services	69,830	-	-	95,951	26,121
Total Governmental Activities	\$ 2,377,103	-	18,053	95,951	(2,263,099)
General Revenues:					
State Equalization Guarantee					\$ 1,986,131
Total General Revenues					1,986,131
Change in Net Position					(276,968)
Net Position (Deficit), Beginning of Year					(2,196,793)
Net position (Deficit), Ending					\$ (2,473,761)

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Balance Sheets - Governmental Funds
June 30, 2016
Unaudited

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 66,214	34,500	-	-
Accounts Receivable				
Due from Government	34	-	-	-
Due from Other Funds	40,657	-	17,605	-
Total Assets	\$ 106,905	34,500	17,605	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 305,623	-	-	-
Accrued Expenditures	26,895	-	-	-
Due to Other Funds	-	7,578	-	1,806
Total Liabilities	332,518	7,578	-	1,806
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	26,922	17,605	-
Unassigned (Deficit)	(225,613)	-	-	(1,806)
Total Fund Balance (Deficit)	(225,613)	26,922	17,605	(1,806)
Total Liabilities and Fund Balances (Deficit)	\$ 106,905	34,500	17,605	-

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

Teacher Principal Training 24154	Title I School Improvement 24162	CNM Foundation 26207	Dual Credit Instructional Materials 27103	2010 SB-61 Student Library 27106	Public School Capital Outlay 31200
-	-	-	-	-	26,121
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	26,121
-	-	-	-	-	-
-	-	-	-	-	-
3,438	-	38	-	1,038	28,724
3,438	-	38	-	1,038	28,724
-	-	-	-	-	-
(3,438)	-	(38)	-	(1,038)	(2,603)
(3,438)	-	(38)	-	(1,038)	(2,603)
-	-	-	-	-	26,121

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Balance Sheets - Governmental Funds (Continued)
June 30, 2016
Unaudited

	SB-9 Capital Improvements 31700	Total
ASSETS		
Cash and Cash Equivalents	\$ -	126,835
Accounts Receivable		
Due from Government	-	34
Due from Other Funds	-	58,262
	<u>-</u>	<u>58,262</u>
Total Assets	<u>\$ -</u>	<u>185,131</u>
LIABILITIES AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ -	305,623
Accrued Expenditures	-	26,895
Due to Other Funds	15,640	58,262
	<u>15,640</u>	<u>58,262</u>
Total Liabilities	<u>15,640</u>	<u>390,780</u>
<i>Fund Balances (Deficit)</i>		
Fund Balance:		
Restricted for:		
Instruction	-	44,527
Unassigned (Deficit)	(15,640)	(250,176)
	<u>(15,640)</u>	<u>(250,176)</u>
Total Fund Balance (Deficit)	<u>(15,640)</u>	<u>(205,649)</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ -</u>	<u>185,131</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016
Unaudited

Fund Balance - Total Governmental Funds **\$ (205,649)**

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

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds. 270,070

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.
 Compensated Absences (4,988)

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds. (2,444,529)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds. (88,665)

Net Position - Total Governmental Activities **\$ (2,473,761)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016
Unaudited

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Local & County Grant	\$ 1,477	-	-	-
State Grant	1,986,131	14,297	-	-
Total Revenues	<u>1,987,608</u>	<u>14,297</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	970,542	-	23	520
Support Services:				
Students	308,129	-	-	2,001
General Administration	151,065	-	-	-
School Administration	132,890	-	-	-
Central Services	138,986	-	-	-
Operation & Maintenance of Plant	247,083	-	-	-
Other Support Services Operations	274,000	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,222,695</u>	<u>-</u>	<u>23</u>	<u>2,521</u>
Net Changes in Fund Balances	<u>(235,087)</u>	<u>14,297</u>	<u>(23)</u>	<u>(2,521)</u>
Fund Balances(Deficit) - Beginning of Year	<u>9,474</u>	<u>12,625</u>	<u>17,628</u>	<u>715</u>
Fund Balances (Deficit) - End of Year	<u>\$ (225,613)</u>	<u>26,922</u>	<u>17,605</u>	<u>(1,806)</u>

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

Teacher Principal Training 24154	Title I School Improvement 24162	CNM Foundation 26207	Dual Credit Instructional Materials 27103	2010 SB-61 Student Library 27106	Public School Capital Outlay 31200
-	-	500	-	-	-
-	-	-	1,779	-	95,951
-	-	500	1,779	-	95,951
-	600	538	2,068	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	69,830
-	600	538	2,068	-	69,830
-	(600)	(38)	(289)	-	26,121
(3,438)	600	-	289	(1,038)	(28,724)
(3,438)	-	(38)	-	(1,038)	(2,603)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016
Unaudited

	SB-9 Capital Improvements 31700	Total
REVENUES		
Local & County Grant	\$ -	1,977
State Grant	-	2,098,158
Total Revenues	-	2,100,135
EXPENDITURES		
Current:		
Instruction	-	974,291
Support Services:		
Students	-	310,130
General Administration	-	151,065
School Administration	-	132,890
Central Services	-	138,986
Operation & Maintenance of Plant	-	247,083
Other Support Services Operations	-	274,000
Capital Outlay	-	69,830
Total Expenditures	-	2,298,275
Net Changes in Fund Balances	-	(198,140)
Fund Balances(Deficit) - Beginning of Year	(15,640)	(7,509)
Fund Balances (Deficit) - End of Year	\$ (15,640)	(205,649)

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

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016
Unaudited**

Net Change in Fund Balance - Total Governmental Funds **\$ (198,140)**

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

Changes in deferred outflows resources-pension related, deferred
inflows of resources-pension related and the net pension liability (78,828)

Change in Net Position - Total Governmental Activities **\$ (276,968)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2016
Unaudited

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 6,613
Total Assets	<u>\$ 6,613</u>
LIABILITIES	
Deposits Held for Others	\$ 6,613
Total Liabilities	<u>\$ 6,613</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Creative Education Preparatory Institute #1
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016
 Unaudited

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 7,473	248	(1,108)	6,613
Total Assets	<u>\$ 7,473</u>	<u>248</u>	<u>(1,108)</u>	<u>6,613</u>
LIABILITIES				
Deposits Held for Others	\$ 7,473	248	(1,108)	6,613
Total Liabilities	<u>\$ 7,473</u>	<u>248</u>	<u>(1,108)</u>	<u>6,613</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Notes to the Financial Statements
June 30, 2016
Unaudited

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. SUBSEQUENT EVENTS

After fiscal year 2016, the New Mexico Public Education Commission did not renew Creative Education Preparatory Institute #1's charter agreement and the school closed effective June 30, 2016. All financial controls are being handled by the New Mexico Public Education Department.

NOTE 3. COMMITMENTS AND LIABILITIES

Creative Education Preparatory Institute #1 leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$196,405.

NOTE 4. DEFICIT FUND BALANCE

The following funds have a deficit fund balance at June 30, 2016:

Operational - 11000	\$	225,613
IDEA-B Entitlement - 24106		1,806
Teacher Principal Training - 24154		3,438
CNM Foundation - 26207		38
2010 SB-61 Student Library - 27106		1,038
Public School Capital Outlay - 31200		2,603
SB-9 Capital Improvements - 31700		15,640

The Creative Education Preparatory Institute #1 is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Notes to the Financial Statements
June 30, 2016
Unaudited

NOTE 5. BUDGETARY OVERAGE

Creative Education Preparatory Institute #1 expended in excess of the budget in the following funds and functions:

Fund 11000 Operational – Other Support Services	\$ 27,313
Fund 26207 CNM Foundation – Instruction	\$ 538

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Creative Education Preparatory Institute #1 and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Creative Education Preparatory Institute #1 are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal year ended June 30, 2016 and 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Creative Education Preparatory Institute #1 were \$127,297 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. At June 30, 2016, Creative Education Preparatory Institute #1 reported a liability of \$2,444,529 for its proportionate share of the net pension liability. Creative Education Preparatory Institute #1's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015 Creative Education Preparatory Institute #1 proportion was .03774%, which was a decrease of 0.067% from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Notes to the Financial Statements
June 30, 2016
Unaudited

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Creative Education Preparatory Institute #1 recognized pension expense of \$206,000. At the June 30, 2016, Creative Education Preparatory Institute #1 reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	45,319
Changes in assumptions	84,080	-
Net difference between projected and actual earnings on pension plan investments	-	11,004
Changes in proportion	58,693	32,342
Fiscal year 2016 employer contributions	<u>127,297</u>	<u>-</u>
Ending balance	<u>\$ 270,070</u>	<u>88,665</u>

The amount of \$127,297 reported as deferred outflows of resources related to pensions resulting from Creative Education Preparatory Institute #1 contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (14,470)
2018	(12,061)
2019	6,361
2020	<u>(33,938)</u>
Total	<u>\$ (54,108)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Notes to the Financial Statements
June 30, 2016
Unaudited

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Notes Sensitivity of Creative Education Preparatory Institute #1's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the Creative Education Preparatory Institute #1's net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Creative Education Preparatory Institute #1's proportionate share of the net pension liability	<u>\$ 3,289,265</u>	<u>2,444,529</u>	<u>1,734,846</u>

Payables to the pension plan.

On June 30, 2016 Creative Education Preparatory Institute #1's payable to the Plan was \$820.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPRATORY INSTITUTE #1
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016
Unaudited

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,192	2,444	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,059	948	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the prior year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
CREATIVE EDUCATION PREPRATORY INSTITUTE #1
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016
Unaudited

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 170	127	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	149	127	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 21	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (142)	5		\$ (30)	(30)	(32)	(50)	-				
2015	(54)	5			(14)	(12)	6	(34)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (196)			\$ (30)	(44)	(44)	(44)	(34)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	1,477	1,477
State Grant	1,783,911	1,986,131	1,986,131	-
Charges for Services	1,500	1,500	-	(1,500)
Total Revenues	1,785,411	1,987,631	1,987,608	(23)
EXPENDITURES				
Current:				
Instruction	932,073	983,915	899,220	84,695
Support Services:				
Students	265,986	317,650	311,107	6,543
General Administration	45,000	209,102	161,755	47,347
School Administration	113,444	134,169	132,890	1,279
Central Services	122,212	139,063	138,986	77
Operation & Maintenance of Plant	362,543	305,413	250,448	54,965
Other Support Services Operations	-	246,687	274,000	(27,313)
Total Expenditures	1,841,258	2,335,999	2,168,406	167,593
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(55,847)	(348,368)	(180,798)	167,570
Other Financing Sources (Uses):				
Designated Cash	55,847	188,575	-	(188,575)
Total Other Financing Sources (Uses):	55,847	188,575	-	(188,575)
Net Changes in Fund Balances	-	(159,793)	(180,798)	(21,005)
Cash or Fund Balances - Beginning of Year	-	-	9,474	-
Cash or Fund Balances - End of Year	\$ -	(159,793)	(171,324)	(21,005)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (180,798)	
Adjustments to Revenues			-	
Adjustments to Expenditures			(54,289)	
NET CHANGE IN FUND BALANCE			\$ (235,087)	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	12,429	6,719	(5,710)
Total Revenues	<u>-</u>	<u>12,429</u>	<u>6,719</u>	<u>(5,710)</u>
EXPENDITURES				
Current:				
Instruction	-	12,429	-	12,429
Total Expenditures	<u>-</u>	<u>12,429</u>	<u>-</u>	<u>12,429</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>6,719</u>	<u>6,719</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>6,719</u>	<u>6,719</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>12,625</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>19,344</u>	<u>6,719</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,719	
Adjustments to Revenues			7,578	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 14,297</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 11,345	11,345	10,163	(1,182)
Total Revenues	<u>11,345</u>	<u>11,345</u>	<u>10,163</u>	<u>(1,182)</u>
EXPENDITURES				
Current:				
Instruction	11,345	11,345	-	11,345
Total Expenditures	<u>11,345</u>	<u>11,345</u>	<u>-</u>	<u>11,345</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>10,163</u>	<u>10,163</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>10,163</u>	<u>10,163</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>17,628</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>27,791</u>	<u>10,163</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 10,163	
Adjustments to Revenues			(10,163)	
Adjustments to Expenditures			<u>(23)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (23)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 30,893	30,893	37,800	6,907
Total Revenues	<u>30,893</u>	<u>30,893</u>	<u>37,800</u>	<u>6,907</u>
EXPENDITURES				
Current:				
Instruction	25,893	25,879	-	25,879
Support Services:				
Students	5,000	5,014	1,286	3,728
Total Expenditures	<u>30,893</u>	<u>30,893</u>	<u>1,286</u>	<u>29,607</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	36,514	36,514
Net Changes in Fund Balances	-	-	36,514	36,514
Cash or Fund Balances - Beginning of Year	-	-	715	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>37,229</u>	<u>36,514</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 36,514	
Adjustments to Revenues			(37,800)	
Adjustments to Expenditures			(1,235)	
NET CHANGE IN FUND BALANCE			<u>\$ (2,521)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Title I School Improvement 24162
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
<i>Total expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
 <i>Net changes in Fund Balances</i>				
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	600	-
<i>Cash or Fund Balances - End of Year</i>	\$ -	-	600	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			(600)	
NET CHANGE IN FUND BALANCE			<u>\$ (600)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
CNM Foundation 26207
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	500	500
Total Revenues	-	-	500	500
EXPENDITURES				
Current:				
Instruction	-	-	538	(538)
Total expenditures	-	-	538	(538)
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(38)	(38)
Net changes in Fund Balances	-	-	(38)	(38)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(38)	(38)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (38)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (38)	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	1,959	1,779	(180)
Total Revenues	<u>-</u>	<u>1,959</u>	<u>1,779</u>	<u>(180)</u>
EXPENDITURES				
Current:				
Instruction	-	1,959	1,779	180
Total Expenditures	<u>-</u>	<u>1,959</u>	<u>1,779</u>	<u>180</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	-	-	289	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>289</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(289)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (289)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher and School Leadership Incentive Pay 27188
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	100,000	56,250	(43,750)
Total Revenues	<u>-</u>	<u>100,000</u>	<u>56,250</u>	<u>(43,750)</u>
EXPENDITURES				
Current:				
Instruction	-	100,000	-	100,000
Total Expenditures	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>56,250</u>	<u>56,250</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>56,250</u>	<u>56,250</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>56,250</u>	<u>56,250</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 56,250	
Adjustments to Revenues			(56,250)	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	127,935	95,951	(31,984)
Total Revenues	-	127,935	95,951	(31,984)
EXPENDITURES				
Capital Outlay	-	127,935	69,830	58,105
Total Expenditures	-	127,935	69,830	58,105
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	26,121	26,121
Net Changes in Fund Balances	-	-	26,121	26,121
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	26,121	26,121
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 26,121	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 26,121	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31700
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 9,500	14,291	-	(14,291)
Total Revenues	<u>9,500</u>	<u>14,291</u>	<u>-</u>	<u>(14,291)</u>
EXPENDITURES				
Current:				
Operation & Maintenance of Plant	9,500	9,500	-	9,500
Capital Outlay	-	4,791	-	4,791
Total Expenditures	<u>9,500</u>	<u>14,291</u>	<u>-</u>	<u>14,291</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Creative Education Preparatory Institute #1
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016
 Unaudited

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	N/A
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$ 245,289
Less: FDIC coverage:	<u>(245,289)</u>
Uninsured Public Funds:	-
Collateral Requirement:	-
Pledged Collateral Held by Pledging Financial Institution:	<u>-</u>
Balance Over Collateralized:	<u>\$ -</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ -</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Creative Education Preparatory Institute #1
 Schedule of Cash Accounts
 June 30, 2016
 Unaudited

<u>Bank Account Type</u>	<u>US BANK</u>
Checking - Operational Account	\$ 245,289
<i>Total on Deposit</i>	245,289
Reconciling Items	<u>(111,841)</u>
Reconciled Balance June 30, 2016	<u>133,448</u>
Less Agency Funds	<u>(6,613)</u>
<i>Total Cash</i>	<u><u>\$ 126,835</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Cash Reconciliation
June 30, 2016
Unaudited

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2015	\$ 222,804	18,740	7,462	29,149
Add:				
2015-16 revenues	<u>1,987,608</u>	<u>6,719</u>	<u>248</u>	<u>47,963</u>
Total Cash Available	2,210,412	25,459	7,710	77,112
Less:				
2015-16 expenditures	(2,168,406)	-	(1,108)	(1,286)
Receivables/Payables	361,836	15,156	-	(162,696)
Outstanding Loans	<u>(112,189)</u>	<u>-</u>	<u>-</u>	<u>49,624</u>
Cash June 30, 2016	<u>291,653</u>	<u>40,615</u>	<u>6,602</u> *	<u>(37,246)</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>(225,439)</u>	<u>(6,115)</u>	<u>11</u>	<u>37,246</u>
Cash Per Books	<u>66,214</u>	<u>34,500</u>	<u>6,613</u>	<u>-</u>
* Does not match general ledger				
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(291,827)</u>	<u>(7,578)</u>	<u>(6,613)</u>	<u>12,361</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ (225,613)</u>	<u>26,922</u>	<u>-</u>	<u>12,361</u>

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

CNM Foundation 26207	State Account 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	2,182	(15,640)	264,697
500	1,779	95,951	-	2,140,768
500	1,779	98,133	(15,640)	2,405,465
(538)	(1,779)	(69,830)	-	(2,242,947)
76	(55,314)	-	-	159,058
(38)	55,025	-	-	(7,578)
-	(289)	28,303	(15,640)	313,998
-	289	(2,182)	15,640	(180,550)
-	-	26,121	-	133,448
			Less: Agency Fund:	(6,613)
			\$	126,835
(38)	(1,038)	(28,724)	(15,640)	(339,097)
(38)	(1,038)	(2,603)	(15,640)	(205,649)
		Balance Sheets - Governmental Funds:	\$	(205,649)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 273,694
Receivables	
Due from Other Governments	29,600
Total Current Assets	<u>303,294</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	59,291
Furniture, Fixtures, and Equipment	8,336
Less: Accumulated Depreciation	<u>(4,102)</u>
Total Noncurrent Assets	<u>63,525</u>
Total Assets	<u>366,819</u>

Deferred Outflows - Pension Related	<u>283,638</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	17,173
Accrued Liabilities	<u>9,728</u>
Total Current Liabilities	<u>26,901</u>

Noncurrent Liabilities:

Net Pension Liability	<u>341,352</u>
Total Noncurrent Liabilities	<u>341,352</u>
Total Liabilities	<u>368,253</u>

Deferred Inflows - Pension Related	<u>7,865</u>
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NET POSITION

Investment in Capital Assets	63,525
Restricted	103,348
Unrestricted	<u>107,466</u>
Total Net Position	<u>\$ 274,339</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 187,871	-	34,448	-	(153,423)
Support Services:					
General Administration	19,087	-	-	-	(19,087)
School Administration	141,485	-	-	-	(141,485)
Central Services	51,676	-	-	-	(51,676)
Operation & Maintenance of Plant	75,735	-	-	-	(75,735)
Food Services	22,216	-	13,115	-	(9,101)
Facilities Materials, Supplies & Other Services	15,146	-	-	11,044	(4,102)
Total Governmental Activities	\$ 513,216	-	47,563	11,044	(454,609)
General Revenues:					
State Equalization Guarantee					\$ 472,540
Total General Revenues					472,540
Change in Net Position					17,931
Net Position, Beginning					296,193
Restatement Recognized by GASB 68					(39,785)
Net position, Beginning, as Restated					256,408
Net position, Ending					\$ 274,339

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Teacher Principal Training 24154
ASSETS				
Cash and Cash Equivalents	\$ 165,700	2,467	4,656	-
Accounts Receivable				
Due from Government	-	-	1,257	-
Due from Other Funds	29,600	-	-	-
Total Assets	\$ 195,300	2,467	5,913	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 14,237	-	2,021	-
Accrued Expenditures	8,018	-	-	-
Due to Other Funds	-	-	1,257	-
Total Liabilities	22,255	-	3,278	-
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	2,467	-	-
Administration	-	-	-	-
Food Service Operations	-	-	2,635	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	173,045	-	-	-
Total Fund Balance	173,045	2,467	2,635	-
Total Liabilities and Fund Balances	\$ 195,300	2,467	5,913	-

The accompanying notes are an integral part of these financial statements

Kellogg Foundation 26121	New Mexico Reads to Lead 27114	Privat Direct Grants 29102	Capital Outlay 31200	Total
92,903	100	7,868	-	273,694
-	20,060	-	8,283	29,600
-	-	-	-	29,600
<u>92,903</u>	<u>20,160</u>	<u>7,868</u>	<u>8,283</u>	<u>332,894</u>
915	-	-	-	17,173
1,610	100	-	-	9,728
-	20,060	-	8,283	29,600
<u>2,525</u>	<u>20,160</u>	<u>-</u>	<u>8,283</u>	<u>56,501</u>
-	-	7,868	-	10,335
90,378	-	-	-	90,378
-	-	-	-	2,635
-	-	-	-	173,045
<u>90,378</u>	<u>-</u>	<u>7,868</u>	<u>-</u>	<u>276,393</u>
<u>92,903</u>	<u>20,160</u>	<u>7,868</u>	<u>8,283</u>	<u>332,894</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balance - Total Governmental Funds **\$ 276,393**

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

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

Capital Assets	67,627	
Accumulated Depreciation	<u>(4,102)</u>	
		63,525

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		283,638
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(7,865)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(341,352)</u>
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Net Position-Total Governmental Activities **\$ 274,339**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Teacher Principal Training 24154
REVENUES				
State Grant	\$ 472,540	2,288	-	-
Federal Grant	-	-	13,115	-
Contributions	-	-	-	-
Miscellaneous Income	3,100	-	-	-
Total Revenues	<u>475,640</u>	<u>2,288</u>	<u>13,115</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	142,597	888	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	19,087	-	-	-
School Administration	52,111	-	-	-
Central Services	34,750	-	-	-
Operation & Maintenance of Plant	68,179	-	-	-
Food Services Operations	11,736	-	10,480	-
Capital Outlay	500	-	-	-
Total Expenditures	<u>328,960</u>	<u>888</u>	<u>10,480</u>	<u>-</u>
Net Changes in Fund Balances	<u>146,680</u>	<u>1,400</u>	<u>2,635</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>26,365</u>	<u>1,067</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 173,045</u>	<u>2,467</u>	<u>2,635</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Kellogg Foundation 26121	New Mexico Reads to Lead 27114	Private Direct Grants 29102	Public School Capital Outlay 31200	Total
-	20,060	-	11,044	505,932
-	-	-	-	13,115
-	-	9,000	-	9,000
-	-	-	-	3,100
<u>-</u>	<u>20,060</u>	<u>9,000</u>	<u>11,044</u>	<u>531,147</u>
3,995	20,060	4,650	-	172,190
-	-	-	-	-
-	-	-	-	-
-	-	-	-	19,087
79,261	-	-	-	131,372
16,926	-	-	-	51,676
-	-	7,556	-	75,735
-	-	-	-	22,216
-	-	-	11,044	11,544
<u>100,182</u>	<u>20,060</u>	<u>12,206</u>	<u>11,044</u>	<u>483,820</u>
<u>(100,182)</u>	<u>-</u>	<u>(3,206)</u>	<u>-</u>	<u>47,327</u>
<u>190,560</u>	<u>-</u>	<u>11,074</u>	<u>-</u>	<u>229,066</u>
<u>90,378</u>	<u>-</u>	<u>7,868</u>	<u>-</u>	<u>276,393</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 47,327**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Capital Outlays	500	
Depreciation Expense	<u>(4,102)</u>	(3,602)

Changes in deferred outflows of resources - pension related, deferred inflows of resources - pension related, and the net pension liability		<u>(25,794)</u>
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Change in Net Position-Total Governmental Activities **\$ 17,931**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. The Dream Dine Charter School utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets.

Building and Improvements	15 years
Equipment	15 years

Capital assets for the Dream Dine Charter School are recorded in the Statement of Net Position.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Reclass</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets not Depreciated:</i>				
Construction in Progress	\$ 67,127	500	(67,627)	-
<i>Total</i>	67,127	500	(67,627)	-
<i>Capital Assets being Depreciated:</i>				
Building and Improvements	-	-	59,291	59,291
Equipment	-	-	8,336	8,336
<i>Total</i>	67,127	500	-	67,627
<i>Less: Accumulated Depreciation</i>				
Building and Improvements	-	(3,596)	-	(3,596)
Equipment	-	(506)	-	(506)
<i>Total</i>	-	(4,102)	-	(4,102)
Capital Assets, Net	\$ 67,127	(3,602)	-	63,525

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Facilities, Materials, Supplies & Other	\$	4,102
Total	<u>\$</u>	<u>4,102</u>

NOTE 3. RELATED PARTY TRANSACTIONS

The business manager services are performed by an individual who performed services for multiple state charter schools.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Dream Dine Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Contributions. The contribution requirements of defined benefit plan members and Dream Dine Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal year ended June 30, 2015, employers contributed 13.90% and employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016, employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Dream Dine Charter School were \$24,803 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Dream Dine Charter School reported a liability of \$341,352 for its proportionate share of the net pension liability. Dream Dine Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Dream Dine Charter School's proportion was 0.00527%.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Dream Dine Charter School recognized pension expense of \$110,574. At June 30, 2016, Dream Dine Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (3,403)
Changes in assumptions	11,741	-
Changes in proportion	247,094	(4,462)
Fiscal year 2016 employer contributions	24,803	-
	<hr/>	<hr/>
Ending balance	<u>\$ 283,638</u>	<u>\$ (7,865)</u>

The amount of \$24,803 reported as deferred outflows of resources related to pensions resulting from Dream Dine Charter School contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (83,828)
2018	(84,015)
2019	(78,386)
2020	(4,741)
Total	<u>\$ (250,970)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Notes to the Financial Statements
 June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Dream Dine Charter School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Dream Dine Charter School’s proportionate share of the net pension liability	\$ 459,311	341,352	242,254

Payables to the pension plan. At June 30, 2016, Dream Dine Charter School owed \$5,332 to ERB for fiscal year 2016 contributions.

NOTE 5. RESTATEMENT

As a result of implementation of GASB No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2015 was restated in the amount of \$(39,785).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
DREAM DINE CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ -	\$ 341	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ -	144	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	0.00%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	0.00%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
DREAM DINE CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 24	25	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	21	25	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 3	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ -	5		\$ -	\$ -	\$ -	\$ -	\$ -				
2015	(251)	5			(84)	(84)	(78)	(5)				
2016	-	5				-	-	-				
2017	-	5					-	-				
2018	-	5						-				
2019	-	5										
2020	-	5										
2021	-	5										
2022	-	5										
2023	-	5										
	<u>\$ (251)</u>			<u>\$ -</u>	<u>(84)</u>	<u>(84)</u>	<u>(78)</u>	<u>(5)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 477,926	475,640	472,540	(3,100)
Miscellaneous	-	3,100	3,100	-
Total Revenues	<u>477,926</u>	<u>478,740</u>	<u>475,640</u>	<u>(3,100)</u>
EXPENDITURES				
Current:				
Instruction	250,662	179,680	142,019	37,661
Support Services:				
Students	16,000	2,500	-	2,500
Instruction	1,000	1,000	-	1,000
General Administration	19,500	26,500	19,087	7,413
School Administration	74,708	64,708	40,400	24,308
Central Services	37,000	33,000	33,939	(939)
Operation & Maintenance of Plant	79,056	181,754	68,054	113,700
Food Services Operations	-	13,375	11,736	1,639
Total Expenditures	<u>477,926</u>	<u>502,517</u>	<u>315,235</u>	<u>187,282</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(23,777)	160,405	184,182
Other Financing Sources (Uses):				
Designated Cash	-	23,777	-	(23,777)
Total Other Financing Sources (Uses):	-	23,777	-	(23,777)
Net Change in Fund Balance	-	-	160,405	160,405
Cash or Fund Balance - Beginning of Year	-	-	26,365	26,365
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>186,770</u>	<u>186,770</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 160,405	
Adjustments to Revenues			-	
Adjustments to Expenditures			(13,725)	
NET CHANGE IN FUND BALANCE			<u>\$ 146,680</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 740	2,288	2,288	-
Total Revenues	<u>740</u>	<u>2,288</u>	<u>2,288</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	740	3,355	888	2,467
Total Expenditures	<u>740</u>	<u>3,355</u>	<u>888</u>	<u>2,467</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(1,067)</u>	<u>1,400</u>	<u>2,467</u>
Other Financing Sources (Uses):				
Designated Cash	-	1,067	-	(1,067)
Total Other Financing Sources (Uses):	<u>-</u>	<u>1,067</u>	<u>-</u>	<u>(1,067)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,400</u>	<u>1,400</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>1,067</u>	<u>1,067</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,467</u>	<u>2,467</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,400	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 1,400</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	11,858	11,858
Total Revenues	<u>-</u>	<u>-</u>	<u>11,858</u>	<u>11,858</u>
EXPENDITURES				
Current:				
Food Services Operations	-	-	8,459	(8,459)
Total expenditures	<u>-</u>	<u>-</u>	<u>8,459</u>	<u>(8,459)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	3,399	3,399
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,399</u>	<u>3,399</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,399</u>	<u>3,399</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,399	
Adjustments to Revenues			1,257	
Adjustments to Expenditures			<u>(2,021)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 2,635</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher/Principal Training & Recruiting 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 597	663	697	34
Total Revenues	597	663	697	34
EXPENDITURES				
Current:				
Instruction	597	663	-	663
Total Expenditures	597	663	-	663
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	697	697
Net Changes in Fund Balances	-	-	697	697
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	697	697
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 697	
Adjustments to Revenues			(697)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Kellogg Foundation 26121
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Contributions	\$ 100,000	100,000	200,000	100,000
Total Revenues	100,000	100,000	200,000	100,000
EXPENDITURES				
Current:				
Instruction	-	-	3,995	(3,995)
Support Services:				
School Administration	83,019	83,019	79,261	3,758
Central Services	16,981	16,981	16,011	970
Total Expenditures	100,000	100,000	99,267	733
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	100,733	100,733
Net Changes in Fund Balances	-	-	100,733	100,733
Cash or Fund Balances - Beginning of Year	-	-	190,560	190,560
Cash or Fund Balances - End of Year	\$ -	-	291,293	291,293
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 100,733	
Adjustments to Revenues			(200,000)	
Adjustments to Expenditures			(915)	
NET CHANGE IN FUND BALANCE			\$ (100,182)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 New Mexico Reads to Lead 27114
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 22,000	22,000	10,104	(11,896)
Total Revenues	<u>22,000</u>	<u>22,000</u>	<u>10,104</u>	<u>(11,896)</u>
EXPENDITURES				
Current:				
Instruction	22,000	22,000	20,060	1,940
Total Expenditures	<u>22,000</u>	<u>22,000</u>	<u>20,060</u>	<u>1,940</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(9,956)	(9,956)
Net Changes in Fund Balances	-	-	(9,956)	(9,956)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(9,956)</u>	<u>(9,956)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,956)	
Adjustments to Revenues			9,956	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Private Direct Grant 29102
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Contributions	\$ -	9,000	9,000	-
Total Revenues	<u>-</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	13,129	4,650	8,479
Operation & Maintenance of Plant	-	8,869	9,480	(611)
Total Expenditures	<u>-</u>	<u>21,998</u>	<u>14,130</u>	<u>7,868</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(12,998)</u>	<u>(5,130)</u>	<u>7,868</u>
Net Changes in Fund Balances	<u>-</u>	<u>(12,998)</u>	<u>(5,130)</u>	<u>7,868</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>11,074</u>	<u>11,074</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>(12,998)</u>	<u>5,944</u>	<u>18,942</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,130)	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>1,924</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (3,206)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	11,044	11,761	717
Total Revenues	-	11,044	11,761	717
EXPENDITURES				
Current:				
Capital Outlay	-	11,044	11,044	-
Total Expenditures	-	11,044	11,044	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	717	717
Net Changes in Fund Balances	-	-	717	717
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	717	717
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 717	
Adjustments to Revenues			(717)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	291,873
Less: FDIC coverage:		<u>(250,000)</u>
Uninsured Public Funds:		41,873
Collateral Requirement:		20,937
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over (Under) Collateralized:	\$	<u>(20,937)</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>41,873</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	<u>\$ 291,873</u>
<i>Total on Deposit</i>	291,873
Reconciling Items	<u>(18,179)</u>
Reconciled Balance June 30, 2016	<u>273,694</u>
<i>Total Cash</i>	<u><u>\$ 273,694</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Cash Reconciliation
June 30, 2016

	Operational	Instructional	Food	Title II
	11000	Materials	Services	24154
	<u>11000</u>	<u>14000</u>	<u>21000</u>	<u>24154</u>
Cash, June 30, 2015	\$ 1,995	1,067	-	-
Add:				
2015-16 revenues	<u>475,640</u>	<u>2,288</u>	<u>11,858</u>	<u>697</u>
Total Cash Available	477,635	3,355	11,858	697
Less:				
2015-16 expenditures	(315,235)	(888)	(8,459)	-
Receivables/Payables	5,794	-	-	-
Outstanding Loans	<u>(2,494)</u>	<u>-</u>	<u>1,257</u>	<u>(697)</u>
Cash June 30, 2016	<u>165,700</u>	<u>2,467</u>	<u>4,656</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>165,700</u>	<u>2,467</u>	<u>4,656</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>7,345</u>	<u>-</u>	<u>(2,021)</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 173,045</u>	<u>2,467</u>	<u>2,635</u>	<u>-</u>

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

Kellogg Foundation 26121	New Mexico Reads to Lead 27114	Private Direct Grants 29102	Public School Capital Outlay 31200	Total
-	1,286	12,998	-	17,346
<u>200,000</u>	<u>10,104</u>	<u>9,000</u>	<u>11,761</u>	<u>721,348</u>
200,000	11,390	21,998	11,761	738,694
(99,267)	(20,060)	(14,130)	(11,044)	(469,083)
(525)	(1,186)	-	-	4,083
<u>(7,305)</u>	<u>9,956</u>	<u>-</u>	<u>(717)</u>	<u>-</u>
<u>92,903</u>	<u>100</u>	<u>7,868</u>	<u>-</u>	<u>273,694</u>
-	-	-	-	-
<u>92,903</u>	<u>100</u>	<u>7,868</u>	<u>-</u>	<u>273,694</u>
(2,525)	(100)	-	-	2,699
<u>90,378</u>	<u>-</u>	<u>7,868</u>	<u>-</u>	<u>276,393</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 DEAP Charter School
 Statement of Net Position
 June 30, 2016

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 13,390
Receivables	
Due from Other Governments	15,706

Total Assets	<u>29,096</u>
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LIABILITIES

Current Liabilities:

Accounts Payable	6,372
Accrued Liabilities	9,697

Total Liabilities	<u>16,069</u>
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NET POSITION

Restricted	12,020
Unrestricted	1,007

Total Net Position	<u>\$ 13,027</u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
DEAP Charter School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 94,763	18,166	37,390	-	(39,207)
Support Services:					
Students	26,668	-	-	-	(26,668)
Instruction	500	-	-	-	(500)
General Administration	9,315	-	-	-	(9,315)
School Administration	47,956	-	-	-	(47,956)
Central Services	2,271	-	-	-	(2,271)
Operation & Maintenance of Plant	39,161	-	-	-	(39,161)
Student Transportation	87	-	-	-	(87)
Food Services	48,205	-	-	-	(48,205)
Facilities Materials, Supplies & Other Services	28,540	-	-	28,540	-
Total Governmental Activities	\$ 297,466	18,166	37,390	28,540	(213,370)
General Revenues:					
State Equalization Guarantee				\$	226,297
Miscellaneous					100
Total General Revenues					226,397
Change in Net Position					13,027
Net Position, Beginning					-
Net position, Ending				\$	13,027

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
DEAP Charter School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 1,370	998	-	-
Accounts Receivable				
Due from Government	-	-	-	4,405
Due from Other Funds	15,706	-	-	-
Total Assets	\$ 17,076	998	-	4,405
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 6,372	-	-	-
Accrued Expenditures	9,697	-	-	-
Due to Other Funds	-	-	-	4,405
Total Liabilities	16,069	-	-	4,405
<i>Fund Balances</i>				
Fund Balance:				
Restricted for:				
Instruction	-	998	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	1,007	-	-	-
Total Fund Balance	1,007	998	-	-
Total Liabilities and Fund Balances	\$ 17,076	998	-	4,405

The accompanying notes are an integral part of these financial statements

Teacher/Principal Training & Recruitment 24154	Golden Apple Foundation 26163	Private Direct Grants 29102	City/County Grants 29107	Public School Capital Outlay 31200	Total
-	2,880	5,538	2,604	-	13,390
1,788	-	-	-	9,513	15,706
-	-	-	-	-	15,706
<u>1,788</u>	<u>2,880</u>	<u>5,538</u>	<u>2,604</u>	<u>9,513</u>	<u>44,802</u>
-	-	-	-	-	6,372
-	-	-	-	-	9,697
<u>1,788</u>	-	-	-	<u>9,513</u>	<u>15,706</u>
<u>1,788</u>	-	-	-	<u>9,513</u>	<u>31,775</u>
-	2,880	5,538	2,604	-	12,020
-	-	-	-	-	1,007
-	<u>2,880</u>	<u>5,538</u>	<u>2,604</u>	-	<u>13,027</u>
<u>1,788</u>	<u>2,880</u>	<u>5,538</u>	<u>2,604</u>	<u>9,513</u>	<u>44,802</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
DEAP Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds	<u>\$ 13,027</u>
Net Position-Total Governmental Activities	<u><u>\$ 13,027</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
DEAP Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	IDEA-B Entitlement 24106
REVENUES				
Local & County Grant	\$ -	-	-	-
State Grant	226,297	2,427	-	-
Federal Grant	-	-	6,772	4,405
Charges for Services	18,166	-	-	-
Contributions and Donations	100	-	-	-
Total Revenues	244,563	2,427	6,772	4,405
EXPENDITURES				
Current:				
Instruction	91,546	1,429	-	-
Support Services:				
Students	11,287	-	-	4,405
Instruction	500	-	-	-
General Administration	9,315	-	-	-
School Administration	47,956	-	-	-
Central Services	2,271	-	-	-
Operation & Maintenance of Plant	39,161	-	-	-
Student Transportation	87	-	-	-
Food Services Operations	41,433	-	6,772	-
Capital Outlay	-	-	-	-
Total Expenditures	243,556	1,429	6,772	4,405
Net Changes in Fund Balances	1,007	998	-	-
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances - End of Year	\$ 1,007	998	-	-

The accompanying notes are an integral part of these financial statements

Teacher/Principal Training & Recruitment 24154	Golden Apple Foundation 26163	Private Direct Grants 29102	City/County Grants 29107	Public School Capital Outlay 31200	Total
-	2,998	14,000	5,000	-	21,998
-	-	-	-	28,540	257,264
1,788	-	-	-	-	12,965
-	-	-	-	-	18,166
-	-	-	-	-	100
1,788	2,998	14,000	5,000	28,540	310,493
1,788	-	-	-	-	94,763
-	118	8,462	2,396	-	26,668
-	-	-	-	-	500
-	-	-	-	-	9,315
-	-	-	-	-	47,956
-	-	-	-	-	2,271
-	-	-	-	-	39,161
-	-	-	-	-	87
-	-	-	-	-	48,205
-	-	-	-	28,540	28,540
1,788	118	8,462	2,396	28,540	297,466
-	2,880	5,538	2,604	-	13,027
-	-	-	-	-	-
-	2,880	5,538	2,604	-	13,027

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
DEAP Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds	<u>\$ 13,027</u>
Change in Net Position-Total Governmental Activities	<u><u>\$ 13,027</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dzil Diti'ooi School of Empowerment, Action and Perseverance
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Dzil Diti'ooi School of Empowerment, Action and Perseverance's (DEAP) capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. DEAP does not capitalize any interest with regard to its capital assets.

For the fiscal year ended June 30, 2016, DEAP Education did not record any capital assets.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For the fiscal year ended June 30, 2016, DEAP did not record net pension liability, deferred outflows of resources or deferred inflows of resources as this was the initial year of operations.

NOTE 2. OVERSPENT BUDGET LINE ITEMS

As stated in finding 2016-003, DEAP had expenditures in excess of the budget in the following funds:

Operational:

Instruction	\$4,552
Central Services	\$471
Food Service Operations	\$25,622

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
DEAP Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 343,098	226,297	226,297	-
Charges for Services	-	16,111	18,166	2,055
Contributions and Donations	-	-	100	100
Total Revenues	343,098	242,408	244,563	2,155
EXPENDITURES				
Current:				
Instruction	144,833	84,834	89,386	(4,552)
Support Services:				
Students	12,350	11,350	11,287	63
Instruction	-	-	500	(500)
General Administration	4,250	4,250	6,113	(1,863)
School Administration	132,291	86,489	47,956	38,533
Central Services	11,800	1,800	2,271	(471)
Operation & Maintenance of Plant	35,990	35,990	35,990	-
Student Transportation	1,584	1,584	87	1,497
Food Services Operations	-	16,111	41,733	(25,622)
Total Expenditures	343,098	242,408	235,323	7,085
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	9,240	9,240
Net Changes in Fund Balances	-	-	9,240	9,240
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	9,240	9,240
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 9,240	
Adjustments to Revenues			-	
Adjustments to Expenditures			(8,233)	
NET CHANGE IN FUND BALANCE			\$ 1,007	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 DEAP Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	1,429	2,427	998
Total Revenues	-	1,429	2,427	998
EXPENDITURES				
Current:				
Instruction	-	1,429	1,429	-
Total Expenditures	-	1,429	1,429	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	998	998
Net Changes in Fund Balances	-	-	998	998
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	998	998
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 998	
Adjustments to Revenues			(1,429)	
Adjustments to Expenditures			1,429	
NET CHANGE IN FUND BALANCE			\$ 998	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 DEAP Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	6,772	6,772	-
Total Revenues	<u>-</u>	<u>6,772</u>	<u>6,772</u>	<u>-</u>
EXPENDITURES				
Current:				
Food Services Operations	-	6,772	6,772	-
Total Expenditures	<u>-</u>	<u>6,772</u>	<u>6,772</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
DEAP Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 12,046	4,405	-	(4,405)
Total Revenues	<u>12,046</u>	<u>4,405</u>	<u>-</u>	<u>(4,405)</u>
EXPENDITURES				
Current:				
Instruction	6,523	-	-	-
Support Services:				
Students	5,523	4,405	4,405	-
Total Expenditures	<u>12,046</u>	<u>4,405</u>	<u>4,405</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,405)</u>	<u>(4,405)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,405)</u>	<u>(4,405)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,405)</u>	<u>(4,405)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,405)	
Adjustments to Revenues			4,405	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
DEAP Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training and Recruitment 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	1,788	-	(1,788)
Total Revenues	<u>-</u>	<u>1,788</u>	<u>-</u>	<u>(1,788)</u>
EXPENDITURES				
Current:				
Instruction	-	1,788	1,788	-
Total expenditures	<u>-</u>	<u>1,788</u>	<u>1,788</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,788)</u>	<u>(1,788)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,788)</u>	<u>(1,788)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,788)</u>	<u>(1,788)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,788)	
Adjustments to Revenues			1,788	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
DEAP Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Golden Apple Foundation 26163
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amount</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u> <u>Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	2,998	2,998	-
Total Revenues	<u>-</u>	<u>2,998</u>	<u>2,998</u>	<u>-</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	2,998	118	2,880
Total Expenditures	<u>-</u>	<u>2,998</u>	<u>118</u>	<u>2,880</u>
<i>Excess (Deficiency) of Revenues</i> <i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>2,880</u>	<u>2,880</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>2,880</u>	<u>2,880</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,880</u>	<u>2,880</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i> <i>Over (Under) Expenditures</i>			\$ 2,880	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2,880</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
DEAP Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	14,000	14,000	-
Total Revenues	<u>-</u>	<u>14,000</u>	<u>14,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	14,000	8,462	5,538
Total Expenditures	<u>-</u>	<u>14,000</u>	<u>8,462</u>	<u>5,538</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>5,538</u>	<u>5,538</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>5,538</u>	<u>5,538</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,538</u>	<u>5,538</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,538	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 5,538</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 DEAP Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 City / County Grants 29107
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	5,000	5,000	-
Total Revenues	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	5,000	-	5,000
Total Expenditures	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	5,000	5,000
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 5,000	
Adjustments to Revenues			-	
Adjustments to Expenditures			(2,396)	
NET CHANGE IN FUND BALANCE			<u>\$ 2,604</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
DEAP Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	29,450	19,027	(10,423)
Total Revenues	-	29,450	19,027	(10,423)
EXPENDITURES				
Capital Outlay	-	29,450	28,540	910
Total Expenditures	-	29,450	28,540	910
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(9,513)	(9,513)
Net Changes in Fund Balances	-	-	(9,513)	(9,513)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(9,513)	(9,513)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,513)	
Adjustments to Revenues			9,513	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 DEAP Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	18,278
Less: FDIC coverage:		<u>(18,278)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 DEAP Charter School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo Bank</u>
Checking - Operational Account	<u>\$ 18,278</u>
<i>Total on Deposit</i>	18,278
Reconciling Items	<u>(4,888)</u>
Reconciled Balance June 30, 2016	<u>13,390</u>
Less Agency Funds	<u>-</u>
<i>Total Cash</i>	<u><u>\$ 13,390</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
DEAP Charter School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Service Fund 21000	Federal Flowthrough Account 24000
Cash, June 30, 2015	\$ -	-	-	-
Add:				
2015-16 revenues	<u>244,563</u>	<u>2,427</u>	<u>6,772</u>	<u>-</u>
Total Cash Available	244,563	2,427	6,772	-
Less:				
2015-16 expenditures	(235,333)	(1,429)	(6,772)	(6,193)
Receivables/Payables	(3,455)	-	-	1,788
Outstanding Loans	<u>(4,405)</u>	<u>-</u>	<u>-</u>	<u>4,405</u>
Cash June 30, 2016	<u>1,370</u>	<u>998</u>	<u>-</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>1,370</u>	<u>998</u>	<u>-</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(363)	-	-	-
Fund Balance, Modified Accrual Basis	<u>\$ 1,007</u>	<u>998</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Local Grants Fund 26000	Combined Local/State Grants 29000	Public School Capital Outlay 31200	Total
-	-	-	-
<u>2,988</u>	<u>19,000</u>	<u>19,027</u>	<u>294,777</u>
2,988	19,000	19,027	294,777
(118)	(10,858)	(28,540)	(289,243)
10	-	9,513	7,856
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,880</u>	<u>8,142</u>	<u>-</u>	<u>13,390</u>
-	-	-	-
<u>2,880</u>	<u>8,142</u>	<u>-</u>	<u>13,390</u>
-	-	-	(363)
<u>2,880</u>	<u>8,142</u>	<u>-</u>	<u>13,027</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 303,141
Receivables	
Due from Other Governments	178,923
Other Receivables	10,857
Deposits	<u>38,118</u>
Total Current Assets	<u>531,039</u>

Noncurrent Assets:

Capital Assets	
Construction-in-process	179,036
Land	8,989
Leasehold Improvements	728,663
Furniture, Fixtures, and Equipment	34,799
Less: Accumulated Depreciation	<u>(554,863)</u>
Total Noncurrent Assets	<u>396,624</u>
Total Assets	<u>927,663</u>

Deferred Outflows - Pension Related	<u>770,323</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	171,475
Accrued Liabilities	172,554
Current Portion of Long-term Debt	<u>68,041</u>
Total Current Liabilities	<u>412,070</u>

Noncurrent Liabilities:

Long-term Debt	15,204
Net Pension Liability	<u>3,310,531</u>
Total Noncurrent Liabilities	<u>3,325,735</u>
Total Liabilities	<u>3,737,805</u>

Deferred Inflows - Pension Related	<u>76,276</u>
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NET POSITION

Net Investment in Capital Assets	313,379
Restricted	152,201
Unrestricted (deficit)	<u>(2,581,675)</u>
Total Net Position	<u>\$ (2,116,095)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,943,123	-	223,892	-	(1,719,231)
Support Services:					
Students	133,170	-	-	-	(133,170)
General Administration	38,973	-	-	-	(38,973)
School Administration	248,486	-	-	-	(248,486)
Central Services	64,952	-	-	-	(64,952)
Operation & Maintenance of Plant	550,384	-	-	-	(550,384)
Interest on Long-term Debt	9,296	-	-	-	(9,296)
Facilities Materials, Supplies & Other Services	377,523	-	65,000	328,791	16,268
Total Governmental Activities	\$ 3,365,907	-	288,892	328,791	(2,748,224)
General Revenues:					
Property Taxes					\$ 128,252
State Equalization Guarantee					2,331,212
Miscellaneous					12,061
Total General Revenues					<u>2,471,525</u>
Change in Net Position					(276,699)
Net Position (deficit), Beginning					<u>(1,839,396)</u>
Net Position (deficit), Ending					<u>\$ (2,116,095)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 99,394	14,083	-	-
Accounts Receivable				
Due from Government	-	-	56,902	56,612
Due from Other Funds	160,806	-	-	-
Other Receivables	10,857	-	-	-
Deposits	-	-	-	-
Total Assets	\$ 271,057	14,083	56,902	56,612
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 64,140	-	-	-
Accrued Expenditures	156,698	-	11,824	-
Deposit Payable	-	-	-	-
Due to Other Funds	-	-	45,078	56,612
Total Liabilities	220,838	-	56,902	56,612
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Restricted for:				
Instruction	-	14,083	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	50,219	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	50,219	14,083	-	-
Total Liabilities and Fund Balances	\$ 271,057	14,083	56,902	56,612

The accompanying notes are an integral part of these financial statements

Federal Charter School Planning 24146	Teacher Principal Training 24154	Dual Credit Instructional Materials 27103	Literacy for Children at Risk 27107	Center for Teacher Excellence 27114	Robot Systems for Math Competition 27115
-	-	-	-	-	-
-	12,867	294	-	49,987	-
-	-	-	-	-	-
-	-	-	-	-	-
100,000	-	-	-	-	-
<u>100,000</u>	<u>12,867</u>	<u>294</u>	<u>-</u>	<u>49,987</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	4,032	-
-	-	-	-	-	-
-	12,867	294	-	45,955	-
-	<u>12,867</u>	<u>294</u>	<u>-</u>	<u>49,987</u>	<u>-</u>
100,000	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
100,000	-	-	-	-	-
<u>100,000</u>	<u>12,867</u>	<u>294</u>	<u>-</u>	<u>49,987</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	STEM Teacher Initiative 27181	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Foundation	Total
ASSETS					
Cash and Cash Equivalents	\$ -	-	100,028	89,636	303,141
Accounts Receivable					
Due from Government	-	-	2,261	-	178,923
Due from Other Funds	-	-	-	-	160,806
Other Receivables	-	-	-	50,004	60,861
Deposits	-	-	-	38,118	138,118
Total Assets	-	-	102,289	177,758	841,849
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	-	-	157,339	221,479
Accrued Expenditures	-	-	-	-	172,554
Deposit Payable	-	-	-	100,000	100,000
Due to Other Funds	-	-	-	-	160,806
Total Liabilities	-	-	-	257,339	654,839
Fund Balances					
Fund Balance:					
Nonspendable:					
Deposits	-	-	-	38,118	138,118
Restricted for:					
Instruction	-	-	-	-	14,083
Capital Improvements	-	-	102,289	-	102,289
Assigned to:					
Subsequent Years Expenditures and Other Programs	-	-	-	-	50,219
Unassigned	-	-	-	(117,699)	(117,699)
Total Fund Balance	-	-	102,289	(79,581)	187,010
Total Liabilities and Fund Balances	\$ -	-	102,289	177,758	841,849

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 187,010**

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

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

Capital Assets	951,487	
Accumulated Depreciation	<u>(554,863)</u>	
		396,624

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds. 770,323

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds. (76,276)

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds. (83,245)

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds. (3,310,531)

Net Position-Total Governmental Activities **\$ (2,116,095)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	2,331,212	30,238	-	-
Federal Grant	-	-	73,626	56,612
Charges for Services	-	-	-	-
Contributions	135,000	-	-	-
Miscellaneous Income	11,256	-	-	-
Total Revenues	2,477,468	30,238	73,626	56,612
EXPENDITURES				
Current:				
Instruction	1,518,099	21,683	73,626	32,489
Support Services:				
Students	88,434	-	-	24,123
General Administration	38,973	-	-	-
School Administration	216,389	-	-	-
Central Services	64,952	-	-	-
Operation & Maintenance of Plant	536,000	-	-	-
Capital Outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	2,462,847	21,683	73,626	56,612
Net Changes in Fund Balances	14,621	8,555	-	-
Fund Balances - Beginning of Year	35,598	5,528	-	-
Fund Balances - End of Year	\$ 50,219	14,083	-	-

The accompanying notes are an integral part of these financial statements

Federal Charter School Planning 24146	Teacher Principal Training 24154	Dual Credit Instructional Materials 27103	Literacy for Children at Risk 27107	Center for Teacher Excellence 27114	Robot Systems for Math Competition 27115
-	-	-	-	-	\$ -
-	-	-	-	-	-
-	-	562	-	49,987	-
-	12,867	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	12,867	562	-	49,987	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	12,867	562	-	49,987	-
-	-	-	-	-	-
100,000	-	-	-	-	-
100,000	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	STEM Teacher Initiative 27181	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Foundation	Total
REVENUES					
Property Taxes	\$ -	-	128,252	-	128,252
Local & County Grant	-	-	-	65,000	65,000
State Grant	-	291,923	-	-	2,703,922
Federal Grant	-	-	-	-	143,105
Charges for Services	-	-	-	665,949	665,949
Contributions	-	-	-	36,868	171,868
Miscellaneous Income	-	-	-	805	12,061
Total Revenues	-	291,923	128,252	768,622	3,890,157
EXPENDITURES					
Current:					
Instruction	-	-	-	-	1,709,313
Support Services:					
Students	-	-	-	-	112,557
General Administration	-	-	-	-	38,973
School Administration	-	-	-	-	216,389
Central Services	-	-	-	-	64,952
Operation & Maintenance of Plant	-	-	-	-	536,000
Capital Outlay	-	291,923	25,963	861,893	1,179,779
Debt service					
Principal	-	-	-	64,123	64,123
Interest	-	-	-	9,296	9,296
Total Expenditures	-	291,923	25,963	935,312	3,931,382
Net Changes in Fund Balances	-	-	102,289	(166,690)	(41,225)
Fund Balances - Beginning of Year	-	-	-	87,109	228,235
Fund Balances - End of Year	\$ -	-	102,289	(79,581)	187,010

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ (41,225)**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	163,669	
Depreciation Expense	<u>(168,795)</u>	(5,126)

The issuance of long-term debt provides current financial resources
 to governmental funds, while the repayment of the principal of
 long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any
 effect on net position. This is the amount of principal payments 64,123

Changes in deferred outflows of resources-pension related,
 deferred inflows of resources-pension related, and the net
 pension liability (294,471)

Change in Net Position-Total Governmental Activities **\$ (276,699)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 11,770
Total Assets	<u>\$ 11,770</u>
 LIABILITIES	
Deposits Held for Others	\$ 11,770
Total Liabilities	<u>\$ 11,770</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 14,925	15,637	(18,792)	11,770
Total Assets	<u>\$ 14,925</u>	<u>15,637</u>	<u>(18,792)</u>	<u>11,770</u>
LIABILITIES				
Deposits Held for Others	\$ 14,925	15,637	(18,792)	11,770
Total Liabilities	<u>\$ 14,925</u>	<u>15,637</u>	<u>(18,792)</u>	<u>11,770</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	3-7 years
Leasehold Improvements	4-5 years

Capital assets for Estancia Valley Classical Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets not being Depreciated:</i>				
Construction-in-process	\$ 24,356	154,680	-	179,036
Land	-	8,988	-	8,989
<i>Total</i>	<u>24,356</u>	<u>163,669</u>	<u>-</u>	<u>188,025</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	34,799	-	-	34,799
Leasehold Improvements	728,663	-	-	728,663
<i>Total</i>	<u>763,462</u>	<u>-</u>	<u>-</u>	<u>763,462</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(11,752)	(7,977)	-	(19,729)
Leasehold Improvements	(374,316)	(160,818)	-	(535,134)
<i>Total</i>	<u>(386,068)</u>	<u>(168,795)</u>	<u>-</u>	<u>(554,863)</u>
Capital Assets, Net	<u>\$ 401,750</u>	<u>(5,126)</u>	<u>-</u>	<u>396,624</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Operations & Maintenance of Plant	\$ 6,433
Facilities, Materials, Supplies & Other Services	<u>162,362</u>
Total	<u>\$ 168,795</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Notes to the Financial Statements
June 30, 2016

NOTE 3. LONG-TERM DEBT

The Estancia Valley Classical Academy Foundation (Foundation) entered into two financing agreements to finance portions of the installation and delivery costs for modular buildings. The agreements were entered into on August 15, 2012 and October 15, 2013. Both agreements have an annual interest rate of 8%. The total notes payable as of June 30, 2016 are as follows:

Installation and Delivery Financing Agreement for Modular Buildings 1 and 2; Interest rate 8% due in monthly installments; Maturing August 1, 2017	\$ 57,289
Installation and Delivery Financing Agreement for Modular Building 3; Interest rate 8% due in monthly installments; Maturing August 1, 2017	25,956
Total notes payable	<u>\$ 83,245</u>

The aggregate amounts of principal maturities and interest of notes payable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 68,041	4,075	72,116
2018	15,204	153	15,357
Total	<u>\$ 83,245</u>	<u>4,228</u>	<u>87,473</u>

NOTE 4. COMMITMENTS AND LIABILITIES

The school leases various equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$638,009. The school's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ 633,068
2018	52,756
Total	<u>\$ 685,824</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Notes to the Financial Statements
June 30, 2016

NOTE 4. COMMITMENTS AND LIABILITIES - CONTINUED

The Foundation approved operating leases for modular buildings on August 5, 2012 and August 19, 2013. The Foundation also entered into a land lease on July 20, 2012. The Foundation's minimum future payments on the buildings and land leases are as follows:

Year Ending June 30:	
2017	\$ 460,278
2018	42,794
Total	\$ 503,072

NOTE 5. RELATED PARTY TRANSACTIONS

The School has a Foundation which subleases the property to the school. The Foundation is considered a component unit of the School and is presented as a blended component unit. During fiscal year 2016, the School received contributions totaling \$135,000 from the Foundation.

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Estancia Valley Classical Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Estancia Valley Classical Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016, employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from Estancia Valley Classical Academy were \$185,453 for the year ended June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Notes to the Financial Statements
June 30, 2016

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD - CONTINUED

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date of June 30, 2015. At June 30, 2016, Estancia Valley Classical Academy reported a liability of \$3,310,531 for its proportionate share of the net pension liability. Estancia Valley Classical Academy’s proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Estancia Valley Classical Academy’s proportion was 0.05111%, which was an increase of 0.00208% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Estancia Valley Classical Academy recognized pension expense of \$483,923. At June 30, 2016, Estancia Valley Classical Academy reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(61,374)
Changes in assumptions	113,867	-
Net difference between projected and actual earnings on pension plan investments	-	(14,902)
Changes in proportion	471,003	-
Fiscal year 2016 employer contributions	185,453	-
Ending balance	<u>\$ 770,323</u>	<u>(76,276)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Notes to the Financial Statements
June 30, 2016

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD - CONTINUED

The amount of \$185,453 reported as deferred outflows of resources related to pensions resulting from Estancia Valley Classical School contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (224,541)
2018	(202,454)
2019	(35,620)
2020	<u>(45,979)</u>
Total	\$ <u>(508,594)</u>

Sensitivity of Estancia Valley Classical Academy’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 4,454,540</u>	<u>3,310,531</u>	<u>2,349,444</u>

Payables to the pension plan. At June 30, 2016, Estancia Valley Classical Academy owed \$49,312 to ERB for fiscal year 2016 contributions.

NOTE 7. OVERSPENT BUDGET LINE ITEM

As stated in finding 2016-005, Estancia Valley Classical Academy had expenditures in excess of the budget in the following fund:

24154 Teacher & Principal Training (Instruction)	\$ 159
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ESTANCIA VALLEY CLASSICAL ACADEMY
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 230	185	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	202	185	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 28	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Deferred	Amortization Years										
2014	\$ 227	5		58	58	57	54	-				
2015	\$ (509)	5			(225)	(202)	(36)	(46)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (282)			\$ 58	\$ (167)	(145)	18	(46)	-	-	-	-

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ESTANCIA VALLEY CLASSICAL ACADEMY
 SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 June 30, 2016

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data*
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.05%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,798	3,311	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,351	1,395	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	237.31%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Contributions	\$ -	135,000	135,000	-
State Grant	2,419,465	2,331,216	2,331,213	(3)
Miscellaneous Income	-	-	399	399
Total Revenues	<u>2,419,465</u>	<u>2,466,216</u>	<u>2,466,612</u>	<u>396</u>
EXPENDITURES				
Current:				
Instruction	1,499,761	1,521,761	1,501,425	20,336
Support Services:				
Students	55,271	131,075	80,206	50,869
Instruction	1,244	1,244	-	1,244
General Administration	15,318	49,318	41,813	7,505
School Administration	271,403	227,321	216,389	10,932
Central Services	60,474	67,554	64,952	2,602
Operation & Maintenance of Plant	563,233	566,986	556,864	10,122
Total Expenditures	<u>2,466,704</u>	<u>2,565,259</u>	<u>2,461,649</u>	<u>103,610</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(47,239)</u>	<u>(99,043)</u>	<u>4,963</u>	<u>104,006</u>
Other Financing Sources (Uses):				
Designated Cash	47,239	98,540	-	(98,540)
Total Other Financing Sources (Uses):	<u>47,239</u>	<u>98,540</u>	<u>-</u>	<u>(98,540)</u>
Net Changes in Fund Balances	<u>-</u>	<u>(503)</u>	<u>4,963</u>	<u>5,466</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>35,598</u>	<u>35,598</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>(503)</u>	<u>40,561</u>	<u>41,064</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,963	
Adjustments to Revenues			10,856	
Adjustments to Expenditures			(1,198)	
NET CHANGE IN FUND BALANCE			<u>\$ 14,621</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 22,403	34,122	30,238	(3,884)
Total Revenues	<u>22,403</u>	<u>34,122</u>	<u>30,238</u>	<u>(3,884)</u>
EXPENDITURES				
Current:				
Instruction	22,403	34,122	21,683	12,439
Total Expenditures	<u>22,403</u>	<u>34,122</u>	<u>21,683</u>	<u>12,439</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	8,555	8,555
Net Changes in Fund Balances	-	-	8,555	8,555
Cash or Fund Balances - Beginning of Year	-	-	5,528	5,528
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>14,083</u>	<u>14,083</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,555	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 8,555</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 33,550	81,513	38,659	(42,854)
Total Revenues	<u>33,550</u>	<u>81,513</u>	<u>38,659</u>	<u>(42,854)</u>
EXPENDITURES				
Current:				
Instruction	33,550	81,513	73,626	7,887
Total Expenditures	<u>33,550</u>	<u>81,513</u>	<u>73,626</u>	<u>7,887</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(34,967)	(34,967)
Net Changes in Fund Balances	-	-	(34,967)	(34,967)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(34,967)</u>	<u>(34,967)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (34,967)	
Adjustments to Revenues			34,967	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 57,198	64,251	45,449	(18,802)
Total Revenues	<u>57,198</u>	<u>64,251</u>	<u>45,449</u>	<u>(18,802)</u>
EXPENDITURES				
Current:				
Instruction	35,000	32,600	32,489	111
Support Services:				
Students	22,198	31,651	24,123	7,528
Total Expenditures	<u>57,198</u>	<u>64,251</u>	<u>56,612</u>	<u>7,639</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(11,163)</u>	<u>(11,163)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(11,163)</u>	<u>(11,163)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(11,163)</u>	<u>(11,163)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (11,163)	
Adjustments to Revenues			11,163	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Federal Charter School Planning 24146
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	-	-	100,000	100,000
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 12,175	16,625	5,183	(11,442)
Total Revenues	<u>12,175</u>	<u>16,625</u>	<u>5,183</u>	<u>(11,442)</u>
EXPENDITURES				
Current:				
Instruction	12,175	12,708	12,867	(159)
Support Services:				
School Administration	-	3,917	-	3,917
Total expenditures	<u>12,175</u>	<u>16,625</u>	<u>12,867</u>	<u>3,758</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(7,684)	(7,684)
Net changes in Fund Balances	-	-	(7,684)	(7,684)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,684)</u>	<u>(7,684)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,684)	
Adjustments to Revenues			7,684	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children at Risk 27103
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	1,723	267	(1,456)
Total Revenues	<u>-</u>	<u>1,723</u>	<u>267</u>	<u>(1,456)</u>
EXPENDITURES				
Current:				
Instruction	-	1,723	562	1,161
Total Expenditures	<u>-</u>	<u>1,723</u>	<u>562</u>	<u>1,161</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(295)</u>	<u>(295)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(295)</u>	<u>(295)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(295)</u>	<u>(295)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (295)	
Adjustments to revenues			295	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Literacy for Children at Risk 27107
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 7,507	7,507	3,415	(4,092)
Total Revenues	<u>7,507</u>	<u>7,507</u>	<u>3,415</u>	<u>(4,092)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	7,507	7,507	-	7,507
Total Expenditures	<u>7,507</u>	<u>7,507</u>	<u>-</u>	<u>7,507</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>3,415</u>	<u>3,415</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,415</u>	<u>3,415</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,415</u>	<u>3,415</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,415	
Adjustments to revenues			(3,415)	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Center for Teacher Excellence 27114
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	50,000	27,327	(22,673)
Total Revenues	<u>-</u>	<u>50,000</u>	<u>27,327</u>	<u>(22,673)</u>
EXPENDITURES				
Current:				
Instruction	-	50,000	49,987	13
Total Expenditures	<u>-</u>	<u>50,000</u>	<u>49,987</u>	<u>13</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(22,660)</u>	<u>(22,660)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(22,660)</u>	<u>(22,660)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(22,660)</u>	<u>(22,660)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (22,660)	
Adjustments to Revenues			22,660	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Robot Systems for Math Competition 27115
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	3,117	3,117
Total Revenues	<u>-</u>	<u>-</u>	<u>3,117</u>	<u>3,117</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	3,117	3,117
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,117</u>	<u>3,117</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,117</u>	<u>3,117</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,117	
Adjustments to Revenues			(3,117)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 STEM Teacher Initiative 27181
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	1,760	1,760
Total Revenues	<u>-</u>	<u>-</u>	<u>1,760</u>	<u>1,760</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>1,760</u>	<u>1,760</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,760</u>	<u>1,760</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,760</u>	<u>1,760</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,760	
Adjustments to Revenues			(1,760)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	291,923	291,923	-
Total Revenues	<u>-</u>	<u>291,923</u>	<u>291,923</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	291,923	291,923	-
Total Expenditures	<u>-</u>	<u>291,923</u>	<u>291,923</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 139,384	139,384	125,992	(13,392)
State Grant	2,591	11,856	8,690	(3,166)
Total Revenues	<u>141,975</u>	<u>151,240</u>	<u>134,682</u>	<u>(16,558)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	1,394	-	1,394
Capital Outlay	141,975	149,846	25,963	123,883
Total Expenditures	<u>141,975</u>	<u>151,240</u>	<u>25,963</u>	<u>125,277</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	108,719	108,719
Net Changes in Fund Balances	-	-	108,719	108,719
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>108,719</u>	<u>108,719</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 108,719	
Adjustments to Revenues			(6,430)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 102,289</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
US Bank	FHLMC FHARM 1K1230	3128NVLK6	1/1/2036	\$ 103,284
US Bank	FHLMC GOLD POOL G18549	312MMTF0	4/1/2030	181,901
				<u>\$ 285,185</u>

Total Cash in Bank for the School per Schedule of Cash Accounts: \$ 297,226
Less: FDIC coverage: (250,000)
Uninsured Public Funds: 47,226

Collateral Requirement: 23,613
Pledged Collateral Held by Pledging Financial Institution: 285,185

Balance Over Collateralized: \$ 261,572

School Balance Uninsured and Uncollateralized at June 30, 2016: \$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>US Bank</u>
Checking - Operational Account	\$ 285,456
Checking - Activity Account	11,770
Checking - Foundation	<u>96,055</u>
Total on Deposit	393,281
Reconciling Items	<u>(78,370)</u>
Reconciled Balance June 30, 2016	<u>314,911</u>
Less Agency Funds	<u>(11,770)</u>
Total Cash	<u><u>\$ 303,141</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2015	\$ 169,662	5,528	14,925	-
Add:				
2015-16 revenues	<u>2,466,612</u>	<u>30,238</u>	<u>15,637</u>	<u>89,291</u>
Total Cash Available	2,636,274	35,766	30,562	89,291
Less:				
2015-16 expenditures	(2,461,649)	(21,683)	(18,792)	(143,105)
Receivables/Payables	(28,564)	-	-	9,161
Outstanding Loans	<u>(46,667)</u>	<u>-</u>	<u>-</u>	<u>44,653</u>
Cash June 30, 2016	<u>99,394</u>	<u>14,083</u>	<u>11,770</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>99,394</u>	<u>14,083</u>	<u>11,770</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(49,175)</u>	<u>-</u>	<u>(11,770)</u>	<u>100,000</u>
Fund Balance, Modified Accrual Basis	<u>\$ 50,219</u>	<u>14,083</u>	<u>-</u>	<u>100,000</u>

The accompanying notes are an integral part of these financial statements

State Account 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	190,115
<u>35,886</u>	<u>291,923</u>	<u>134,682</u>	<u>3,064,269</u>
35,886	291,923	134,682	3,254,384
(50,549)	(291,923)	(25,963)	(3,013,664)
3,958	-	-	(15,445)
<u>10,705</u>	<u>-</u>	<u>(8,691)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>100,028</u>	<u>225,275</u>
-	-	-	-
<u>-</u>	<u>-</u>	<u>100,028</u>	<u>225,275</u>
		Less - Agency Fund:	(11,770)
		Balance Sheet-Foundation:	<u>89,636</u>
			<u>\$ 303,141</u>
<u>-</u>	<u>-</u>	<u>2,261</u>	<u>41,316</u>
<u>-</u>	<u>-</u>	<u>102,289</u>	<u>266,591</u>
		Add: Foundation:	<u>(79,581)</u>
			<u>\$ 187,010</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Explore Academy
 Statement of Net Position
 June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 198,741
Receivables	
Due from Other Governments	50,647
Total Current Assets	<u>249,388</u>
Total Assets	<u>249,388</u>

Deferred Outflows - Pension Related	<u>1,677,531</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	1,278
Accrued Liabilities	52,086
Total Current Liabilities	<u>53,364</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,002,123</u>
Total Noncurrent Liabilities	<u>2,002,123</u>
Total Liabilities	<u>2,055,487</u>

Deferred Inflows - Pension Related	46,130
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NET POSITION

Restricted	17,917
Unrestricted (Deficit)	<u>(192,615)</u>
Total Net Position	<u>\$ (174,698)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,134,992	10,666	77,841	98,657	(947,828)
Support Services:					
Students	135,781	-	-	-	(135,781)
Instruction	7,427	-	-	-	(7,427)
General Administration	38,324	-	-	-	(38,324)
School Administration	133,691	-	-	-	(133,691)
Central Services	151,715	-	-	-	(151,715)
Operation & Maintenance of Plant	400,687	-	-	-	(400,687)
Student Transportation	106,347	-	113,085	-	6,738
Food Services	6,581	119	-	-	(6,462)
Facilities, Materials, Supplies & Other Services	98,657	-	-	-	(98,657)
Total Governmental Activities	\$ 2,214,202	10,785	190,926	98,657	(1,913,834)
General Revenues:					
State Equalization Guarantee					\$ 2,349,288
Miscellaneous					20,100
Total General Revenues					<u>2,369,388</u>
Change in Net Position					455,554
Net Position- Beginning					(132,743)
Restatement					(497,509)
Net Position- Beginning, restated					<u>(630,252)</u>
Net position, Ending					<u>\$ (174,698)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 180,705	7,652	10,265	119
Accounts Receivable				
Due from Government	-	-	-	-
Due from Other Funds	51,800	-	-	-
Total Assets	<u>\$ 232,505</u>	<u>7,652</u>	<u>10,265</u>	<u>119</u>
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 1,278	-	-	-
Accrued Expenditures	53,239	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	<u>54,517</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	10,265	-
Student Transportation	-	7,652	-	-
Unassigned (Deficit)	177,988	-	-	119
Total Fund Balance (Deficit)	<u>177,988</u>	<u>7,652</u>	<u>10,265</u>	<u>119</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 232,505</u>	<u>7,652</u>	<u>10,265</u>	<u>119</u>

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Training & Recruiting 24154	2012 GO Bond Student Library 27107	NM Grown FVV 27183
-	-	-	-	-	-
14,045	8,536	-	-	3,402	-
-	-	-	-	-	-
<u>14,045</u>	<u>8,536</u>	<u>-</u>	<u>-</u>	<u>3,402</u>	<u>-</u>
-	-	-	-	-	-
(656)	(497)	-	-	-	-
14,701	9,033	-	-	3,402	-
<u>14,045</u>	<u>8,536</u>	<u>-</u>	<u>-</u>	<u>3,402</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>14,045</u>	<u>8,536</u>	<u>-</u>	<u>-</u>	<u>3,402</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Balance Sheets - Governmental Funds - continued
June 30, 2016

	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	Total Government
ASSETS			
Cash and Cash Equivalents	\$ -	-	198,741
Accounts Receivable			
Due from Government	24,664	-	50,647
Due from Other Funds	-	-	51,800
Total Assets	<u>\$ 24,664</u>	<u>-</u>	<u>301,188</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	-	1,278
Accrued Expenditures	-	-	52,086
Due to Other Funds	24,664	-	51,800
Total Liabilities	<u>24,664</u>	<u>-</u>	<u>105,164</u>
Fund Balances (Deficit)			
Fund Balance:			
Restricted for:			
Instruction	-	-	10,265
Student Transportation	-	-	7,652
Unassigned (Deficit)	-	-	178,107
Total Fund Balance (Deficit)	<u>-</u>	<u>-</u>	<u>196,024</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 24,664</u>	<u>-</u>	<u>301,188</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance (Deficit) - Total Governmental Funds	\$ 196,024
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>	
<p>Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds</p>	1,677,531
<p>Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.</p>	
<p>Net Pension Liability</p>	(2,002,123)
<p>Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds</p>	(46,130)
Net Position-Total Governmental Activities	<u>\$ (174,698)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
State Grant	\$ 2,349,288	113,085	14,226	-
Federal Grant	-	-	-	-
Charges for Services	10,666	-	-	119
Miscellaneous	20,100	-	-	-
Total Revenues	2,380,054	113,085	14,226	119
EXPENDITURES				
Current:				
Instruction	1,218,264	-	12,968	-
Support Services:				
Students	135,781	-	-	-
Instruction	4,025	-	-	-
General Administration	38,324	-	-	-
School Administration	133,691	-	-	-
Central Services	151,715	-	-	-
Operation & Maintenance of Plant	400,687	-	-	-
Student Transportation	-	106,347	-	-
Food Services Operations	6,581	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	2,089,068	106,347	12,968	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>290,986</u>	<u>6,738</u>	<u>1,258</u>	<u>119</u>
Net Changes in Fund Balances	<u>290,986</u>	<u>6,738</u>	<u>1,258</u>	<u>119</u>
Fund Balances (Deficit) - Beginning of Year	<u>(112,998)</u>	<u>914</u>	<u>9,007</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 177,988</u>	<u>7,652</u>	<u>10,265</u>	<u>119</u>

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Training & Recruiting 24154	2012 GO Bond Student Library 27107	NM Grown FVV 27183
-	-	-	-	3,402	-
34,152	26,061	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>34,152</u>	<u>26,061</u>	<u>-</u>	<u>-</u>	<u>3,402</u>	<u>-</u>
34,152	26,061	-	-	-	-
-	-	-	-	-	-
-	-	-	-	3,402	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>34,152</u>	<u>26,061</u>	<u>-</u>	<u>-</u>	<u>3,402</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - continued
Governmental Funds
For The Year Ended June 30, 2016

	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	Total Government
REVENUES			
State Grant	\$ 98,657	-	2,578,658
Federal Grant	-	-	60,213
Charges for Services	-	-	10,785
Miscellaneous	-	-	20,100
Total Revenues	<u>98,657</u>	<u>-</u>	<u>2,669,756</u>
EXPENDITURES			
Current:			
Instruction	-	-	1,291,445
Support Services:			
Students	-	-	135,781
Instruction	-	-	7,427
General Administration	-	-	38,324
School Administration	-	-	133,691
Central Services	-	-	151,715
Operation & Maintenance of Plant	-	-	400,687
Student Transportation	-	-	106,347
Food Services Operations	-	-	6,581
Capital Outlay	98,657	-	98,657
Total Expenditures	<u>98,657</u>	<u>-</u>	<u>2,370,655</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>299,101</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>299,101</u>
Fund Balances (Deficit) - Beginning of Year	<u>-</u>	<u>-</u>	<u>(103,077)</u>
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>196,024</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds	\$ 299,101
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
Change in net pension liability	126,787
Change in Compensated Absences	<u>29,666</u>
Change in Net Position-Total Governmental Activities	<u><u>\$ 455,554</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Explore Academy
 Notes to the Financial Statements
 June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2016 are as follows:

Due from Other Governments:		
Title I		\$ 14,045
IDEA-B Entitlement		8,536
2012 GO Bond Student Library		3,402
Public School Capital Outlay		<u>24,664</u>
Total Due from Other Governments		<u>\$ 50,647</u>

NOTE 3. COMMITMENTS AND LIABILITIES

A. Leases

Explore Academy leased various facilities and equipment under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$388,095. Explore Academy's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	<u>\$ 102,825</u>
Total minimum lease payments	<u>\$ 102,825</u>

B. Compensated Absences

The Explore Academy had a compensated absences liability balance of \$29,666 at the beginning of the fiscal year. Deletions to the balance were \$29,666 which resulted in an ending balance of \$0.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Notes to the Financial Statements
June 30, 2016

NOTE 4. DEFICIT FUND BALANCE

No funds had a deficit fund balance at June 30, 2016.

NOTE 5. OVERSPENT BUDGET LINE ITEMS

Explore Academy did not have any funds with expenditures in excess of the budget during the year ended June 30, 2016.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Explore Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Explore Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal years ended June 30, 2015 and June 30, 2016 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Explore Academy were \$155,940 for the year ended June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Notes to the Financial Statements
June 30, 2016

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Explore Academy reported a liability of \$2,002,123 for its proportionate share of the net pension liability. Explore Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Explore Academy's proportion was 0.03091% percent, which was an increase of 0.03091% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Explore Academy recognized pension expense of \$29,153. As of June 30, 2016, Explore Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	19,968
Changes in assumptions	68,864	-
Net difference between projected and actual earnings on pension plan investments	-	26,162
Changes in proportion and differences between Explore Academy's contributions and proportionate share of contributions	1,452,727	-
Explore Academy's contributions subsequent to the measurement date	155,940	-
Total	<u>\$ 1,677,531</u>	<u>46,130</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Notes to the Financial Statements
June 30, 2016

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

\$155,940 reported as deferred outflows of resources related to pensions resulting from Explore Academy's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$	492,858
2018		493,953
2019		460,842
2020		<u>27,808</u>
Total	\$	<u>1,475,461</u>

Sensitivity of Explore Academy's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Explore Academy's proportionate share of the net pension liability	<u>\$ 2,693,990</u>	<u>2,002,123</u>	<u>1,420,882</u>

Payables to the pension plan. Explore Academy accrued \$58,637 in ERB benefits at June 30, 2016 for teachers with ten month contracts.

NOTE 7. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, Net Position at June 30, 2015 was restated in the amount of \$(497,509).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.00%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ -	2,002	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ -	844	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	0.00%	237.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*These amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ -	139	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	-	122	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	17	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ -	5		\$ -										
2015	\$ 1,476	5			493	494	461	28	-					
2016	-	5				-	-	-	-	-				
2017	-	5					-	-	-	-				
2018	-	5						-	-	-				
2019	-	5							-	-				
2020	-	5								-				
2021	-	5									-			
2022	-	5										-		
2023	-	5											-	
	\$ 1,476			\$ -	493	494	461	28	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	2,800,042	2,349,288	2,349,288	-
Federal Grant	-	-	-	-
Charges for Services	7,000	10,303	10,666	363
Miscellaneous Income	-	20,100	20,100	-
Total Revenues	2,807,042	2,379,691	2,380,054	363
EXPENDITURES				
Current:				
Instruction	1,845,775	1,412,819	1,219,518	193,301
Support Services:				
Students	124,210	156,804	136,438	20,366
Instruction	4,000	4,113	4,111	2
General Administration	34,000	53,139	47,704	5,435
School Administration	277,710	143,774	133,691	10,083
Central Services	159,415	171,143	160,994	10,149
Operation & Maintenance of Plant	346,932	431,318	402,650	28,668
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	15,000	6,581	6,581	-
Capital outlay	-	-	-	-
Total Expenditures	2,807,042	2,379,691	2,111,687	268,004
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	268,367	268,367
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes in Fund Balances	-	-	268,367	268,367
Cash or Fund Balances - Beginning of Year	-	-	(89,101)	(89,101)
Cash or Fund Balances - End of Year	\$ -	-	179,266	179,266
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 268,367	
Adjustments to Revenues			-	
Adjustments to Expenditures			22,619	
NET CHANGE IN FUND BALANCE			\$ 290,986	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	105,585	118,126	113,085	(5,041)
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>105,585</u>	<u>118,126</u>	<u>113,085</u>	<u>(5,041)</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	105,585	123,167	115,515	7,652
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>105,585</u>	<u>123,167</u>	<u>115,515</u>	<u>7,652</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>(5,041)</u>	<u>(2,430)</u>	<u>2,611</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	5,041	-	(5,041)
Total Other Financing Sources (Uses):	<u>-</u>	<u>5,041</u>	<u>-</u>	<u>(5,041)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,430)</u>	<u>(2,430)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>10,082</u>	<u>10,082</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>7,652</u>	<u>7,652</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (2,430)	
Adjustments to Revenues			-	
Adjustments to Expenditures			9,168	
NET CHANGE IN FUND BALANCE			<u>\$ 6,738</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	7,939	14,226	14,226	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>7,939</u>	<u>14,226</u>	<u>14,226</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	7,939	23,233	12,968	10,265
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>7,939</u>	<u>23,233</u>	<u>12,968</u>	<u>10,265</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>(9,007)</u>	<u>1,258</u>	<u>10,265</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	9,007	-	(9,007)
Total Other Financing Sources (Uses):	<u>-</u>	<u>9,007</u>	<u>-</u>	<u>(9,007)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,258</u>	<u>1,258</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>9,007</u>	<u>9,007</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>10,265</u>	<u>10,265</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 1,258	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1,258</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	-	-	-	-
Federal Grant	17,000	17,000	-	(17,000)
Charges for Services	6,000	6,000	119	(5,881)
Miscellaneous Income	-	-	-	-
Total Revenues	<u>23,000</u>	<u>23,000</u>	<u>119</u>	<u>(22,881)</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	23,000	23,000	-	23,000
Capital outlay	-	-	-	-
Total Expenditures	<u>23,000</u>	<u>23,000</u>	<u>-</u>	<u>23,000</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	119	119
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>119</u>	<u>119</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>119</u>	<u>119</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 119	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 119</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	-	-	-	-
Federal Grant	35,025	38,171	20,107	(18,064)
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>35,025</u>	<u>38,171</u>	<u>20,107</u>	<u>(18,064)</u>
EXPENDITURES				
Current:				
Instruction	35,025	38,171	34,152	4,019
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>35,025</u>	<u>38,171</u>	<u>34,152</u>	<u>4,019</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(14,045)</u>	<u>(14,045)</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(14,045)</u>	<u>(14,045)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(14,045)</u>	<u>(14,045)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (14,045)	
Adjustments to Revenues			14,045	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	-	-	-	-
Federal Grant	25,939	29,360	17,525	(11,835)
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>25,939</u>	<u>29,360</u>	<u>17,525</u>	<u>(11,835)</u>
EXPENDITURES				
Current:				
Instruction	25,939	29,360	26,061	3,299
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>25,939</u>	<u>29,360</u>	<u>26,061</u>	<u>3,299</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,536)</u>	<u>(8,536)</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(8,536)</u>	<u>(8,536)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(8,536)</u>	<u>(8,536)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (8,536)	
Adjustments to Revenues			8,536	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA B Risk Pool 24120
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	-	-	-	-
Federal Grant	-	28	35	7
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>28</u>	<u>35</u>	<u>7</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	28	-	28
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>28</u>	<u>-</u>	<u>28</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>35</u>	<u>35</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>35</u>	<u>35</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(35)</u>	<u>(35)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 35	
Adjustments to Revenues			(35)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Training & Recruiting 24154
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	-	-	-	-
Federal Grant	5,252	11,993	-	(11,993)
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>5,252</u>	<u>11,993</u>	<u>-</u>	<u>(11,993)</u>
EXPENDITURES				
Current:				
Instruction	5,252	11,993	-	11,993
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>5,252</u>	<u>11,993</u>	<u>-</u>	<u>11,993</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
2012 GO Student Library 27107
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	3,402	3,402	-	(3,402)
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>3,402</u>	<u>3,402</u>	<u>-</u>	<u>(3,402)</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	3,402	3,402	3,402	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>3,402</u>	<u>3,402</u>	<u>3,402</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,402)</u>	<u>(3,402)</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,402)</u>	<u>(3,402)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,402)</u>	<u>(3,402)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (3,402)	
Adjustments to Revenues			3,402	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
NM Grown FVV 27183
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	-	144	-	(144)
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>144</u>	<u>-</u>	<u>(144)</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	144	-	144
Capital outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>144</u>	<u>-</u>	<u>144</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	-	98,658	120,240	21,582
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>98,658</u>	<u>120,240</u>	<u>21,582</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital outlay	-	98,658	98,657	1
Total Expenditures	<u>-</u>	<u>98,658</u>	<u>98,657</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>21,583</u>	<u>21,583</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>21,583</u>	<u>21,583</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(46,247)</u>	<u>(46,247)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(24,664)</u>	<u>(24,664)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 21,583	
Adjustments to Revenues			(21,583)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements SB-9 31700
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	-	4,767	-	(4,767)
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>4,767</u>	<u>-</u>	<u>(4,767)</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital outlay	-	4,767	-	4,767
Total Expenditures	<u>-</u>	<u>4,767</u>	<u>-</u>	<u>4,767</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -
				\$ -

Total Cash per Schedule of Cash Accounts: \$ 199,117

Less: FDIC coverage: (199,117)

Uninsured Public Funds: -

Collateral Requirement: -

Pledged Collateral Held by Pledging Financial Institution: -

Balance Over (Under) Collateralized: \$ -

Balance Uninsured and Uncollateralized at June 30, 2016: \$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Explore Academy
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	<u>\$ 199,117</u>
Reconciling Items	<u>(376)</u>
Reconciled Balance June 30, 2016	<u>\$ 198,741</u>
<i>Total Cash</i>	<u>\$ 198,741</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Cash Reconciliation
June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000
Cash, June 30, 2015	\$ 76,712	10,082	9,007
Add:			
2015-16 revenues	<u>2,214,241</u>	<u>113,085</u>	<u>14,226</u>
Total cash available	2,290,953	123,167	23,233
Less:			
2015-16 expenditures	(2,111,687)	(115,515)	(12,968)
Receivables/Payables	53,239	-	-
Outstanding Loans	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>232,505</u>	<u>7,652</u>	<u>10,265</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	(51,800)	-	-
Cash per Books	<u>180,705</u>	<u>7,652</u>	<u>10,265</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	(54,517)	-	-
Fund Balance, Modified Accrual Basis	<u>\$ 177,988</u>	<u>7,652</u>	<u>10,265</u>

The accompanying notes are an integral part of these financial statements

Food Services 21000	Federal Flowthrough 24000	State Flowthrough 27000	Public Schools Capital Outlay 31200	Capital Improvements SB-9 31700	Total
-	8,807	-	(46,247)	-	58,361
119	28,825	-	120,240	-	2,490,736
119	37,632	-	73,993	-	2,549,097
-	(60,213)	(3,402)	(98,657)	-	(2,402,442)
-	(1,153)	-	-	-	52,086
-	-	-	-	-	-
119	(23,734)	(3,402)	(24,664)	-	198,741
-	23,734	3,402	24,664	-	-
119	-	-	-	-	198,741
-	23,734	3,402	24,664	-	(2,717)
119	-	-	-	-	196,024

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 569,779
Receivables	
Due from Other Governments	118,468
Total Current Assets	<u>688,247</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	162,545
Less: Accumulated Depreciation	(114,625)
Total Noncurrent Assets	<u>47,920</u>

Total Assets	<u>736,167</u>
---------------------	----------------

Deferred Outflows - Pension Related	<u>331,569</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	5,446
Accrued Liabilities	139,474
Total Current Liabilities	<u>144,920</u>

Noncurrent Liabilities:

Net Pension Liability	2,569,517
Total Noncurrent Liabilities	<u>2,569,517</u>

Total Liabilities	<u>2,714,437</u>
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Deferred Inflows - Pension Related	<u>59,203</u>
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NET POSITION

Investment in Capital Assets	47,920
Restricted	150,593
Unrestricted (Deficit)	(1,904,417)
Total Net Position	<u>\$ (1,705,904)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,034,139	1,808	195,517	-	(836,814)
Support Services:					
Students	306,793	-	-	-	(306,793)
Instruction	20,859	-	-	-	(20,859)
General Administration	33,123	-	-	-	(33,123)
School Administration	255,707	-	-	-	(255,707)
Central Services	127,745	-	-	-	(127,745)
Operation & Maintenance of Plant	231,772	-	-	-	(231,772)
Food Services	22,552	-	-	-	(22,552)
Facilities Materials, Supplies & Other Services	195,779	-	-	201,708	5,929
Total Governmental Activities	\$ 2,228,469	1,808	195,517	201,708	(1,829,436)
General Revenues:					
Property Taxes					\$ 54,378
State Equalization Guarantee					1,836,453
Total General Revenues					1,890,831
Change in Net Position					61,395
Net Position, Beginning of Year					(1,767,299)
Net Position, Ending					\$ (1,705,904)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 427,068	12,866	-	-
Accounts Receivable				
Due from Government	-	974	-	7,727
Due from Other Funds	115,733	-	-	-
Total Assets	\$ 542,801	13,840	-	7,727
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 5,446	-	-	-
Accrued Expenditures	139,470	-	-	-
Due to Other Funds	-	-	1,933	7,727
Total Liabilities	144,916	-	1,933	7,727
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Restricted for:				
Instruction	-	13,840	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	397,885	-	-	-
Unassigned (Deficit)	-	-	(1,933)	-
Total Fund Balance (Deficit)	397,885	13,840	(1,933)	-
Total Liabilities and Fund Balances (Deficit)	\$ 542,801	13,840	-	7,727

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Title I Improvement 24162	CNM Foundation 26207	Dual Credit Instructional Materials/HB2 27103	2012 Student Library SB-66 27107
-	-	-	4	-	-
-	-	-	-	-	3,312
-	-	-	-	-	-
-	-	-	4	-	3,312
-	-	-	-	-	-
-	-	-	4	-	-
3,218	-	-	-	-	3,212
3,218	-	-	4	-	3,212
-	-	-	-	-	100
-	-	-	-	-	-
-	-	-	-	-	-
(3,218)	-	-	-	-	-
(3,218)	-	-	-	-	100
-	-	-	4	-	3,312

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Balance Sheets - Governmental Funds - (Continued)
June 30, 2016

	Public School Capital Outlay 31200	Special Capital Outlay State 31400	SB-9 Capital Improvements 31700	Total
ASSETS				
Cash and Cash Equivalents	\$ -	-	129,841	569,779
Accounts Receivable				
Due from Government	31,751	74,704	-	118,468
Due from Other Funds	-	-	-	115,733
Total Assets	<u>\$ 31,751</u>	<u>74,704</u>	<u>129,841</u>	<u>803,980</u>
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	5,446
Accrued Expenditures	-	-	-	139,474
Due to Other Funds	24,939	74,704	-	115,733
Total Liabilities	<u>24,939</u>	<u>74,704</u>	<u>-</u>	<u>260,653</u>
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	13,940
Capital Improvements	6,812	-	129,841	136,653
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	397,885
Unassigned (Deficit)	-	-	-	(5,151)
Total Fund Balance (Deficit)	<u>6,812</u>	<u>-</u>	<u>129,841</u>	<u>543,327</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 31,751</u>	<u>74,704</u>	<u>129,841</u>	<u>803,980</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balance - Total Governmental Funds **\$ 543,327**

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

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

Capital Assets	162,545		
Accumulated Depreciation	<u>(114,625)</u>		47,920

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.

331,569

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability			(2,569,517)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds

(59,203)

Net Position-Total Governmental Activities **\$ (1,705,904)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	36,206	-	-	-
State Grant	1,836,453	13,770	-	-
Federal Grant	-	-	18,532	57,602
Charges for Services	-	-	1,808	-
Total Revenues	<u>1,872,659</u>	<u>13,770</u>	<u>20,340</u>	<u>57,602</u>
EXPENDITURES				
Current:				
Instruction	860,631	17,391	-	-
Support Services:				
Students	233,285	-	-	57,602
Instruction	17,625	-	-	-
General Administration	33,080	-	-	-
School Administration	245,425	-	-	-
Central Services	127,628	-	-	-
Operation & Maintenance of Plant	231,772	-	-	-
Food Services Operations	-	-	22,552	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,749,446</u>	<u>17,391</u>	<u>22,552</u>	<u>57,602</u>
Net Changes in Fund Balances	<u>123,213</u>	<u>(3,621)</u>	<u>(2,212)</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>274,672</u>	<u>17,461</u>	<u>279</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 397,885</u>	<u>13,840</u>	<u>(1,933)</u>	<u>-</u>

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

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Title I Improvement 24162	CNM Foundation 26207	Dual Credit Instructional Materials/HB2 27103	2012 Student Library SB-66 27107
-	-	-	-	-	-
-	-	-	3,500	-	-
-	-	-	-	1,722	3,312
47,036	5,679	8,158	-	-	-
-	-	-	-	-	-
<u>47,036</u>	<u>5,679</u>	<u>8,158</u>	<u>3,500</u>	<u>1,722</u>	<u>3,312</u>
47,036	5,679	8,158	3,500	1,722	-
-	-	-	-	-	-
-	-	-	-	-	3,212
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>47,036</u>	<u>5,679</u>	<u>8,158</u>	<u>3,500</u>	<u>1,722</u>	<u>3,212</u>
-	-	-	-	-	100
<u>(3,218)</u>	-	-	-	-	-
<u>(3,218)</u>	-	-	-	-	<u>100</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	Public School Capital Outlay 31200	Special Capital Outlay State 31400	SB-9 Capital Improvements 31700	Total
REVENUES				
Property Taxes	\$ -	-	54,378	54,378
Local & County Grant	-	-	-	39,706
State Grant	127,004	74,704	-	2,056,965
Federal Grant	-	-	-	137,007
Charges for Services	-	-	-	1,808
Total Revenues	<u>127,004</u>	<u>74,704</u>	<u>54,378</u>	<u>2,289,864</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	944,117
Support Services:				
Students	-	-	-	290,887
Instruction	-	-	-	20,837
General Administration	-	-	-	33,080
School Administration	-	-	-	245,425
Central Services	-	-	-	127,628
Operation & Maintenance of Plant	-	-	-	231,772
Food Services Operations	-	-	-	22,552
Capital Outlay	121,075	74,704	-	195,779
Total Expenditures	<u>121,075</u>	<u>74,704</u>	<u>-</u>	<u>2,112,077</u>
Net Changes in Fund Balances	<u>5,929</u>	<u>-</u>	<u>54,378</u>	<u>177,787</u>
Fund Balances(Deficit) - Beginning of Year	<u>883</u>	<u>-</u>	<u>75,463</u>	<u>365,540</u>
Fund Balances (Deficit) - End of Year	<u>\$ 6,812</u>	<u>-</u>	<u>129,841</u>	<u>543,327</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2016

Net Change in Fund Balance-Total Governmental Funds **\$ 177,787**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Depreciation Expense	(16,419)
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Changes in deferred outflows of resources-pension related, deferred inflows of resources - pension related, and the net pension liability.	(99,973)
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Change in Net Position-Total Governmental Activities	<u>\$ 61,395</u>
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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 16,827
Total Assets	<u>\$ 16,827</u>
 LIABILITIES	
Deposits Held for Others	\$ 16,827
Total Liabilities	<u>\$ 16,827</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 19,076	-	(2,249)	16,827
Total Assets	<u>\$ 19,076</u>	<u>-</u>	<u>(2,249)</u>	<u>16,827</u>
LIABILITIES				
Deposits Held for Others	\$ 19,076	-	(2,249)	16,827
Total Liabilities	<u>\$ 19,076</u>	<u>-</u>	<u>(2,249)</u>	<u>16,827</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
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Capital assets for the Gilbert L. Sena Charter High School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Notes to the Financial Statements
 June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 162,545	-	-	162,545
<i>Total</i>	<u>162,545</u>	<u>-</u>	<u>-</u>	<u>162,545</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(98,206)	(16,419)	-	(114,625)
<i>Total</i>	<u>(98,206)</u>	<u>(16,419)</u>	<u>-</u>	<u>(114,625)</u>
Capital Assets, Net	<u>\$ 64,339</u>	<u>(16,419)</u>	<u>-</u>	<u>47,920</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 16,419
Total	<u>\$ 16,419</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The Gilbert L. Sena Charter High School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$215,101. The Gilbert L. Sena Charter High School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 205,514
2018	211,679
2019	215,913
Total	<u>\$ 633,106</u>

NOTE 4. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2016:

Food Services - 21000	\$	1,933
IDEA-B Entitlement - 24106		3,218

The Gilbert L. Sena Charter High School is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 5. RELATED PARTY TRANSACTIONS

The business manager services are performed by the Vigil Group, LLC, which performed services for multiple state charter schools.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Gilbert L. Sena Charter High School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Gilbert L. Sena Charter School are established in state statute under Section 22-11-21, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2015 and 2016, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Gilbert L. Sena Charter School were \$140,022 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2016, Gilbert L. Sena Charter School

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Notes to the Financial Statements
June 30, 2016

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

reported a liability of \$2,569,517 for its proportionate share of the net pension liability. The proportionate share of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Gilbert L. Sena Charter School's proportion was 0.03967 percent, which was a decrease of 0.00112 percent from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Gilbert L. Sena Charter High School recognized pension expense of \$239,995. At the June 30, 2016, Gilbert L. Sena Charter High School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	<47,637>
Changes in assumptions	88,380	-
Net difference between projected and actual earnings on pension plan investments	-	<11,566>
Changes in proportion and differences between Gilbert L. Sena Charter High School contributions and proportionate share of contributions	103,167	-
Gilbert L. Sena Charter High School contributions subsequent to the measurement date	140,022	-
Total	<u>\$ 331,569</u>	<u><59,203></u>

Deferred outflows of resources of \$140,022 resulted from contributions made subsequent to the June 30, 2015 measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2017.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ <39,094>
2018	<37,218>
2019	<20,327>
2020	<35,705>
Total	<u>\$ <132,344></u>

Sensitivity of Gilbert L. Sena Charter High School's proportionate share of the net pension liability to changes in the discount rate. The following presents the net pension liability calculated using the discount rate of 7.75%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Gilbert L. Sena Charter High School's proportionate share of the net pension liability	<u>\$ 3,457,476</u>	<u>2,569,517</u>	<u>1,823,565</u>

Payables to the pension plan. For the year ending June 30, 2016, Gilbert L. Sena Charter High School's accrued liability due to ERB was \$ 48,597 for payroll paid in July 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,200	2,570	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,062	1,083	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.02%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
GILBERT L. SENA CHARTER HIGH SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 179	140	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	179	140	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (154)	5		\$ (34)	(34)	(36)	(50)	-				
2015	(132)	5			(39)	(37)	(20)	(36)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (286)			\$ (34)	(73)	(73)	(70)	(36)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	36,206	36,206
State Grant	1,831,904	1,836,452	1,836,453	1
Total Revenues	1,831,904	1,836,452	1,872,659	36,207
EXPENDITURES				
Current:				
Instruction	1,042,303	1,119,664	859,103	260,561
Support Services:				
Students	249,759	267,892	233,420	34,472
Instruction	17,000	25,623	17,625	7,998
General Administration	46,974	65,565	35,828	29,737
School Administration	254,995	275,582	245,982	29,600
Central Services	88,106	134,309	128,373	5,936
Operation & Maintenance of Plant	268,630	268,437	234,010	34,427
Total Expenditures	1,967,767	2,157,072	1,754,341	402,731
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(135,863)	(320,620)	118,318	438,938
Other Financing Sources (Uses):				
Designated Cash	135,863	320,620	-	(320,620)
Total Other Financing Sources (Uses):	135,863	320,620	-	(320,620)
Net Changes in Fund Balances	-	-	118,318	118,318
Cash or Fund Balances - Beginning of Year	-	-	274,672	274,672
Cash or Fund Balances - End of Year	\$ -	-	392,990	392,990
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 118,318	
Adjustments to Expenditures			4,895	
NET CHANGE IN FUND BALANCE			\$ 123,213	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 10,263	12,795	12,796	1
Total Revenues	<u>10,263</u>	<u>12,795</u>	<u>12,796</u>	<u>1</u>
EXPENDITURES				
Current:				
Instruction	23,310	30,295	17,430	12,865
Total Expenditures	<u>23,310</u>	<u>30,295</u>	<u>17,430</u>	<u>12,865</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(13,047)</u>	<u>(17,500)</u>	<u>(4,634)</u>	<u>12,866</u>
Other Financing Sources (Uses):				
Designated Cash	13,047	17,500	-	(17,500)
Total Other Financing Sources (Uses):	<u>13,047</u>	<u>17,500</u>	<u>-</u>	<u>(17,500)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,634)</u>	<u>(4,634)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>17,461</u>	<u>17,461</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>12,827</u>	<u>12,827</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,634)	
Adjustments to Revenues			974	
Adjustments to Expenditures			39	
NET CHANGE IN FUND BALANCE			<u>\$ (3,621)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 23,000	23,000	18,532	(4,468)
Charges for Services	1,500	1,973	1,808	(165)
Total Revenues	<u>24,500</u>	<u>24,973</u>	<u>20,340</u>	<u>(4,633)</u>
EXPENDITURES				
Current:				
Food Services Operations	24,500	25,252	22,552	2,700
Total Expenditures	<u>24,500</u>	<u>25,252</u>	<u>22,552</u>	<u>2,700</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(279)</u>	<u>(2,212)</u>	<u>(1,933)</u>
Other Financing Sources (Uses):				
Designated Cash	-	279	-	(279)
Total Other Financing Sources (Uses):	<u>-</u>	<u>279</u>	<u>-</u>	<u>(279)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,212)</u>	<u>(2,212)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>279</u>	<u>279</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,933)</u>	<u>(1,933)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,212)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (2,212)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I IASA 24101
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 50,048	57,603	77,667	20,064
Total Revenues	<u>50,048</u>	<u>57,603</u>	<u>77,667</u>	<u>20,064</u>
EXPENDITURES				
Current:				
Support Services:				
Students	50,048	57,603	57,602	1
Total Expenditures	<u>50,048</u>	<u>57,603</u>	<u>57,602</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	20,065	20,065
Net Changes in Fund Balances	-	-	20,065	20,065
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>20,065</u>	<u>20,065</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 20,065	
Adjustments to Revenues			(20,065)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 37,684	47,036	58,280	11,244
Total Revenues	<u>37,684</u>	<u>47,036</u>	<u>58,280</u>	<u>11,244</u>
EXPENDITURES				
Current:				
Instruction	37,684	47,036	47,036	-
Total Expenditures	<u>37,684</u>	<u>47,036</u>	<u>47,036</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	11,244	11,244
Net Changes in Fund Balances	-	-	11,244	11,244
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>11,244</u>	<u>11,244</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 11,244	
Adjustments to Revenues			(11,244)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 6,978	15,910	12,585	(3,325)
Total Revenues	<u>6,978</u>	<u>15,910</u>	<u>12,585</u>	<u>(3,325)</u>
EXPENDITURES				
Current:				
Instruction	6,978	15,910	5,679	10,231
Total expenditures	<u>6,978</u>	<u>15,910</u>	<u>5,679</u>	<u>10,231</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	6,906	6,906
Net changes in Fund Balances	-	-	6,906	6,906
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>6,906</u>	<u>6,906</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,906	
Adjustments to Revenues			(6,906)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I Improvement 24162
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	39,000	8,158	(30,842)
Total Revenues	<u>-</u>	<u>39,000</u>	<u>8,158</u>	<u>(30,842)</u>
EXPENDITURES				
Current:				
Instruction	-	39,000	8,158	30,842
Total expenditures	<u>-</u>	<u>39,000</u>	<u>8,158</u>	<u>30,842</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 CNM Foundation 26207
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	3,500	3,500	-
Total Revenues	-	3,500	3,500	-
EXPENDITURES				
Current:				
Instruction	-	3,500	3,500	-
Total Expenditures	-	3,500	3,500	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Dual Credit Instructional Materials/HB2 27103
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	2,105	1,722	(383)
Total Revenues	<u>-</u>	<u>2,105</u>	<u>1,722</u>	<u>(383)</u>
EXPENDITURES				
Current:				
Instruction	-	2,105	1,722	383
Total Expenditures	<u>-</u>	<u>2,105</u>	<u>1,722</u>	<u>383</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 Student Library SB-66 27107
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 6,711	6,711	-	(6,711)
Total Revenues	<u>6,711</u>	<u>6,711</u>	<u>-</u>	<u>(6,711)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	6,711	6,711	3,212	3,499
Total Expenditures	<u>6,711</u>	<u>6,711</u>	<u>3,212</u>	<u>3,499</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,212)</u>	<u>(3,212)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,212)</u>	<u>(3,212)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,212)</u>	<u>(3,212)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,212)	
Adjustments to Revenues			<u>3,312</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 100</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	127,003	127,718	715
Total Revenues	<u>-</u>	<u>127,003</u>	<u>127,718</u>	<u>715</u>
EXPENDITURES				
Capital Outlay	-	127,003	121,075	5,928
Total Expenditures	<u>-</u>	<u>127,003</u>	<u>121,075</u>	<u>5,928</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>6,643</u>	<u>6,643</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>6,643</u>	<u>6,643</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>883</u>	<u>883</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>7,526</u>	<u>7,526</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,643	
Adjustments to Revenues			(714)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 5,929</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay State 31400
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 110,000	180,000	-	(180,000)
Total Revenues	<u>110,000</u>	<u>180,000</u>	<u>-</u>	<u>(180,000)</u>
EXPENDITURES				
Capital Outlay	110,000	180,000	74,704	105,296
Total Expenditures	<u>110,000</u>	<u>180,000</u>	<u>74,704</u>	<u>105,296</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(74,704)</u>	<u>(74,704)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(74,704)</u>	<u>(74,704)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(74,704)</u>	<u>(74,704)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (74,704)	
Adjustments to Revenues			74,704	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ -	-	54,378	54,378
State Grant	23,915	28,203	-	(28,203)
Total Revenues	23,915	28,203	54,378	26,175
EXPENDITURES				
Current:				
General Administration	1,000	1,000	-	1,000
Capital Outlay	78,381	102,666	-	102,666
Total Expenditures	79,381	103,666	-	103,666
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(55,466)</i>	<i>(75,463)</i>	<i>54,378</i>	<i>129,841</i>
Other Financing Sources (Uses):				
Designated Cash	55,466	75,463	-	(75,463)
Total Other Financing Sources (Uses):	55,466	75,463	-	(75,463)
Net Changes in Fund Balances	-	-	54,378	54,378
Cash or Fund Balances - Beginning of Year	-	-	75,463	75,463
Cash or Fund Balances - End of Year	\$ -	-	129,841	129,841
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 54,378	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 54,378	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Wells Fargo	FMAC FGPC	3128PSYC5	11/1/2025	\$ 119,910
Wells Fargo	FNMA FNMS	3138WFRL2	9/1/2035	132,166
				<u>\$ 252,076</u>

Total Cash per Schedule of Cash Accounts:	\$ 603,433
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	353,433
Collateral Requirement:	176,717
Pledged Collateral Held by Pledging Financial Institution:	<u>252,076</u>
Balance Over Collateralized:	<u>\$ 75,359</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ -</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 603,433
<i>Total on Deposit</i>	603,433
Reconciling Items	<u>(16,827)</u>
Reconciled Balance June 30, 2016	<u>586,606</u>
Less Agency Funds	<u>(16,827)</u>
<i>Total Cash</i>	<u>\$ 569,779</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 329,314	17,500	279	19,076
Add:				
2015-16 revenues	<u>1,872,659</u>	<u>12,796</u>	<u>20,340</u>	<u>-</u>
Total Cash Available	2,201,973	30,296	20,619	19,076
Less:				
2015-16 expenditures	(1,754,341)	(17,430)	(22,552)	(2,199)
Receivables/Payables	28,356	-	-	-
Outstanding Loans	<u>(48,920)</u>	<u>-</u>	<u>1,933</u>	<u>-</u>
Cash June 30, 2016	<u>427,068</u>	<u>12,866</u>	<u>-</u>	<u>16,877</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	(50)
Cash Per Books	<u>427,068</u>	<u>12,866</u>	<u>-</u>	<u>16,827</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(29,183)	974	(1,933)	(16,827)
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 397,885</u>	<u>13,840</u>	<u>(1,933)</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

<u>Federal Projects Account 24000</u>	<u>Local Grant Fund 26000</u>	<u>State Account 27000</u>	<u>Public School Capital Outlay 31200</u>	<u>Special Capital Outlay State 31400</u>	<u>SB-9 Capital Improvements 31700</u>	<u>Total</u>
-	630	-	-	-	75,463	442,262
<u>156,690</u>	<u>3,500</u>	<u>1,722</u>	<u>127,718</u>	<u>-</u>	<u>54,378</u>	<u>2,249,803</u>
156,690	4,130	1,722	127,718	-	129,841	2,692,065
(118,475)	(3,500)	(4,934)	(121,075)	(74,704)	-	(2,119,210)
(13,929)	(626)	-	-	-	-	13,801
<u>(24,286)</u>	<u>-</u>	<u>3,212</u>	<u>(6,643)</u>	<u>74,704</u>	<u>-</u>	<u>-</u>
-	4	-	-	-	129,841	586,656
-	-	-	-	-	-	(50)
-	4	-	-	-	129,841	586,606
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:						(16,827)
						<u>\$ 569,779</u>
<u>(3,218)</u>	<u>(4)</u>	<u>100</u>	<u>6,812</u>	<u>-</u>	<u>-</u>	<u>(43,279)</u>
<u>(3,218)</u>	<u>-</u>	<u>100</u>	<u>6,812</u>	<u>-</u>	<u>129,841</u>	<u>543,327</u>
Balance Sheets - Governmental Funds:						<u>\$ 543,327</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 722,995
Receivables	
Due from Other Governments	72,770
Prepays	52,776
Total Current Assets	<u>848,541</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	1,447,714
Vehicles	126,612
Furniture, Fixtures, and Equipment	141,669
Less: Accumulated Depreciation	(157,019)
Total Noncurrent Assets	<u>1,558,976</u>
Total Assets	<u>2,407,517</u>

Deferred Outflows - Pension Related	<u>308,189</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	30,726
Accrued Liabilities	15,374
Current Portion of Long-Term Debt	30,596
Total Current Liabilities	<u>76,696</u>

Noncurrent Liabilities:

Long-Term Debt	1,054,889
Net Pension Liability	1,693,157
Total Noncurrent Liabilities	<u>2,748,046</u>
Total Liabilities	<u>2,824,742</u>

Deferred Inflows - Pension Related	<u>39,011</u>
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NET POSITION

Investment in Capital Assets	469,407
Restricted	487,821
Unrestricted (Deficit)	(1,105,275)
Total Net Position	<u>\$ (148,047)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 895,441	6,877	89,978	-	(798,586)
Support Services:					
Students	229,112	-	-	-	(229,112)
Instruction	8,058	-	-	-	(8,058)
General Administration	252,435	-	-	-	(252,435)
School Administration	222,054	-	-	-	(222,054)
Central Services	185,715	-	-	-	(185,715)
Operation & Maintenance of Plant	141,569	-	-	-	(141,569)
Other Support Services	195,753	-	-	-	(195,753)
Student Transportation	4,815	-	-	-	(4,815)
Interest on long-term debt	68,805	-	-	-	(68,805)
Food Services	24,329	-	-	-	(24,329)
Facilities Materials, Supplies & Other Services	-	-	-	147,986	147,986
Total Governmental Activities	\$ 2,228,086	6,877	89,978	147,986	(1,983,245)
General Revenues:					
State Equalization Guarantee				\$	2,256,959
Miscellaneous					57,948
Total General Revenues					<u>2,314,907</u>
Change in Net Position					331,662
Net Position (Deficit), Beginning of Year School					(473,571)
Net Position (Deficit), Beginning of Year Foundation					(7,956)
Restatement					1,818
Net Position (Deficit), as Restated					<u>(479,709)</u>
Net Position (Deficit), Ending					<u>\$ (148,047)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 568,384	6,995	-	-
Accounts Receivable				
Due from Government	-	-	21,574	17,698
Due from Other Funds	72,770	-	-	-
Prepays	435,276	-	-	-
Total Assets	\$ 1,076,430	6,995	21,574	17,698
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 30,726	-	-	-
Accrued Expenditures	11,290	-	-	-
Due to Other Funds	-	-	21,574	17,698
Prepaid Rent	-	-	-	-
Total Liabilities	42,016	-	21,574	17,698
Fund Balances (Deficit)				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	435,276	-	-	-
Restricted for:				
Instruction	-	6,995	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	599,138	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balance (Deficit)	1,034,414	6,995	-	-
Total Liabilities and Fund Balances	\$ 1,076,430	6,995	21,574	17,698

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

Federal Charter School Planning 24146	Teacher Principal Training 24154	Dual Credit Instructional Materials 27103	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Foundation	Total
-	-	-	-	-	147,616	722,995
-	3,380	-	30,118	-	-	72,770
-	-	-	-	-	-	72,770
45,000	-	-	-	-	-	480,276
<u>45,000</u>	<u>3,380</u>	<u>-</u>	<u>30,118</u>	<u>-</u>	<u>147,616</u>	<u>1,348,811</u>
-	-	-	-	-	-	30,726
-	-	-	-	-	-	11,290
-	2,830	550	30,118	-	-	72,770
-	-	-	-	-	427,500	427,500
-	<u>2,830</u>	<u>550</u>	<u>30,118</u>	<u>-</u>	<u>427,500</u>	<u>542,286</u>
45,000	-	-	-	-	-	480,276
-	550	-	-	-	-	7,545
-	-	-	-	-	-	599,138
-	-	(550)	-	-	(279,884)	(280,434)
<u>45,000</u>	<u>550</u>	<u>(550)</u>	<u>-</u>	<u>-</u>	<u>(279,884)</u>	<u>806,525</u>
<u>45,000</u>	<u>3,380</u>	<u>-</u>	<u>30,118</u>	<u>-</u>	<u>147,616</u>	<u>1,348,811</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds **\$ 806,525**

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

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

Capital Assets	1,715,995	
Accumulated Depreciation	<u>(157,019)</u>	1,558,976

Defined benefit pension plan deferred outflows are not
 financial resources and, therefore, are not reported in the
 funds.

308,189

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Accrued Interest Payable	(4,084)	
Long-Term Debt	<u>(1,085,485)</u>	(1,089,569)

The net pension liability is not due and payable in the current period
 and, therefore, is not reported in the funds.

(1,693,157)

Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, are not reported in the
 funds.

(39,011)

Net Position (Deficit) - Total Governmental Activities **\$ (148,047)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Local & County Grant	\$ 9,710	-	-	-
State Grant	2,256,959	16,871	-	-
Federal Grant	-	-	21,574	32,264
Charges for Services	6,877	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>2,273,546</u>	<u>16,871</u>	<u>21,574</u>	<u>32,264</u>
EXPENDITURES				
Current:				
Instruction	847,922	22,612	21,574	32,264
Support Services:				
Students	223,020	-	-	-
Instruction	7,827	-	-	-
General Administration	244,947	-	-	-
School Administration	215,897	-	-	-
Central Services	182,952	-	-	-
Operation & Maintenance of Plant	207,066	-	-	-
Student Transportation	4,815	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	11,668	-	-	-
Capital Outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>1,946,114</u>	<u>22,612</u>	<u>21,574</u>	<u>32,264</u>
Net Changes in Fund Balances	<u>327,432</u>	<u>(5,741)</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	705,164	12,736	-	-
Restatement	1,818	-	-	-
Fund Balances (Deficit) - Restated	<u>706,982</u>	<u>12,736</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 1,034,414</u>	<u>6,995</u>	<u>-</u>	<u>-</u>

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

Federal Charter School Planning 24146	Teacher Principal Training 24154	Dual Credit Instructional Materials 27103	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Foundation	Total
-	-	-	-	-	-	9,710
-	-	3,117	147,986	-	-	2,424,933
-	6,442	-	-	-	-	60,280
-	-	-	-	-	-	6,877
-	-	-	-	-	287,448	287,448
-	6,442	3,117	\$ 147,986	-	287,448	2,789,248
-	5,892	3,667	-	-	-	933,931
-	-	-	-	-	-	223,020
-	-	-	-	-	-	7,827
-	-	-	-	-	-	244,947
-	-	-	-	-	-	215,897
-	-	-	-	-	-	182,952
-	-	-	-	-	-	207,066
-	-	-	-	-	-	4,815
-	-	-	-	-	169,315	169,315
-	-	-	-	-	-	11,668
-	-	-	147,986	-	-	147,986
-	-	-	-	-	24,651	24,651
-	-	-	-	-	64,721	64,721
-	5,892	3,667	147,986	-	258,687	2,438,796
-	550	(550)	-	-	28,761	350,452
45,000	-	-	-	-	(308,645)	454,255
-	-	-	-	-	-	1,818
45,000	-	-	-	-	(308,645)	456,073
45,000	550	(550)	-	-	(279,884)	806,525

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balance - Total Governmental Funds **\$ 350,452**

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

Change in Compensated Absences 72,584

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Depreciation Expense (69,892)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Accrued Interest on Long-Term Debt	(4,084)	
Payments of Long-Term Debt	24,651	20,567

Changes in deferred outflows resources-pension related, deferred inflows of resources-pension related and the net pension liability		(42,049)

Change in Net Position - Total Governmental Activities **\$ 331,662**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Great Academy
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ -
Total Assets	<u>\$ -</u>
LIABILITIES	
Deposits Held for Others	\$ -
Total Liabilities	<u>\$ -</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Great Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 1,818	-	(1,818)	-
Total Assets	<u>\$ 1,818</u>	<u>-</u>	<u>(1,818)</u>	<u>-</u>
LIABILITIES				
Deposits Held for Others	\$ 1,818	-	(1,818)	-
Total Liabilities	<u>\$ 1,818</u>	<u>-</u>	<u>(1,818)</u>	<u>-</u>

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures, Equipment and Vehicles	5 years
Buildings and Improvements	40 years

Capital assets for the Great Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 141,669	-	-	141,669
Vehicles	126,612	-	-	126,612
Building and Improvements	1,447,714	-	-	1,447,714
<i>Total</i>	1,715,995	-	-	1,715,995
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(61,222)	(28,334)	-	(89,556)
Vehicles	(24,265)	(12,661)	-	(36,926)
Building and improvements	(1,640)	(28,897)	-	(30,537)
<i>Total</i>	(87,127)	(69,892)	-	(157,019)
Capital Assets, Net	\$ 1,628,868	(69,892)	-	1,558,976

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 14,160
General Administration	1,131
Student Transportation	12,661
Facilities, Materials, Supplies & Other Services	41,940
Total	<u>\$ 69,892</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Notes to the Financial Statements
June 30, 2016

NOTE 3. COMMITMENTS AND LIABILITIES

In July 2015, The Great Academy Foundation, Inc, entered into a lease agreement with the School for the lease of building and related property. In addition, the School has other equipment and storage facility cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$181,001. The lease obligation has been eliminated due to the consolidation of the blended component unit. The Great Academy’s minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 175,500
2018	175,500
2019	181,440
2020	187,558
2021	193,860
2022-2026	1,093,152
2027-2031	1,259,100
2032-2036	1,163,058
Total	<u><u>\$ 4,429,168</u></u>

The following is an analysis of the leased property under lease by major classes included in summary of capital assets

<u>Classes of Property</u>	<u>Asset Balance</u>
Building	\$ 1,410,825
Less: Accumulated depreciation	(34,943)
	<u><u>\$ 1,375,882</u></u>

The total outstanding long term debt as of June 30, 2016 is as follows:

Mortgage payable to bank secured by building and land; interest at bank’s rate 6.157% due in monthly installments of \$8,124; maturing July 8, 2022	\$ 1,085,485
Less: current maturities	(30,596)
	<u><u>\$ 1,054,889</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Notes to the Financial Statements
June 30, 2016

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

The aggregate amounts of principal maturities of mortgage payable are as follows:

2017	\$30,596
2018	32,561
2019	34,653
2020	36,712
2021	39,238
2022	911,725
Total	<u>\$ 1,085,485</u>

NOTE 4. RELATED PARTY TRANSACTIONS

The Executive Director’s spouse is employed by the school as the Principal. The board waived the nepotism requirement during the June 2012 meeting. In addition, the Executive Directors daughter became employed by the school in July 2016, a nepotism waiver was not obtained by the Board for her until October 2016.

The Business Manager of the School also serves as the Treasurer for the Foundation.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Great Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees’ Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and The Great Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal year ended June 30, 2016 and 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from The Great Academy were \$137,508 for the year ended June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, using generally accepted actuarial principles. At June 30, 2015, The Great Academy reported a liability of \$1,693,157 for its proportionate share of the net pension liability. The Great Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, The Great Academy's proportion was 0.02614% percent, which was an increase of 0.00102% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, The Great Academy recognized pension expense of \$179,562. At June 30, 2016, The Great Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (31,389)
Changes in assumptions	58,237	-
Net difference between projected and actual earnings on pension plan investments	-	(7,622)
Changes in proportion	112,444	-
Fiscal year 2016 employer contributions	<u>137,508</u>	<u>-</u>
Ending balance	<u>\$ 308,189</u>	<u>\$ (39,011)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The amount of \$137,508 reported as deferred outflows of resources related to pensions resulting from The Great Academy contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (46,903)
2018	(43,675)
2019	(17,570)
2020	<u>(23,522)</u>
Total	<u>\$ (131,670)</u>

Sensitivity of The Great Academy's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The Great Academy's proportionate share of the net pension liability	<u>\$ 2,278,256</u>	<u>1,693,157</u>	<u>1,201,613</u>

NOTE 6. RESTATEMENT

As a result of a prior year posting error net position as of June 30, 2015 was restated in the amount of \$1,818.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
THE GREAT ACADEMY
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,433	1,693	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 692	714	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.01%	237.11%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the prior year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
THE GREAT ACADEMY
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 118	138	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	103	138	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 15	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (52)	5		\$ (5)	(5)	(9)	(33)	-				
2015	\$ (132)	5			(47)	(44)	(18)	(23)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ (184)			\$ (5)	(52)	(53)	(51)	(23)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 2,238,312	2,238,312	2,256,959	18,647
Charges for Services	-	-	9,877	9,877
Total Revenues	<u>2,238,312</u>	<u>2,238,312</u>	<u>2,266,836</u>	<u>28,524</u>
EXPENDITURES				
Current:				
Instruction	1,379,164	1,041,248	850,755	190,493
Support Services:				
Students	201,388	281,388	228,975	52,413
Instruction	42,752	42,752	7,827	34,925
General Administration	212,724	292,724	254,134	38,590
School Administration	191,055	241,055	215,897	25,158
Central Services	154,544	209,544	163,216	46,328
Operation & Maintenance of Plant	344,777	344,777	179,881	164,896
Student Transportation	3,908	23,908	4,651	19,257
Food Services Operations	8,000	13,000	7,642	5,358
Total Expenditures	<u>2,538,312</u>	<u>2,490,396</u>	<u>1,912,978</u>	<u>577,418</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(300,000)</u>	<u>(252,084)</u>	<u>353,858</u>	<u>605,942</u>
Other Financing Sources (Uses):				
Designated Cash	300,000	252,084	-	(252,084)
Total Other Financing Sources (Uses):	<u>300,000</u>	<u>252,084</u>	<u>-</u>	<u>(252,084)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>353,858</u>	<u>353,858</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>706,982</u>	<u>706,982</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,060,840</u>	<u>1,060,840</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 353,858	
Adjustments to Revenues			6,710	
Adjustments to Expenditures			(33,136)	
NET CHANGE IN FUND BALANCE			<u>\$ 327,432</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 9,876	9,876	16,871	6,995
Total Revenues	<u>9,876</u>	<u>9,876</u>	<u>16,871</u>	<u>6,995</u>
EXPENDITURES				
Current:				
Instruction	9,876	22,612	22,612	-
Total Expenditures	<u>9,876</u>	<u>22,612</u>	<u>22,612</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(12,736)</u>	<u>(5,741)</u>	<u>6,995</u>
Other Financing Sources (Uses):				
Designated Cash	-	12,736	-	(12,736)
Total Other Financing Sources (Uses):	<u>-</u>	<u>12,736</u>	<u>-</u>	<u>(12,736)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5,741)</u>	<u>(5,741)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,741)</u>	<u>(5,741)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,741)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (5,741)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 12,886	21,575	17,211	(4,364)
Total Revenues	<u>12,886</u>	<u>21,575</u>	<u>17,211</u>	<u>(4,364)</u>
EXPENDITURES				
Current:				
Instruction	12,886	21,575	21,574	1
Total Expenditures	<u>12,886</u>	<u>21,575</u>	<u>21,574</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(4,363)	(4,363)
Net Changes in Fund Balances	-	-	(4,363)	(4,363)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,363)</u>	<u>(4,363)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,363)	
Adjustments to Revenues			4,363	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 25,059	32,264	27,689	(4,575)
Total Revenues	<u>25,059</u>	<u>32,264</u>	<u>27,689</u>	<u>(4,575)</u>
EXPENDITURES				
Current:				
Instruction	25,059	32,264	32,264	-
Total Expenditures	<u>25,059</u>	<u>32,264</u>	<u>32,264</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,575)</u>	<u>(4,575)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,575)</u>	<u>(4,575)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,575)</u>	<u>(4,575)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,575)	
Adjustments to Revenues			4,575	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Great Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Federal Charter School Planning 24146
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
<i>Net Changes in Fund Balances</i>	-	-	-	-
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	45,000	45,000
<i>Cash or Fund Balances - End of Year</i>	\$ -	-	45,000	45,000
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 3,062	5,893	5,875	(18)
Total Revenues	<u>3,062</u>	<u>5,893</u>	<u>5,875</u>	<u>(18)</u>
EXPENDITURES				
Current:				
Instruction	3,062	5,893	5,892	1
Total expenditures	<u>3,062</u>	<u>5,893</u>	<u>5,892</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(17)</u>	<u>(17)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(17)</u>	<u>(17)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(17)</u>	<u>(17)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (17)	
Adjustments to Revenues			567	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 550</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	3,667	3,437	(230)
Total Revenues	<u>-</u>	<u>3,667</u>	<u>3,437</u>	<u>(230)</u>
EXPENDITURES				
Current:				
Instruction	-	3,667	3,667	-
Total Expenditures	<u>-</u>	<u>3,667</u>	<u>3,667</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(230)</u>	<u>(230)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(230)</u>	<u>(230)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(230)</u>	<u>(230)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (230)	
Adjustments to Revenues			(320)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (550)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	147,986	117,868	(30,118)
Total Revenues	<u>-</u>	<u>147,986</u>	<u>117,868</u>	<u>(30,118)</u>
EXPENDITURES				
Capital Outlay	-	147,986	147,986	-
Total Expenditures	<u>-</u>	<u>147,986</u>	<u>147,986</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(30,118)	(30,118)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(30,118)</u>	<u>(30,118)</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(30,118)</u>	<u>(30,118)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (30,118)	
Adjustments to Revenues			30,118	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	5,654	4,159	(1,495)
Total Revenues	<u>-</u>	<u>5,654</u>	<u>4,159</u>	<u>(1,495)</u>
EXPENDITURES				
Current:				
Instruction	-	5,654	-	5,654
Total Expenditures	<u>-</u>	<u>5,654</u>	<u>-</u>	<u>5,654</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>4,159</u>	<u>4,159</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>4,159</u>	<u>4,159</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,159</u>	<u>4,159</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,159	
Adjustments to Revenues			(4,159)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Wells Fargo	FNMA FNMS	3138WVPE5	6/1/2043	\$ 165,359
Wells Fargo	FNMA FNMS	31417FYS1	3/1/2043	81,047
				<u>\$ 246,406</u>

Total Cash per Schedule of Cash Accounts:	\$ 749,577
Less: FDIC coverage School:	(250,000)
Less: FDIC coverage Foundation:	<u>(147,616)</u>
Uninsured Public Funds:	351,961
Collateral Requirement:	175,981
Pledged Collateral Held by Pledging Financial Institution:	<u>246,406</u>
Balance Over Collateralized:	<u>\$ 70,425</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ -</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Great Academy
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 601,961
Checking - Foundation	<u>147,616</u>
Total on Deposit	749,577
Reconciling Items	<u>(26,582)</u>
Reconciled Balance June 30, 2016	<u>722,995</u>
Less Agency Funds	<u>-</u>
Total Cash	<u><u>\$ 722,995</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000
	<u>11000</u>	<u>14000</u>	<u>23000</u>
Cash, June 30, 2015	\$ 239,348	12,736	1,818
Add:			
2015-16 revenues	<u>2,266,836</u>	<u>16,871</u>	<u>-</u>
Total Cash Available	2,506,184	29,607	1,818
Less:			
2015-16 expenditures	(1,912,978)	(22,612)	(1,818)
Receivables/Payables	(59,966)	-	-
Outstanding Loans	<u>35,144</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>568,384</u>	<u>6,995</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>568,384</u>	<u>6,995</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>466,030</u>	<u>-</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 1,034,414</u>	<u>6,995</u>	<u>-</u>

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

Federal Projects Account 24000	State Flowthrough 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	253,902
50,775	3,437	117,868	4,159	2,459,946
50,775	3,437	117,868	4,159	2,713,848
(59,730)	(3,667)	(147,986)	-	(2,148,791)
17,910	460	60,236	(8,318)	10,322
(8,955)	(230)	(30,118)	4,159	-
-	-	-	-	575,379
-	-	-	-	-
-	-	-	-	575,379
			Balance Sheet-Foundation:	147,616
				\$ 722,995
45,550	(550)	-	-	511,030
45,550	(550)	-	-	1,086,409
			Add Foundation :	(279,884)
			Balance Sheets - Governmental Funds:	\$ 806,525

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2016

VOLUME VI



**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Statement of Net Position
 June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,069,310
Receivables	
Due from Government	130,996
Deposits	27,000
Prepaid Expenses	11,576
Total Current Assets	<u>1,238,882</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	126,267
Less: Accumulated Depreciation	(26,540)
Total Noncurrent Assets	<u>99,727</u>

Total Assets 1,338,609

Deferred Outflows - Pension Related 1,312,602

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	16,933
Accrued Expenses	110,987
Total Current Liabilities	<u>127,920</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,105,759</u>
Total Noncurrent Liabilities	<u>2,105,759</u>

Total Liabilities 2,233,679

Deferred Inflows - Pension Related 48,517

NET POSITION

Investment in Capital Assets	99,727
Restricted	125,256
Unrestricted	144,032
Total Net Position	<u>\$ 369,015</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 980,005	2,130	136,188	-	(841,687)
Support Services:					
Students	399,214	-	-	-	(399,214)
Instruction	244,211	-	-	-	(244,211)
General Administration	286,225	-	-	-	(286,225)
School Administration	224,670	-	-	-	(224,670)
Central Services	169,742	-	-	-	(169,742)
Operation & Maintenance of Plant	155,850	-	-	-	(155,850)
Community Services Operations	28,614	-	-	-	(28,614)
Food Services	50,823	39	44,410	-	(6,374)
Facilities Materials, Supplies & Other Services	236,840	-	-	205,800	(31,040)
Total Governmental Activities	\$ 2,776,194	2,169	180,598	205,800	(2,387,627)

General Revenues:	
Property Taxes	\$ 27,014
State Equalization Guarantee	2,360,632
Miscellaneous	493
Total General Revenues	2,388,139

Change in Net Position	512
Net Position, Beginning	368,503
Net position, Ending	\$ 369,015

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 972,438	10,784	-	-
Accounts Receivable				
Due from Government	-	-	-	3,088
Due from Other Funds	128,996	-	-	-
Deposits	27,000	-	-	-
Prepaid Expenditures	11,576	-	-	-
Total Assets	\$ 1,140,010	10,784	-	3,088
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 16,933	-	-	-
Accrued Expenditures	110,371	-	-	-
Due to Other Funds	-	-	-	3,088
Total Liabilities	127,304	-	-	3,088
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	27,000	-	-	-
Prepaid Expenditures	11,576	-	-	-
Restricted for:				
Instruction	-	10,784	-	-
Food Service Operations	-	-	-	-
Student Transportation	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	974,130	-	-	-
Total Fund Balance	1,012,706	10,784	-	-
Total Liabilities and Fund Balances	\$ 1,140,010	10,784	-	3,088

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Daniels Fund 26141	Partners for Developing Futures 26208	College Advisors 27189	Private Direct Grant 29102
-	-	593	-	23	7,093
-	10,908	-	-	-	2,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	10,908	593	-	23	9,093
-	-	-	-	-	-
-	-	593	-	23	-
-	10,908	-	-	-	-
-	10,908	593	-	23	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	9,093
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	9,093
-	10,908	593	-	23	9,093

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Balance Sheets - Governmental Funds (continued)
June 30, 2016

	McCune 29114	Public School Capital Outlay 31200	Special Capital Outlay 31400	Capital Improvement 31700	Total
ASSETS					
Cash and Cash Equivalents	\$31,980	-	-	46,399	1,069,310
Accounts Receivable					
Due from Government	-	-	115,000	-	130,996
Due from Other Funds	-	-	-	-	128,996
Deposits	-	-	-	-	27,000
Prepaid Expenditures	-	-	-	-	11,576
Total Assets	<u>\$31,980</u>	<u>-</u>	<u>115,000</u>	<u>46,399</u>	<u>1,367,878</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	-	-	-	16,933
Accrued Expenditures	-	-	-	-	110,987
Due to Other Funds	-	-	115,000	-	128,996
Total Liabilities	<u>-</u>	<u>-</u>	<u>115,000</u>	<u>-</u>	<u>256,916</u>
Fund Balances					
Fund Balance:					
Nonspendable:					
Deposits	-	-	-	-	27,000
Prepaid Expenditures	-	-	-	-	11,576
Restricted for:					
Instruction	31,980	-	-	-	51,857
Food Service Operations	-	-	-	-	-
Student Transportation	-	-	-	-	-
Capital Improvements	-	-	-	46,399	46,399
Assigned to:					
Subsequent Years Expenditures and Other Programs	-	-	-	-	974,130
Total Fund Balance	<u>31,980</u>	<u>-</u>	<u>-</u>	<u>46,399</u>	<u>1,110,962</u>
Total Liabilities and Fund Balances	<u>\$31,980</u>	<u>-</u>	<u>115,000</u>	<u>46,399</u>	<u>1,367,878</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds **\$ 1,110,962**

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

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

Capital Assets	126,267	
Accumulated Depreciation	<u>(26,540)</u>	
		99,727

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		1,312,602
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(48,517)
--	--	----------

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(2,105,759)</u>
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Net Position-Total Governmental Activities		<u><u>\$ 369,015</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	2,800	-	-	-
State Grant	2,360,632	10,295	-	-
Federal Grant	-	-	44,410	40,759
Charges for Services	2,130	-	39	-
Miscellaneous Income	493	-	-	-
Total Revenues	<u>2,366,055</u>	<u>10,295</u>	<u>44,449</u>	<u>40,759</u>
EXPENDITURES				
Current:				
Instruction	707,325	6,600	-	40,759
Support Services:				
Students	304,047	-	-	-
Instruction	175,146	-	-	-
General Administration	195,297	-	-	-
School Administration	169,725	-	-	-
Central Services	130,854	-	-	-
Operation & Maintenance of Plant	155,850	-	-	-
Food Services Operations	5,936	-	44,887	-
Community Services Operation	4,550	-	-	-
Capital Outlay	47,614	-	-	-
Total Expenditures	<u>1,896,344</u>	<u>6,600</u>	<u>44,887</u>	<u>40,759</u>
Net Changes in Fund Balances	<u>469,711</u>	<u>3,695</u>	<u>(438)</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>542,995</u>	<u>7,089</u>	<u>438</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 1,012,706</u>	<u>10,784</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Daniels Fund 26141	Partners for Developing Futures 26208	College Advisors Initiative 27189	Private Direct Grants 29102
-	-	-	-	-	-
-	-	-	-	-	9,093
-	-	-	-	32,500	-
19,833	10,908	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>19,833</u>	<u>10,908</u>	<u>-</u>	<u>-</u>	<u>32,500</u>	<u>9,093</u>
19,833	-	-	-	-	27,635
-	-	-	-	-	-
-	10,908	-	-	-	-
-	-	-	-	32,500	-
-	-	-	2,075	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>19,833</u>	<u>10,908</u>	<u>-</u>	<u>2,075</u>	<u>32,500</u>	<u>27,635</u>
-	-	-	(2,075)	-	(18,542)
-	-	-	2,075	-	27,635
-	-	-	-	-	9,093

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Statement of Revenues, Expenditures, and Changes In Fund Balances (continued)
Governmental Funds
For The Year Ended June 30, 2016

	McCune 29114	Public School Capital Outlay 31200	Special Capital Outlay 31400	Capital Improvement 31700	Total
REVENUES					
Property Taxes	\$ -	-	-	27,014	27,014
Local & County Grant	10,000	-	-	-	21,893
State Grant	-	131,421	74,379	-	2,609,227
Federal Grant	-	-	-	-	115,910
Charges for Services	-	-	-	-	2,169
Miscellaneous Income	-	-	-	-	493
Total Revenues	<u>10,000</u>	<u>131,421</u>	<u>74,379</u>	<u>27,014</u>	<u>2,776,706</u>
EXPENDITURES					
Current:					
Instruction	-	-	-	-	802,152
Support Services:					
Students	-	-	-	-	304,047
Instruction	-	-	-	-	186,054
General Administration	-	-	-	271	228,068
School Administration	-	-	-	-	171,800
Central Services	1,879	-	-	-	132,733
Operation & Maintenance of Plant	-	-	-	-	155,850
Food Services Operations	-	-	-	-	50,823
Community Services Operation	24,064	-	-	-	28,614
Capital Outlay	-	131,421	74,379	-	253,414
Total Expenditures	<u>25,943</u>	<u>131,421</u>	<u>74,379</u>	<u>271</u>	<u>2,313,555</u>
Net Changes in Fund Balances	<u>(15,943)</u>	<u>-</u>	<u>-</u>	<u>26,743</u>	<u>463,151</u>
Fund Balances - Beginning of Year	<u>47,923</u>	<u>-</u>	<u>-</u>	<u>19,656</u>	<u>647,811</u>
Fund Balances - End of Year	<u>\$31,980</u>	<u>-</u>	<u>-</u>	<u>46,399</u>	<u>1,110,962</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 463,151**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Capital Outlays	85,490	
Depreciation Expense	<u>(19,425)</u>	
		66,065

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		<u>(528,704)</u>
---	--	------------------

Change in Net Position-Total Governmental Activities **\$ 512**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2016

	<u>Funds</u>
ASSETS	
Cash in Bank	<u>\$ 786</u>
Total Assets	<u><u>\$ 786</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 786</u>
Total Liabilities	<u><u>\$ 786</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ -	878	92	786
Total Assets	<u>\$ -</u>	<u>878</u>	<u>92</u>	<u>786</u>
LIABILITIES				
Deposits Held for Others	\$ -	878	92	786
Total Liabilities	<u>\$ -</u>	<u>878</u>	<u>92</u>	<u>786</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Vehicles	5 years
Furniture, Fixtures and Equipment	3-7 years

Capital assets for Health Leadership High School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Vehicles	-	45,757	-	45,757
Furniture, Fixtures and Equipment	40,777	39,733	-	80,510
<i>Total</i>	<u>40,777</u>	<u>85,490</u>	<u>-</u>	<u>126,267</u>
 <i>Less: Accumulated Depreciation</i>				
Vehicles	-	(5,338)	-	(5,338)
Furniture, Fixtures and Equipment	(7,115)	(14,087)	-	(21,202)
<i>Total</i>	<u>(7,115)</u>	<u>(19,425)</u>	<u>-</u>	<u>(26,540)</u>
Capital Assets, Net	<u>\$ 33,662</u>	<u>66,065</u>	<u>-</u>	<u>99,727</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following function:

Instruction	\$ 5,338
Capital Outlay	<u>14,087</u>
Total	<u>\$ 19,425</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Health Leadership High School leases facilities under long-term cancelable operating leases. Lease expenses for the year ended June 30, 2016 was \$192,000. The Health Leadership High School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	<u>\$ 241,000</u>
Total	<u>\$ 241,000</u>

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Health Leadership High School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Health Leadership High School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from Health Leadership High School were \$156,761 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Health Leadership High School reported a liability of \$2,105,759 for its proportionate share of the net pension liability. Health Leadership High School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Health Leadership High School's proportion was 0.03251%, which was an increase of 0.00575% from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Health Leadership High School recognized pension expense of \$528,704. At June 30, 2016, Health Leadership reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(39,038)
Changes in assumptions	72,428	-
Net difference between projected and actual earnings on pension plan investments	-	(9,479)
Changes in proportion	1,083,413	-
Fiscal year 2016 employer contributions	156,761	-
Ending balance	<u>\$ 1,312,602</u>	<u>(48,517)</u>

The amount of \$156,761 reported as deferred outflows of resources related to pensions resulting from Health Leadership High School contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (520,316)
2018	(469,519)
2019	(88,212)
2020	(29,276)
Total	<u>\$ (1,107,323)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Notes to the Financial Statements
 June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Health Leadership High School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Health Leadership High School’s proportionate share of the net pension liability	\$ 2,833,440	2,105,759	1,494,432

Payables to the pension plan. At June 30, 2016, Health Leadership High School owed \$37,224 to ERB for fiscal year 2016 contributions.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
HEALTH LEADERSHIP HIGH SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,620	2,106	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 737	888	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	355.27%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
HEALTH LEADERSHIP HIGH SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 147	157	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	129	157	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 18	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 1,084	5		\$ 390	390	339	(35)	-				
2015	\$ (1,107)	5			(520)	(470)	(88)	(29)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (23)			\$ 390	\$ (130)	(131)	(123)	(29)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ 500	500	2,800	2,300
State Grant	2,346,296	2,360,633	2,360,632	(1)
Miscellaneous	-	-	493	493
Charges for Services	2,500	2,500	2,130	(370)
Total Revenues	2,349,296	2,363,633	2,366,055	2,422
EXPENDITURES				
Current:				
Instruction	819,191	819,191	711,219	107,972
Support Services:				
Students	406,780	421,117	305,160	115,957
Instruction	315,001	315,001	175,146	139,855
General Administration	338,383	338,383	179,007	159,376
School Administration	252,981	252,981	169,725	83,256
Central Services	228,321	228,321	143,885	84,436
Operation & Maintenance of Plant	211,000	211,000	155,482	55,518
Community Services Operations	20,000	20,000	4,550	15,450
Food Services Operations	30,000	30,000	1,518	28,482
Capital outlay	200,000	200,000	47,195	152,805
Total Expenditures	2,821,657	2,835,994	1,892,887	943,107
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	(472,361)	(472,361)	473,168	945,529
Other Financing Sources (Uses):				
Designated Cash	472,361	472,361	-	(472,361)
Total Other Financing Sources (Uses):	472,361	472,361	-	(472,361)
Net Change in Fund Balance	-	-	473,168	473,168
Cash or Fund Balance - Beginning of Year	-	-	542,995	542,995
Cash or Fund Balance - End of Year	\$ -	-	1,016,163	1,016,163
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ 473,168	
Adjustments to Expenditures			(3,457)	
NET CHANGE IN FUND BALANCE			\$ 469,711	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 4,797	4,797	10,295	5,498
Total Revenues	<u>4,797</u>	<u>4,797</u>	<u>10,295</u>	<u>5,498</u>
EXPENDITURES				
Current:				
Instruction	15,256	15,256	6,600	8,656
Total Expenditures	<u>15,256</u>	<u>15,256</u>	<u>6,600</u>	<u>8,656</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(10,459)</u>	<u>(10,459)</u>	<u>3,695</u>	<u>14,154</u>
Other Financing Sources (Uses):				
Designated Cash	10,459	10,459	-	(10,459)
Total Other Financing Sources (Uses):	<u>10,459</u>	<u>10,459</u>	<u>-</u>	<u>(10,459)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>3,695</u>	<u>3,695</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>7,089</u>	<u>7,089</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>10,784</u>	<u>10,784</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,695	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 3,695</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 59,000	59,000	47,791	(11,209)
Charges for Services	600	600	39	(561)
Total Revenues	59,600	59,600	47,830	(11,770)
EXPENDITURES				
Food Services Operations	61,372	61,372	49,304	12,068
Total Expenditures	61,372	61,372	49,304	12,068
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(1,772)</i>	<i>(1,772)</i>	<i>(1,474)</i>	<i>298</i>
Other Financing Sources (Uses):				
Designated Cash	1,772	1,772	-	(1,772)
Total Other Financing Sources (Uses):	1,772	1,772	-	(1,772)
Net Change in Fund Balance	-	-	(1,474)	(1,474)
Cash or Fund Balance - Beginning of Year	-	-	438	438
Cash or Fund Balance - End of Year	\$ -	-	(1,036)	(1,036)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,474)	
Adjustments to Revenues			(3,381)	
Adjustments to Expenditures			4,417	
NET CHANGE IN FUND BALANCE			\$ (438)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I - IASA 24101
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 37,671	40,759	47,547	6,788
Total Revenues	<u>37,671</u>	<u>40,759</u>	<u>47,547</u>	<u>6,788</u>
EXPENDITURES				
Current:				
Instruction	37,671	40,759	40,759	-
Total Expenditures	<u>37,671</u>	<u>40,759</u>	<u>40,759</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	6,788	6,788
Net Change in Fund Balance	-	-	6,788	6,788
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>6,788</u>	<u>6,788</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,788	
Adjustments to Revenues			(6,788)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 19,833	21,856	19,833	(2,023)
Total Revenues	<u>19,833</u>	<u>21,856</u>	<u>19,833</u>	<u>(2,023)</u>
EXPENDITURES				
Current:				
Instruction	19,833	21,856	19,764	2,092
Total Expenditures	<u>19,833</u>	<u>21,856</u>	<u>19,764</u>	<u>2,092</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	69	69
Net Change in Fund Balance	-	-	69	69
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>69</u>	<u>69</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 69	
Adjustments to Revenues			(69)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher/Principal Training 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	10,908	-	(10,908)
Total Revenues	<u>-</u>	<u>10,908</u>	<u>-</u>	<u>(10,908)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	-	10,908	10,908	-
Total Expenditures	<u>-</u>	<u>10,908</u>	<u>10,908</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(10,908)	(10,908)
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(10,908)</u>	<u>(10,908)</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>(10,908)</u>	<u>(10,908)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (10,908)	
Adjustments to Revenues			10,908	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Daniels Fund 26141
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
<i>Net Change in Fund Balance</i>	-	-	-	-
<i>Cash or Fund Balance - Beginning of Year</i>	-	-	-	-
<i>Cash or Fund Balance - End of Year</i>	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Partners for Developing Futures 26208
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
Support Services:				
School Administration	6,115	2,075	2,075	-
<i>Total expenditures</i>	6,115	2,075	2,075	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(6,115)	(2,075)	(2,075)	-
<i>Other financing sources (uses):</i>				
Designated Cash	6,115	2,075	-	(2,075)
<i>Total other financing sources (uses):</i>	6,115	2,075	-	(2,075)
 <i>Net change in Fund Balance</i>	-	-	(2,075)	(2,075)
<i>Cash or Fund Balance - Beginning of Year</i>	-	-	2,075	2,075
<i>Cash or Fund Balance - End of Year</i>	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,075)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (2,075)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
College Advisors Initiative 27189
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	32,500	97,500	65,000
Total Revenues	-	32,500	97,500	65,000
EXPENDITURES				
Support Services:				
General Administration	-	32,500	32,500	-
Total Expenditures	-	32,500	32,500	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	65,000	65,000
Net Change in Fund Balance	-	-	65,000	65,000
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	65,000	65,000
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 65,000	
Adjustments to Revenues			(65,000)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	7,093	7,093
Total Revenues	-	-	7,093	7,093
EXPENDITURES				
Current:				
Instruction	22,139	27,635	27,635	-
Total Expenditures	22,139	27,635	27,635	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(22,139)	(27,635)	(20,542)	7,093
Other financing sources (uses):				
Operating transfers	-	-	(3,054)	(3,054)
Designated Cash	22,139	27,635	-	(27,635)
Total other financing sources (uses):	22,139	27,635	(3,054)	(30,689)
Net Change in Fund Balance	-	-	(23,596)	(23,596)
Cash or Fund Balance - Beginning of Year	-	-	27,635	27,635
Cash or Fund Balance - End of Year	\$ -	-	4,039	4,039
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (20,542)	
Adjustments to Revenues			2,000	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (18,542)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
McCune Charitable Foundation 29114
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	57,923	10,000	(47,923)
Total Revenues	<u>-</u>	<u>57,923</u>	<u>10,000</u>	<u>(47,923)</u>
EXPENDITURES				
Current:				
Central Services	-	1,885	1,879	6
Operation & Maintenance of Plant	-	26,038	-	26,038
Community Services Operations	-	30,000	24,064	5,936
Total Expenditures	<u>-</u>	<u>57,923</u>	<u>25,943</u>	<u>31,980</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(15,943)</u>	<u>(15,943)</u>
Other financing sources (uses):				
Designated Cash	-	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(15,943)</u>	<u>(15,943)</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>47,923</u>	<u>47,923</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>31,980</u>	<u>31,980</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (15,943)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (15,943)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	131,421	135,381	3,960
Total Revenues	-	131,421	135,381	3,960
EXPENDITURES				
Capital Outlay	-	131,421	131,421	-
Total Expenditures	-	131,421	131,421	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	3,960	3,960
Net Change in Fund Balance	-	-	3,960	3,960
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	3,960	3,960
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,960	
Adjustments to Revenues			(3,960)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay 31400
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 115,000	115,000	66,637	(48,363)
Total Revenues	115,000	115,000	66,637	(48,363)
EXPENDITURES				
Current:				
Capital Outlay	115,000	115,000	74,798	40,202
Total Expenditures	115,000	115,000	74,798	40,202
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(8,161)	(8,161)
Net Change in Fund Balance	-	-	(8,161)	(8,161)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	(8,161)	(8,161)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (8,161)	
Adjustments to Revenues			7,742	
Adjustments to Expenditures			419	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 29,021	29,021	27,014	(2,007)
State Grant	-	3,450	-	(3,450)
Total Revenues	29,021	32,471	27,014	(5,457)
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	1,000	271	729
Capital Outlay	49,681	51,127	-	51,127
Total Expenditures	49,681	52,127	271	51,856
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(20,660)</i>	<i>(19,656)</i>	<i>26,743</i>	<i>46,399</i>
Other Financing Sources (Uses):				
Designated Cash	20,660	19,656	-	(19,656)
Total Other Financing Sources (Uses):	20,660	19,656	-	(19,656)
Net Change in Fund Balance	-	-	26,743	46,399
Cash or Fund Balance - Beginning of Year	-	-	19,656	-
Cash or Fund Balance - End of Year	\$ -	-	46,399	46,399
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 26,743	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 26,743	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Suntrust Bank	GO MUN PURP LN BD	168592S46	12/1/2025	\$ 718,268
Suntrust Bank	GO REF SCH BDS	400424JZ1	11/1/2022	571,420
				<u>\$ 1,289,688</u>
Total Cash per Schedule of Cash Accounts:				\$ 1,170,650
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				920,650
Collateral Requirement:				460,325
Pledged Collateral Held by Pledging Financial Institution:				<u>1,289,688</u>
Balance Over (Under) Collateralized:				<u>\$ 829,363</u>
Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>US Bank</u>
Checking - Operational Account	\$ 1,170,650
Reconciling Items	(100,554)
Reconciled Balance June 30, 2016	1,070,096
Less Agency Funds	(786)
<i>Total Cash</i>	<u>\$ 1,069,310</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Agency Funds Account 23000
	<u>11000</u>	<u>14000</u>	<u>21000</u>	<u>23000</u>
Cash, June 30, 2015	\$ 410,206	7,089	-	-
Add:				
2015-16 revenues	<u>2,366,055</u>	<u>10,295</u>	<u>47,830</u>	<u>878</u>
Total Cash Available	2,776,261	17,384	47,830	878
Less:				
2015-16 expenditures	(1,892,887)	(6,600)	(49,304)	(92)
Receivables/Payables	29,046	-	4,417	-
Outstanding Loans	<u>60,018</u>	<u>-</u>	<u>(2,943)</u>	<u>-</u>
Cash June 30, 2016	<u>972,438</u>	<u>10,784</u>	<u>-</u>	<u>786</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>972,438</u>	<u>10,784</u>	<u>-</u>	<u>786</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>40,268</u>	<u>-</u>	<u>-</u>	<u>(786)</u>
Fund Balance, Modified Accrual Basis	<u><u>\$1,012,706</u></u>	<u><u>10,784</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

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

Federal Projects Account 24000	Local Grants Account 26000	State Account 27000	Local or State Account 29000	Public School Capital Outlay 31200	Special Capital Outlay 31400
-	2,668	-	75,558	-	-
67,380	-	97,500	17,093	135,381	66,637
67,380	2,668	97,500	92,651	135,381	66,637
(71,431)	(2,075)	(32,500)	(53,578)	(131,421)	(74,798)
(69)	-	-	-	-	419
4,120	-	(64,977)	-	(3,960)	7,742
-	593	23	39,073	-	-
-	-	-	-	-	-
-	593	23	39,073	-	-
-	(593)	(23)	2,000	-	-
-	-	-	41,073	-	-

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Cash Reconciliation
 June 30, 2016

	Capital Improvement 31700	Total
	<u>31700</u>	<u>Total</u>
Cash, June 30, 2015	19,656	515,177
Add:		
2015-16 revenues	<u>27,014</u>	<u>2,836,063</u>
Total Cash Available	46,670	3,351,240
Less:		
2015-16 expenditures	(271)	(2,314,957)
Receivables/Payables	-	33,813
Outstanding Loans	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>46,399</u>	<u>1,070,096</u>
Fund Balance Reconciliations to GAAP Basis:		
Audit reclassifications to cash	<u>-</u>	<u>-</u>
Cash Per Books	<u>46,399</u>	<u>1,070,096</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:		<u>(786)</u>
		<u>\$ 1,069,310</u>
Fund Balance Reconciliation to GAAP Basis:		
Modified Accrual Adjustments	<u>-</u>	<u>40,866</u>
Fund Balance, Modified Accrual Basis	<u>46,399</u>	<u>1,110,962</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Statement of Net Position
June 30, 2016
Unaudited

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 78,457
Deposits	30,000
Total Current Assets	<u>108,457</u>
Total Assets	<u>108,457</u>

Deferred Outflows - Pension Related	<u>1,329,494</u>
--	------------------

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	300
Accrued Liabilities	1,328
Total Current Liabilities	<u>1,628</u>

Noncurrent Liabilities:

Net Pension Liability	<u>1,750,157</u>
Total Noncurrent Liabilities	<u>1,750,157</u>
Total Liabilities	<u>1,751,785</u>

Deferred Inflows - Pension Related	<u>40,324</u>
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NET POSITION

Restricted	31,300
Unrestricted (Deficit)	<u>(385,458)</u>
Total Net Position	<u><u>\$ (354,158)</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Statement of Activities
For The Year Ended June 30, 2016
Unaudited

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 443,537	-	431	-	(443,106)
Support Services:					
Students	58,546	-	-	-	(58,546)
General Administration	117,221	-	-	-	(117,221)
School Administration	6,278	-	-	-	(6,278)
Central Services	18,615	-	-	-	(18,615)
Operation & Maintenance of Plant	52,040	-	-	-	(52,040)
Student Transportation	2,217	-	-	-	(2,217)
Food Services	9,761	-	-	-	(9,761)
Total Governmental Activities	\$ 708,215	-	431	-	(707,784)
			Change in Net Position		(707,784)
			Net Position, Beginning		246,846
			Restatement		106,780
			Net Position, as Restated		353,626
			Net Position (Deficit), Ending		<u>\$ (354,158)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Balance Sheets - Governmental Funds
June 30, 2016
Unaudited

	Operational 11000	Pupil Transportation 13000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 77,099	-	1,300	58
Accounts Receivable				
Due from Other Funds	13,654	-	-	-
Deposits	-	30,000	-	-
Total Assets	\$ 90,753	30,000	1,300	58
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 300	-	-	-
Accrued Expenditures	1,270	-	-	58
Due to Other Funds	-	13,654	-	-
Total Liabilities	1,570	13,654	-	58
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	-	30,000	-	-
Restricted for:				
Food Service Operations	-	-	1,300	-
Unassigned (Deficit)	89,183	(13,654)	-	-
Total Fund Balance	89,183	16,346	1,300	-
Total Liabilities and Fund Balances	\$ 90,753	30,000	1,300	58

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

Total

78,457

13,654

30,000

122,111

300

1,328

13,654

15,282

30,000

1,300

75,529

106,829

122,111

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016
Unaudited

Fund Balance - Total Governmental Funds	\$ 106,829
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>	
<p>Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.</p>	1,329,494
<p>The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.</p>	(1,750,157)
<p>Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.</p>	(40,324)
Net Position (Deficit) - Total Governmental Activities	<u>\$ (354,158)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016
Unaudited

	Operational 11000	Pupil Transportation 13000	Food Services 21000	Title I IASA 24101
REVENUES				
Local & County Grant	\$ 431	-	-	-
Total Revenues	<u>431</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	473	-	-	-
Support Services:				
School Administration	6,278	-	-	-
Central Services	18,615	-	-	-
Operation & Maintenance of Plant	37,749	-	-	-
Food Services Operations	9,761	-	-	-
Total Expenditures	<u>72,876</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>(72,445)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>161,628</u>	<u>16,346</u>	<u>1,300</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 89,183</u>	<u>16,346</u>	<u>1,300</u>	<u>-</u>

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

Total

431

431

473

6,278

18,615

37,749

9,761

72,876

(72,445)

179,274

106,829

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016
Unaudited

Net Change in Fund Balance - Total Governmental Funds **\$ (72,445)**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Loss on disposal of assets (67,572)

Changes in deferred outflows resources-pension related, deferred
 inflows of resources-pension related and the net pension liability (567,767)

Change in Net Position - Total Governmental Activities **\$ (707,784)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2016
Unaudited

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 437
Total Assets	<u>\$ 437</u>
LIABILITIES	
Deposits Held for Others	\$ 437
Total Liabilities	<u>\$ 437</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2016
Unaudited

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 697	-	(260)	437
Total Assets	<u>\$ 697</u>	<u>-</u>	<u>(260)</u>	<u>437</u>
 LIABILITIES				
Deposits Held for Others	\$ 697	-	(260)	437
Total Liabilities	<u>\$ 697</u>	<u>-</u>	<u>(260)</u>	<u>437</u>

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for Health Sciences Academy were distributed to other schools after the school closed as part of the normal school closing process. At the end of year ending June 30, 2016, Health Science Academy had no capital assets.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Notes to Financial Statements
June 30, 2016
Unaudited

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 81,504	-	(81,504)	-
<i>Total</i>	81,504	-	(81,504)	-
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(13,932)	-	(13,932)	-
<i>Total</i>	(13,932)	-	(13,932)	-
Capital Assets, Net	\$ 67,572	-	(67,572)	-

NOTE 3. SUBSEQUENT EVENTS

After fiscal year 2015, the New Mexico Public Education Department did not renew the school's charter agreement and the school closed effective June 30, 2015.

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

Contributions. The contribution requirements of defined benefit plan members and Health Sciences Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal year ended June 30, 2016 and 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Health Sciences Academy were \$-0- for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, using generally accepted actuarial principles. At June 30, 2016, Health Sciences Academy reported a liability of \$1,750,157. Health Sciences Academy's proportion of the net

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Notes to Financial Statements
June 30, 2016
Unaudited

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Health Sciences Academy's proportion was 0.027019% percent, which was an increase of 0.027019% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Health Sciences Academy recognized pension expense of \$567,751. At the June 30, 2016, Health Sciences Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (32,447)
Changes in assumptions	60,197	-
Net difference between projected and actual earnings on pension plan investments	-	(7,877)
Changes in proportion	1,269,297	-
Fiscal year 2016 employer contributions	-	-
Ending balance	<u>\$ 1,329,494</u>	<u>\$ (40,324)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Notes to Financial Statements
June 30, 2016
Unaudited

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (430,626)
2018	(431,583)
2019	(402,653)
2020	<u>(24,308)</u>
Total	<u><u>\$ (1,289,170)</u></u>

Sensitivity of Health Sciences Academy’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Health Sciences Academy’s proportionate share of the net pension liability	<u>\$2,354,954</u>	<u>1,750,157</u>	<u>1,242,066</u>

NOTE 5. RESTATEMENT

As a result of implementation of GASB Statement 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2015 was restated in the amount of \$106,780.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
HEALTH SCIENCES ACADEMY
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	1,750	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	737	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	237.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the prior year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
HEALTH SCIENCES ACADEMY
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 107	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	107	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2015	\$ (1,289)	5			(430)	(432)	(403)	(24)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ (1,289)			\$ -	(430)	(432)	(403)	(24)	-	-	-	-

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
HEALTH SCIENCES ACADEMY
SCHEDULE OF BUDGETARY COMPARISONS
Year Ended June 30, 2016**

The School closed effective June 30, 2015, there were no budgets approved or submitted.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Sciences Academy
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016
 Unaudited

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	79,191
Less: FDIC coverage:		<u>(79,191)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Schedule of Cash Accounts
June 30, 2016
Unaudited

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 78,754
Checking - Activity Account	437
<i>Total on Deposit</i>	79,191
Reconciling Items	(297)
Reconciled Balance June 30, 2016	78,894
Less Agency Funds	(437)
<i>Total Cash</i>	\$ 78,457

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Cash Reconciliation
June 30, 2016
Unaudited

	Operational 11000	Pupil Transportation 13000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 102,057	-	1,300	697
Add:				
2015-16 revenues	431	-	-	-
Total Cash Available	102,488	-	1,300	697
Less:				
2015-16 expenditures	(73,716)	-	-	(260)
Receivables/Payables	48,253	-	-	-
Outstanding Loans	-	-	-	-
Cash June 30, 2016	77,025	-	1,300	437
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	74	-	-	-
Cash Per Books	77,099	-	1,300	437
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	12,084	16,346	-	(437)
Fund Balance, Modified Accrual Basis	\$ 89,183	16,346	1,300	-

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

Federal Projects	
Account	
24000	Total
-	104,054
-	431
-	104,485
-	(73,976)
58	48,311
-	-
58	78,820
-	74
58	78,894
Less: Agency Fund	(437)
	<u>\$ 78,457</u>
(58)	27,935
-	106,829
	<u>\$ 106,829</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,136,499
Receivables	
Due from Other Governments	220,695
Total Current Assets	<u>1,357,194</u>

Noncurrent Assets:

Capital Assets	
Land	164,000
Building and Improvements	5,174,123
Furniture, Fixtures, and Equipment	11,077
Less: Accumulated Depreciation	<u>(396,235)</u>
Total Capital Assets	4,952,965
Restricted Cash	<u>809,782</u>
Total Noncurrent Assets	<u>5,762,747</u>
Total Assets	<u>7,119,941</u>

Deferred Outflows - Pension Related	<u>437,336</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accrued Liabilities	293,452
Accrued Interest	129,925
Compensated Absences	8,426
Current Portion of Bonds Payable	<u>85,000</u>
Total Current Liabilities	<u>516,803</u>

Noncurrent Liabilities:

Bonds Payable	6,500,000
Net Pension Liability	<u>4,037,280</u>
Total Noncurrent Liabilities	<u>10,537,280</u>
Total Liabilities	<u>11,054,083</u>

Deferred Inflows - Pension Related	<u>200,993</u>
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NET POSITION

Net Investment in Capital Assets	(822,253)
Restricted	1,347,388
Unrestricted (deficit)	<u>(4,222,934)</u>
Total Net Position	<u>\$ (3,697,799)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,340,631	70,610	461,365	-	(1,808,656)
Support Services:					
Students	240,055	-	89,226	-	(150,829)
Instruction	42,496	-	31,560	-	(10,936)
General Administration	39,246	-	-	-	(39,246)
School Administration	239,188	-	12,571	-	(226,617)
Central Services	160,928	-	-	-	(160,928)
Operation & Maintenance of Plant	258,585	-	-	-	(258,585)
Interest on Long-term Debt	391,525	-	-	-	(391,525)
Food Services	252,523	21,338	244,747	-	13,562
Facilities Materials, Supplies & Other Services	149,698	-	-	346,715	197,017
Total Governmental Activities	\$ 4,114,875	91,948	839,469	346,715	(2,836,743)
General Revenues:					
Property Taxes					\$ 139,860
State Equalization Guarantee					2,869,822
Miscellaneous					17,383
Total General Revenues					<u>3,027,065</u>
Change in Net Position					190,322
Net Position (deficit), Beginning					<u>(3,888,121)</u>
Net position (deficit), Ending					<u>\$ (3,697,799)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 588,708	1,611	105,863	-
Restricted Cash	-	-	-	-
Accounts Receivable				
Due from Government	-	-	-	62,625
Due from Other Funds	170,014	-	-	-
Total Assets	<u>\$ 758,722</u>	<u>1,611</u>	<u>105,863</u>	<u>62,625</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accrued Liabilities	\$ 249,084	-	-	15,460
Due to Other Funds	-	-	-	47,165
Total Liabilities	<u>249,084</u>	<u>-</u>	<u>-</u>	<u>62,625</u>
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	1,611	-	-
Food Services	-	-	105,863	-
Debt Service	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	509,638	-	-	-
Unassigned	-	-	-	-
Total Fund Balance s	<u>509,638</u>	<u>1,611</u>	<u>105,863</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 758,722</u>	<u>1,611</u>	<u>105,863</u>	<u>62,625</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	2012 GO Bond Student Library SB-66 27107	New Mexico Reads to Lead K-3 27114	Pre-K Initiative 27149
-	-	-	-	-	-
-	-	-	-	-	-
12,559	94	11,698	4,232	14,852	18,174
-	-	-	-	-	-
<u>12,559</u>	<u>94</u>	<u>11,698</u>	<u>4,232</u>	<u>14,852</u>	<u>18,174</u>
4,121	-	108	-	9,194	9,341
8,438	94	11,590	4,232	5,658	8,833
<u>12,559</u>	<u>94</u>	<u>11,698</u>	<u>4,232</u>	<u>14,852</u>	<u>18,174</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>12,559</u>	<u>94</u>	<u>11,698</u>	<u>4,232</u>	<u>14,852</u>	<u>18,174</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Breakfast for Elementary Students 27155	NM Grown Fruits & Vegetables 27183	Private Direct Grants 29102	Public Schools Capital Outlay 31200
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Restricted Cash	-	-	-	-
Accounts Receivable				
Due from Government	-	439	-	83,565
Due from Other Funds	-	-	-	-
Total Assets	\$ -	439	-	83,565
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accrued Liabilities	\$ -	-	-	-
Due to Other Funds	-	439	-	83,565
Total Liabilities	-	439	-	83,565
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	-
Food Services	-	-	-	-
Debt Service	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	-	-	-	-
Total Liabilities and Fund Balances	\$ -	439	-	83,565

The accompanying notes are an integral part of these financial statements

SB-9 Capital Improvements 31700	CREW 61000	Foundation	Total
370,498	16,838	52,981	1,136,499
-	-	809,782	809,782
12,457	-	-	220,695
-	-	-	170,014
382,955	16,838	862,763	2,336,990
-	340	5,804	293,452
-	-	-	170,014
-	340	5,804	463,466
-	-	-	1,611
-	-	-	105,863
-	-	856,959	856,959
382,955	-	-	382,955
-	-	-	509,638
-	16,498	-	16,498
382,955	16,498	856,959	1,873,524
382,955	16,838	862,763	2,336,990

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds		\$ 1,873,524
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital Assets	5,349,200	
Accumulated Depreciation	<u>(396,235)</u>	4,952,965
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		
		437,336
The General Obligation Bonds are not due in the current period and, therefore, are not reported in the funds.		
		(6,585,000)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds		
Accrued Interest	(129,925)	
Compensated Absences	<u>(8,426)</u>	(138,351)
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		
		(200,993)
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		
		<u>(4,037,280)</u>
Net Position-Total Governmental Activities		\$ <u>(3,697,799)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	2,869,822	31,096	-	-
Federal Grant	-	-	244,308	178,792
Charges for Services	-	-	21,338	-
Miscellaneous Income	16,608	-	-	-
Total Revenues	<u>2,886,430</u>	<u>31,096</u>	<u>265,646</u>	<u>178,792</u>
EXPENDITURES				
Current:				
Instruction	1,789,397	45,058	-	106,504
Support Services:				
Students	150,343	-	-	46,171
Instruction	10,764	-	-	25,723
General Administration	37,847	-	-	-
School Administration	225,127	-	-	394
Central Services	155,825	-	-	-
Operation & Maintenance of Plant	464,644	-	-	-
Food Services Operations	-	-	252,084	-
Capital Outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>2,833,947</u>	<u>45,058</u>	<u>252,084</u>	<u>178,792</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>52,483</u>	<u>(13,962)</u>	<u>13,562</u>	<u>-</u>
Other financing sources (uses):				
Transfers in (out)	(18,987)	-	-	-
Total other financing sources (uses)	<u>(18,987)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>33,496</u>	<u>(13,962)</u>	<u>13,562</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>476,142</u>	<u>15,573</u>	<u>92,301</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 509,638</u>	<u>1,611</u>	<u>105,863</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	2012 GO Bond Student Library SB-66 27107	New Mexico Reads to Lead K-3 27114	Pre-K Initiative 27149
-	-	-	-	-	-
-	-	-	4,232	97,028	126,144
136,923	94	20,413	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>136,923</u>	<u>94</u>	<u>20,413</u>	<u>4,232</u>	<u>97,028</u>	<u>126,144</u>
103,657	-	20,413	-	95,423	104,272
33,266	94	-	-	-	9,695
-	-	-	4,232	1,605	-
-	-	-	-	-	-
-	-	-	-	-	12,177
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>136,923</u>	<u>94</u>	<u>20,413</u>	<u>4,232</u>	<u>97,028</u>	<u>126,144</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2016

	Breakfast for Elementary Students 27155	NM Grown Fruits & Vegetables 27183	Private Direct Grants 29102	Public School Capital Outlay 31200
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	-	439	-	334,258
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	700	-
Total Revenues	-	439	700	334,258
EXPENDITURES				
Current:				
Instruction	-	-	700	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Food Services Operations	-	439	-	-
Capital Outlay	-	-	-	334,258
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	439	700	334,258
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Other financing sources (uses):				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances - End of Year	\$ -	-	-	-

The accompanying notes are an integral part of these financial statements

SB-9 Capital Improvements 31700	CREW 61000	Foundation	Total
139,860	-	-	139,860
12,457	-	-	3,475,476
-	-	-	580,530
-	70,610	540,317	632,265
-	-	75	17,383
<u>152,317</u>	<u>70,610</u>	<u>540,392</u>	<u>4,845,514</u>
-	67,670	-	2,333,094
-	-	-	239,569
-	-	-	42,324
1,399	-	-	39,246
-	326	-	238,024
-	5,103	-	160,928
-	-	-	464,644
-	-	-	252,523
12,458	-	38,879	385,595
-	-	50,000	50,000
-	-	392,400	392,400
<u>13,857</u>	<u>73,099</u>	<u>481,279</u>	<u>4,598,347</u>
<u>138,460</u>	<u>(2,489)</u>	<u>59,113</u>	<u>247,167</u>
-	18,987	-	-
-	18,987	-	-
<u>138,460</u>	<u>16,498</u>	<u>59,113</u>	<u>247,167</u>
<u>244,495</u>	<u>-</u>	<u>797,846</u>	<u>1,626,357</u>
<u>382,955</u>	<u>16,498</u>	<u>856,959</u>	<u>1,873,524</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 247,167**

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

Change in Compensated Absences 3,418

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlays	27,875	
Depreciation Expense	(128,893)	
		(101,018)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Bonds Payable Principal Payments	50,000	
Change in Accrued Interest	875	
		50,875

Changes in deferred outflows of resources - pension related, deferred inflows of resources - pension related, and the net pension liability		(10,120)

Change in Net Position-Total Governmental Activities **\$ 190,322**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 31,078
Total Assets	<u>\$ 31,078</u>
LIABILITIES	
Deposits Held for Others	\$ 31,078
Total Liabilities	<u>\$ 31,078</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Horizon Academy West
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 28,360	58,114	(55,396)	31,078
Total Assets	<u>\$ 28,360</u>	<u>58,114</u>	<u>(55,396)</u>	<u>31,078</u>
LIABILITIES				
Deposits Held for Others	\$ 28,360	58,114	(55,396)	31,078
Total Liabilities	<u>\$ 28,360</u>	<u>58,114</u>	<u>(55,396)</u>	<u>31,078</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5-7 years
Leasehold Improvements	10 years
Buildings and Improvements	40 years

Capital assets for Horizon Academy West are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Reclass</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets not being Depreciated:</i>				
Land	\$ 164,000	-	-	164,000
Construction-in-process	3,424	-	(3,424)	-
<i>Total</i>	<u>167,424</u>	<u>-</u>	<u>(3,424)</u>	<u>164,000</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	29,818	-	(18,741)	11,077
Building and Improvements	5,124,083	27,875	22,165	5,174,123
<i>Total</i>	<u>5,153,901</u>	<u>27,875</u>	<u>3,424</u>	<u>5,185,200</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(9,777)	(1,726)	7,184	(4,319)
Building and improvements	(257,565)	(127,167)	(7,184)	(391,916)
<i>Total</i>	<u>(267,342)</u>	<u>(128,893)</u>	<u>-</u>	<u>(396,235)</u>
Capital Assets, Net	<u>\$ 5,053,983</u>	<u>(101,018)</u>	<u>-</u>	<u>4,952,965</u>

Depreciation expense for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 2,657
Facilities, Materials, Supplies & Other Services	126,236
Total	<u><u>\$ 128,893</u></u>

NOTE 3. COMMITMENTS AND LIABILITIES

Horizon Academy West leases equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2016 was \$540,317. Horizon Academy West's minimum future payments on these leases are as follows:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Notes to the Financial Statements
June 30, 2016

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

Year Ending June 30:	
2017	\$ 522,745
2018	523,096
2019	523,158
2020	522,931
2021	527,821
2022- 2026	2,626,030
2027- 2031	2,618,000
2032- 2036	2,624,490
2037- 2041	2,623,940
2042- 2046	<u>2,136,420</u>
Total	<u><u>\$ 15,248,631</u></u>

Revenue Bonds are secured by pledges of certain revenues and assets. On October 1, 2012, Horizon Academy West, pursuant to a lease purchase agreement with Horizon Academy Foundation and indenture of trust, issued its Educational Facility Revenue Bonds Series 2012 in the aggregate principal amount of \$6,715,000. Bond proceeds were used to acquire, renovate and equip a 40,000 square foot charter school facility that will house classrooms from kindergarten through sixth grade. The Horizon Academy West pledges, transfers, and grants a security interest in and assigns to Wells Fargo Bank, N.A. to secure the payment of lease payments in accordance with the terms and provisions of the lease, all funds, monies, grants, or other distributions received by the School from the State of New Mexico with respect to Equalization Guarantee funding, State Leasing or account established by the Horizon Academy West, but specifically excluding State funding under the Charter School Act which is specifically dedicated to the payment of expenses of the Charter School which do not include payment of amounts due under the Lease and all such operating expenses of the Horizon Academy West required under State or federal laws to provide required educational program expenditures.

The total bond payable as of June 30, 2016 is as follows:

Series 2012 Education Facility Revenue Bond; Interest rate 5.25% due in quarterly installments; Maturing September 1, 2022	\$ 710,000
Series 2012 Education Facility Revenue Bond; Interest rate 6% due in quarterly installments; Maturing September 1, 2045	<u>5,875,000</u>
Total Bond Payable	<u><u>\$ 6,585,000</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Notes to the Financial Statements
June 30, 2016

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

The aggregate amounts of principal maturities and interest of bonds payable are as follows:

	Principal	Interest	Total
2017	\$ 85,000	389,775	474,775
2018	90,000	385,312	475,312
2019	95,000	380,589	475,589
2020	100,000	375,600	475,600
2021	105,000	370,350	475,350
2022-2026	630,000	1,758,338	2,388,338
2027-2031	830,000	1,549,800	2,379,800
2032-2036	1,120,000	1,268,100	2,388,100
2037-2041	1,495,000	890,100	2,385,100
2042-2046	2,035,000	384,300	2,419,300
Total	<u>\$ 6,585,000</u>	<u>7,752,264</u>	<u>14,337,264</u>

Horizon Academy West had a compensated absences balance of \$11,844 at the beginning of the fiscal year. Decreases to the balance were \$3,418 which resulted in an ending balance of \$8,426. All of this balance is considered to be current.

NOTE 4. RELATED PARTY TRANSACTIONS

Horizon Academy West created a Foundation to construct a school. The Foundation is considered a component unit of Horizon Academy West and is presented as a blended component unit.

The accounting services for the Foundation were performed by RPC CPAs + Consultants, LLP. A member of the RPC CPAs + Consultants, LLP engagement team is an immediate family member of the Foundation's Treasurer. During fiscal year 2016, accounting service fees totaled \$9,056.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Horizon Academy West and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Horizon Academy West are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from Horizon Academy West were \$250,044 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2015. At June 30, 2016, Horizon Academy West reported a liability of \$4,037,298 for its proportionate share of the net pension liability. Horizon Academy West's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Horizon Academy West's proportion was 0.06233%, which was an increase of 0.00106% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Horizon Academy West recognized pension expense of \$266,099. At June 30, 2016, Horizon Academy West reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(74,848)
Changes in assumptions	138,864	-
Net difference between projected and actual earnings on pension plan investments	-	(18,173)
Changes in proportion	48,428	(107,972)
Fiscal year 2016 employer contributions	<u>250,044</u>	<u>-</u>
Ending balance	<u>\$ 437,336</u>	<u>(200,993)</u>

The amount of \$250,044 reported as deferred outflows of resources related to pensions resulting from Horizon Academy West contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ 50,224
2018	41,125
2019	(21,574)
2020	<u>(56,074)</u>
Total	<u>\$ 13,701</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Horizon Academy West
 Notes to the Financial Statements
 June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Horizon Academy West’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
The School’s proportionate share of the net pension liability	<u>\$ 5,432,430</u>	<u>4,037,280</u>	<u>2,865,209</u>

Payables to the pension plan. At June 30, 2016, Horizon Academy West owed \$74,048 to ERB for fiscal year 2016 contributions.

NOTE 6. Schedule of Budgetary Comparisons

A budget was not prepared for Fund 61000 (CREW), therefore this fund is not included in the Schedule of Budgetary Comparisons – Budgetary Basis.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.06%	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 3,496	4,037	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,689	1,702	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	237.24%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 281	\$ 250	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	246	250	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 35	\$ -	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Deferred	Amortization Years										
2014	\$ 535	5		\$ 155	\$ 155	\$ 146	\$ 79	-				
2015	\$ 14	5			50	41	(21)	(56)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ 549			\$ 155	\$ 205	187	58	(56)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 2,862,719	2,869,827	2,869,822	(5)
Charges for Services	101,000	-	-	-
Miscellaneous	-	16,608	16,608	-
Total Revenues	2,963,719	2,886,435	2,886,430	(5)
EXPENDITURES				
Current:				
Instruction	2,187,905	2,125,004	1,789,397	335,607
Support Services:				
Students	172,739	193,864	150,343	43,521
Instruction	20,671	22,035	10,763	11,272
General Administration	19,900	38,219	37,847	372
School Administration	411,529	263,689	225,127	38,562
Central Services	90,250	167,331	155,825	11,506
Operation & Maintenance of Plant	408,406	507,446	438,644	68,802
Other Support Services Operations	-	-	-	-
Total Expenditures	3,311,400	3,317,588	2,807,946	509,642
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(347,681)	(431,153)	78,484	509,637
Other Financing Sources (Uses):				
Transfers	-	-	(18,987)	
Designated Cash	347,681	431,153	-	(431,153)
Total Other Financing Sources (Uses):	347,681	431,153	(18,987)	(431,153)
Net Changes in Fund Balances	-	-	59,497	78,484
Cash or Fund Balances - Beginning of Year	-	-	476,142	476,142
Cash or Fund Balances - End of Year	\$ -	-	535,639	554,626
Reconciliation to GAAP Basis:				
<i>Net change in fund balance</i>			\$ 59,497	
Adjustments to Revenues			-	
Adjustments to Expenditures			(26,001)	
NET CHANGE IN FUND BALANCE			\$ 33,496	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 25,399	31,096	31,096	-
Total Revenues	<u>25,399</u>	<u>31,096</u>	<u>31,096</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	40,972	46,668	45,058	1,610
Total Expenditures	<u>40,972</u>	<u>46,668</u>	<u>45,058</u>	<u>1,610</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(15,573)</u>	<u>(15,572)</u>	<u>(13,962)</u>	<u>1,610</u>
Other Financing Sources (Uses):				
Designated Cash	15,573	15,572	-	(15,572)
Total Other Financing Sources (Uses):	<u>15,573</u>	<u>15,572</u>	<u>-</u>	<u>(15,572)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(13,962)</u>	<u>(13,962)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>15,573</u>	<u>15,573</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,611</u>	<u>1,611</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (13,962)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (13,962)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 225,000	246,000	244,308	(1,692)
Charges for Services	25,500	26,000	21,338	(4,662)
Total Revenues	<u>250,500</u>	<u>272,000</u>	<u>265,646</u>	<u>(6,354)</u>
EXPENDITURES				
Current:				
Food Services Operations	333,706	364,301	252,084	112,217
Total Expenditures	<u>333,706</u>	<u>364,301</u>	<u>252,084</u>	<u>112,217</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(83,206)</u>	<u>(92,301)</u>	<u>13,562</u>	<u>105,863</u>
Other Financing Sources (Uses):				
Designated Cash	83,206	92,301	-	(92,301)
Total Other Financing Sources (Uses):	<u>83,206</u>	<u>92,301</u>	<u>-</u>	<u>(92,301)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>13,562</u>	<u>13,562</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>92,301</u>	<u>92,301</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>105,863</u>	<u>105,863</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 13,562	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 13,562</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 166,434	182,288	186,956	4,668
Total Revenues	<u>166,434</u>	<u>182,288</u>	<u>186,956</u>	<u>4,668</u>
EXPENDITURES				
Current:				
Instruction	60,827	107,452	106,504	948
Support Services:				
Students	23,030	48,350	46,171	2,179
Instruction	38,176	26,092	25,723	369
School Administration	44,401	394	394	-
Total Expenditures	<u>166,434</u>	<u>182,288</u>	<u>178,792</u>	<u>3,496</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	8,164	8,164
Net Changes in Fund Balances	-	-	8,164	8,164
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>8,164</u>	<u>8,164</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,164	
Adjustments to Revenues			(8,164)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 84,780	203,362	167,775	(35,587)
Total Revenues	<u>84,780</u>	<u>203,362</u>	<u>167,775</u>	<u>(35,587)</u>
EXPENDITURES				
Current:				
Instruction	83,780	153,114	103,657	49,457
Support Services:				
Students	1,000	50,248	33,266	16,982
Total Expenditures	<u>84,780</u>	<u>203,362</u>	<u>136,923</u>	<u>66,439</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>30,852</u>	<u>30,852</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>30,852</u>	<u>30,852</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>30,852</u>	<u>30,852</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 30,852	
Adjustments to Revenues			(30,852)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	94	89	(5)
Total Revenues	<u>-</u>	<u>94</u>	<u>89</u>	<u>(5)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	94	94	-
Total expenditures	<u>-</u>	<u>94</u>	<u>94</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(5)</u>	<u>(5)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5)</u>	<u>(5)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5)</u>	<u>(5)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5)	
Adjustments to Revenues			5	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Horizon Academy West
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 21,850	37,027	30,046	(6,981)
Total Revenues	<u>21,850</u>	<u>37,027</u>	<u>30,046</u>	<u>(6,981)</u>
EXPENDITURES				
Current:				
Instruction	16,000	31,177	20,413	10,764
Support Services:				
School Administration	5,850	5,850	-	5,850
Total expenditures	<u>21,850</u>	<u>37,027</u>	<u>20,413</u>	<u>16,614</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	9,633	9,633
Net changes in Fund Balances	-	-	9,633	9,633
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>9,633</u>	<u>9,633</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 9,633	
Adjustments to Revenues			(9,633)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
2012 GO Bond Student Library SB-66 27107
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 4,232	4,232	3,525	(707)
Total Revenues	<u>4,232</u>	<u>4,232</u>	<u>3,525</u>	<u>(707)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	4,232	4,232	4,232	-
Total Expenditures	<u>4,232</u>	<u>4,232</u>	<u>4,232</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(707)	(707)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(707)</u>	<u>(707)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(707)</u>	<u>(707)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (707)	
Adjustments to Revenues			707	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Horizon Academy West
 Schedule of Budgetary Comparisons - Budgetary Basis
 New Mexico Reads to Lead K-3 27114
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 97,500	97,500	109,613	12,113
Total Revenues	<u>97,500</u>	<u>97,500</u>	<u>109,613</u>	<u>12,113</u>
EXPENDITURES				
Current:				
Instruction	97,500	95,685	95,423	262
Support Services:				
Instruction	-	1,815	1,605	210
Total Expenditures	<u>97,500</u>	<u>97,500</u>	<u>97,028</u>	<u>472</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	12,585	12,585
Net Changes in Fund Balances	-	-	12,585	12,585
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>12,585</u>	<u>12,585</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 12,585	
Adjustments to revenues			(12,585)	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
Pre-K Initiative 27149
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 128,248	128,248	170,982	42,734
Total Revenues	<u>128,248</u>	<u>128,248</u>	<u>170,982</u>	<u>42,734</u>
EXPENDITURES				
Current:				
Instruction	104,273	104,273	104,272	1
Support Services:				
Students	5,000	9,901	9,695	206
School Administration	17,775	12,874	12,177	697
Operation & Maintenance of Plant	1,200	1,200	-	1,200
Total Expenditures	<u>128,248</u>	<u>128,248</u>	<u>126,144</u>	<u>2,104</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	44,838	44,838
Net Changes in Fund Balances	-	-	44,838	44,838
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>44,838</u>	<u>44,838</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 44,838	
Adjustments to Revenues			(44,838)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
Breakfast for Elementary Students 27155
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	12,583	12,583
Total Revenues	<u>-</u>	<u>-</u>	<u>12,583</u>	<u>12,583</u>
EXPENDITURES				
Current:				
Food Services Operations	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>12,583</u>	<u>12,583</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>12,583</u>	<u>12,583</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>12,583</u>	<u>12,583</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 12,583	
Adjustments to Revenues			(12,583)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
NM Grown Fruits & Vegetables 27183
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	487	-	(487)
Total Revenues	<u>-</u>	<u>487</u>	<u>-</u>	<u>(487)</u>
EXPENDITURES				
Current:				
Food Services Operations	-	487	439	48
Total Expenditures	<u>-</u>	<u>487</u>	<u>439</u>	<u>48</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(439)</u>	<u>(439)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(439)</u>	<u>(439)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(439)</u>	<u>(439)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (439)	
Adjustments to Revenues			439	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Horizon Academy West
 Schedule of Budgetary Comparisons - Budgetary Basis
 Private Direct Grants 29102
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Miscellaneous	\$ -	700	700	-
Total Revenues	<u>-</u>	<u>700</u>	<u>700</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	700	700	-
Total Expenditures	<u>-</u>	<u>700</u>	<u>700</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	334,258	327,371	(6,887)
Total Revenues	<u>-</u>	<u>334,258</u>	<u>327,371</u>	<u>(6,887)</u>
EXPENDITURES				
Capital Outlay	-	334,258	334,258	-
Total Expenditures	<u>-</u>	<u>334,258</u>	<u>334,258</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(6,887)	(6,887)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(6,887)</u>	<u>(6,887)</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(6,887)</u>	<u>(6,887)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,887)	
Adjustments to Revenues			6,887	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 137,999	137,999	139,860	1,861
State Grant	2,037	12,458	18,619	6,161
Total Revenues	<u>140,036</u>	<u>150,457</u>	<u>158,479</u>	<u>8,022</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	1,100	2,000	1,399	601
Capital Outlay	383,567	392,951	12,458	380,493
Total Expenditures	<u>384,667</u>	<u>394,951</u>	<u>13,857</u>	<u>381,094</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(244,631)</u>	<u>(244,494)</u>	<u>144,622</u>	<u>389,116</u>
Other Financing Sources (Uses):				
Designated Cash	244,495	244,494	-	(244,494)
Total Other Financing Sources (Uses):	<u>244,495</u>	<u>244,494</u>	<u>-</u>	<u>(244,494)</u>
Net Changes in Fund Balances	<u>(136)</u>	<u>-</u>	<u>144,622</u>	<u>144,622</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>244,495</u>	<u>244,495</u>
Cash or Fund Balances - End of Year	<u>\$ (136)</u>	<u>-</u>	<u>389,117</u>	<u>389,117</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 144,622	
Adjustments to Revenues			(6,162)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 138,460</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Horizon Academy West
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Suntrust Bank	CTFS OBLIG	161000119	2/15/2017	\$ 384,653
				<u>\$ 384,653</u>
Total Cash in Bank for the School per Schedule of Cash Accounts:				\$ 1,143,418
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				893,418
Collateral Requirement:				446,709
Pledged Collateral Held by Pledging Financial Institution:				<u>384,653</u>
Balance Under Collateralized:				<u><u>\$ (62,056)</u></u>
School Balance Uninsured and Uncollateralized at June 30, 2016:				<u><u>\$ 508,765</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Cash Accounts
June 30, 2016

<u>Bank Account Type</u>	<u>NM Bank & Trust</u>	<u>Wells Fargo</u>	<u>Total</u>
Checking - Operational Account	\$ 1,112,340	\$ -	\$ 1,112,340
Checking - Activity Account	31,078	-	31,078
Checking - Foundation	52,981	-	52,981
Money Market - Reserve Fund	-	479,853	479,853
Money Market - Bond Interest Fund	-	130,135	130,135
Money Market - Bond Revenue Fund	-	4,001	4,001
Money Market - Bond Principal Fund	-	70,842	70,842
Money Market - Capital Reserve Account	-	124,951	124,951
Total on Deposit	1,196,399	809,782	2,006,181
Reconciling Items	<u>(28,822)</u>	<u>-</u>	<u>(28,822)</u>
Reconciled Balance June 30, 2016	<u>1,167,577</u>	<u>809,782</u>	<u>1,977,359</u>
Less Agency Funds	<u>(31,078)</u>	<u>-</u>	<u>(31,078)</u>
Total Cash	<u>\$ 1,136,499</u>	<u>\$ 809,782</u>	<u>\$ 1,946,281</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 433,551	15,573	92,301	28,360
Add:				
2015-16 revenues	<u>2,886,430</u>	<u>31,096</u>	<u>265,646</u>	<u>58,114</u>
Total Cash Available	3,319,981	46,669	357,947	86,474
Less:				
2015-16 expenditures	(2,807,946)	(45,058)	(252,084)	(55,396)
Receivables/Payables	(17,002)	-	-	-
Outstanding Loans	<u>112,662</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>607,695</u>	<u>1,611</u>	<u>105,863</u>	<u>31,078</u>
Fund Balance Reconciliations to GAAP Basis:				
Permanent cash transfers/reversions	<u>(18,987)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>588,708</u>	<u>1,611</u>	<u>105,863</u>	<u>31,078</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(79,070)</u>	<u>-</u>	<u>-</u>	<u>(31,078)</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 509,638</u>	<u>1,611</u>	<u>105,863</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	State Account 27000	Local or State Fund 29000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	225,876	795,661
<u>384,866</u>	<u>296,703</u>	<u>700</u>	<u>327,371</u>	<u>158,479</u>	<u>4,409,405</u>
384,866	296,703	700	327,371	384,355	5,205,066
(336,222)	(227,843)	(700)	(334,258)	(13,857)	(4,073,364)
(458)	2,503	-	-	-	(14,957)
<u>(48,186)</u>	<u>(71,363)</u>	<u>-</u>	<u>6,887</u>	<u>-</u>	<u>-</u>
-	-	-	-	370,498	1,116,745
-	-	-	-	-	(18,987)
-	-	-	-	370,498	1,097,758
				Less - Agency Fund:	(31,078)
				Balance Sheet-CREW:	16,838
				Balance Sheet-Foundation:	52,981
					<u>\$ 1,136,499</u>
-	-	-	-	12,457	(97,691)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>382,955</u>	<u>1,000,067</u>
				Add: CREW:	16,498
				Add: Foundation:	856,959
					<u>\$ 1,873,524</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 858,211
Receivables	
Due from Other Governments	95,611
Total Current Assets	<u>953,822</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	117,836
Furniture, Fixtures, and Equipment	115,311
Less: Accumulated Depreciation	<u>(71,682)</u>
Total Noncurrent Assets	<u>161,465</u>
Total Assets	<u>1,115,287</u>

Deferred Outflows - Pension Related	<u>514,993</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	19,564
Accrued Liabilities	206,687
Compensated Absences	<u>8,834</u>
Total Current Liabilities	<u>235,085</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,411,486</u>
Total Noncurrent Liabilities	<u>2,411,486</u>
Total Liabilities	<u>2,646,571</u>

Deferred Inflows - Pension Related	<u>375,040</u>
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NET POSITION

Investment in Capital Assets	161,465
Restricted	193,426
Unrestricted (Deficit)	<u>(1,746,222)</u>
Total Net Position	<u>\$ (1,391,331)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,460,974	-	167,720	-	(1,293,254)
Support Services:					
Students	137,128	-	64	-	(137,064)
Instruction	4,031	-	-	-	(4,031)
General Administration	54,522	-	-	-	(54,522)
School Administration	287,238	-	-	-	(287,238)
Central Services	102,560	-	-	-	(102,560)
Operation & Maintenance of Plant	121,085	-	-	-	(121,085)
Community Services Operations	5,986	-	6,740	-	754
Other Support Services	4,349	-	-	-	(4,349)
Student Transportation	108,268	-	98,413	-	(9,855)
Food Services	60,913	16,168	50,619	-	5,874
Facilities Materials, Supplies & Other Services	203,018	-	-	162,343	(40,675)
Total Governmental Activities	\$ 2,550,072	16,168	323,556	162,343	(2,048,005)
General Revenues:					
Property Taxes				\$	70,647
State Equalization Guarantee					2,314,549
Total General Revenues					2,385,196
Change in Net Position					337,191
Net Position (Deficit) - Beginning of Year					(1,718,667)
Restatement					(9,855)
Net Position (Deficit) as Restated					(1,728,522)
Net Position (Deficit), Ending				\$	(1,391,331)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 645,221	19,564	30,266	19,760
Due from Government	-	-	-	-
Due from Other Funds	87,203	-	-	-
Total Assets	\$ 732,424	19,564	30,266	19,760
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	19,564	-	-
Accrued Expenditures	198,279	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	198,279	19,564	-	-
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	30,266	-
Food Service Operations	-	-	-	19,760
Capital Improvements	-	-	-	-
Unassigned	534,145	-	-	-
Total Fund Balance (Deficit)	534,145	-	30,266	19,760
Total Liabilities and Fund Balances	\$ 732,424	19,564	30,266	19,760

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25153	Elementary & Middle School Initiative 26177	2012 SB-66 Student Library 27107
-	-	-	-	8,085	-	-
21,447	11,413	-	1,534	-	6,740	-
-	-	-	-	-	-	-
<u>21,447</u>	<u>11,413</u>	<u>-</u>	<u>1,534</u>	<u>8,085</u>	<u>6,740</u>	<u>-</u>
-	-	-	-	-	-	-
883	-	-	-	-	197	-
<u>20,564</u>	<u>11,413</u>	<u>-</u>	<u>1,534</u>	<u>-</u>	<u>6,543</u>	<u>-</u>
<u>21,447</u>	<u>11,413</u>	<u>-</u>	<u>1,534</u>	<u>-</u>	<u>6,740</u>	<u>-</u>
-	-	-	-	8,085	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,085</u>	<u>-</u>	<u>-</u>
<u>21,447</u>	<u>11,413</u>	<u>-</u>	<u>1,534</u>	<u>8,085</u>	<u>6,740</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Balance Sheets - Governmental Funds - (Continued)
June 30, 2016

	New Mexico Reads 27114	New Mexico Grown FVV 27183	Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200
ASSETS				
Cash and Cash Equivalents	\$ -	-	23,055	-
Due from Government	13,665	226	-	40,586
Due from Other Funds	-	-	-	-
Total Assets	\$ 13,665	226	23,055	40,586
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	7,328	-	-	-
Due to Other Funds	6,337	226	-	40,586
Total Liabilities	13,665	226	-	40,586
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	23,055	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance (Deficit)	-	-	23,055	-
Total Liabilities and Fund Balances	\$ 13,665	226	23,055	40,586

SB-9 Capital Improvements 31700	Total
112,260	858,211
-	95,611
-	87,203
<u>112,260</u>	<u>1,041,025</u>
-	19,564
-	206,687
-	87,203
<u>-</u>	<u>313,454</u>
-	61,406
-	19,760
112,260	112,260
-	534,145
<u>112,260</u>	<u>727,571</u>
<u>112,260</u>	<u>1,041,025</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds **\$ 727,571**

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

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

Capital Assets	233,147	
Accumulated Depreciation	<u>(71,682)</u>	
		161,465

Defined benefit pension plan deferred outflows are not
 financial resources and, therefore, are not reported in the
 funds.

514,993

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Compensated absences		(8,834)
----------------------	--	---------

Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, are not reported
 in the funds.

(375,040)

The net pension liability is not due and payable in the current
 period, and, therefore, is not reported in the funds.

(2,411,486)

Net Position (Deficit) - Total Governmental Activities **\$ (1,391,331)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	14,965	-	-	-
State Grant	2,314,549	98,413	16,676	-
Federal Grant	-	-	-	50,393
Charges for Services	-	-	-	16,168
Total Revenues	2,329,514	98,413	16,676	66,561
EXPENDITURES				
Current:				
Instruction	1,375,115	-	11,103	-
Support Services:				
Students	92,077	-	-	-
Instruction	4,031	-	-	-
General Administration	53,824	-	-	-
School Administration	280,615	-	-	-
Central Services	100,334	-	-	-
Operation & Maintenance of Plant	118,064	-	-	-
Student Transportation	-	108,268	-	-
Other Support Services Operations	4,349	-	-	-
Food Services Operations	-	-	-	57,463
Community Services Operation	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	2,028,409	108,268	11,103	57,463
Net Changes in Fund Balances	301,105	(9,855)	5,573	9,098
Fund Balances (Deficit) - Beginning of Year	233,040	19,710	24,693	10,662
Prior Period Adjustment	-	(9,855)	-	-
Fund Balances - End of Year	\$ 534,145	-	30,266	19,760

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25153	Elementary & Middle School Initiative 26177	2012 SB-66 Student Library 27107
-	-	-	-	-	-	-
-	-	64	-	-	6,740	-
-	-	-	-	-	-	-
45,876	20,989	-	5,334	2,175	-	-
-	-	-	-	-	-	-
<u>45,876</u>	<u>20,989</u>	<u>64</u>	<u>5,334</u>	<u>2,175</u>	<u>6,740</u>	<u>-</u>
21,132	-	-	1,534	2,440	-	-
24,744	20,989	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	6,740	-
-	-	-	-	-	-	-
<u>45,876</u>	<u>20,989</u>	<u>-</u>	<u>1,534</u>	<u>2,440</u>	<u>6,740</u>	<u>-</u>
-	-	64	3,800	(265)	-	-
-	-	(64)	(3,800)	8,350	-	-
-	-	-	-	-	-	-
-	-	-	-	8,085	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016

	New Mexico Reads 27114	New Mexico Grown FVV 27183	Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	14,980	-
State Grant	46,725	226	-	162,343
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	<u>46,725</u>	<u>226</u>	<u>14,980</u>	<u>162,343</u>
EXPENDITURES				
Current:				
Instruction	46,725	-	22,579	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	226	-	-
Community Services Operation	-	-	-	-
Capital Outlay	-	-	-	162,343
Total Expenditures	<u>46,725</u>	<u>226</u>	<u>22,579</u>	<u>162,343</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(7,599)</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	-	-	30,654	-
Prior Period Adjustment	-	-	-	-
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>23,055</u>	<u>-</u>

SB-9 Capital Improvements 31700	Total
70,647	70,647
-	36,749
-	2,638,932
-	124,767
-	16,168
<u>70,647</u>	<u>2,887,263</u>

- 1,480,628

- 137,810

- 4,031

698 54,522

- 280,615

- 100,334

- 118,064

- 108,268

- 4,349

- 57,689

- 6,740

40,675 203,018

41,373 2,556,068

29,274 331,195

82,986 406,231

- (9,855)

112,260 727,571

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balance-Total Governmental Funds **\$ 331,195**

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

Change in Compensated Absences 34,511

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Depreciation Expense (8,708)

Changes in deferred outflows of resources-pension related, deferred
 inflows of resources-pension related, and the net pension liability (19,807)

Change in Net Position-Total Governmental Activities **\$ 337,191**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 8,098
Total Assets	<u>\$ 8,098</u>
LIABILITIES	
Deposits Held for Others	\$ 8,098
Total Liabilities	<u>\$ 8,098</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 5,925	13,442	11,269	8,098
Total Assets	<u>\$ 5,925</u>	<u>13,442</u>	<u>11,269</u>	<u>8,098</u>
 LIABILITIES				
Deposits Held for Others	\$ 5,925	13,442	11,269	8,098
Total Liabilities	<u>\$ 5,925</u>	<u>13,442</u>	<u>11,269</u>	<u>8,098</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. International School at Mesa Del Sol utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for International School at Mesa Del Sol are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 115,311	-	-	115,311
Building and Improvements	117,836	-	-	117,836
<i>Total</i>	233,147	-	-	233,147
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(44,846)	(5,687)	-	(50,533)
Building and improvements	(18,128)	(3,021)	-	(21,149)
<i>Total</i>	(62,974)	(8,708)	-	(71,682)
Capital Assets, Net	\$ 170,173	(8,708)	-	161,465

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 2,463
Facilities, Materials, Supplies & Other Services	3,021
Food Service	3,224
Total	<u>\$ 8,708</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The International School at Mesa Del Sol leased equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2016 was \$205,079. The International School at Mesa Del Sol minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 233,056
2018	685
Total	<u>\$ 233,741</u>

The International School at Mesa Del Sol had a compensated absences balance of \$8,834 at the end of the fiscal year. All of this balance is considered to be current.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the International School at Mesa Del Sol and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and The International School at Mesa Del Sol are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2016 and 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from the International School at Mesa Del Sol were \$185,400 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, and the net pension liability was measured as of that date. At June 30, 2016, The International School at Mesa Del Sol reported a liability of \$2,411,486 for its proportionate share of the net pension liability. The International School at Mesa Del Sol's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, the International School at Mesa Del Sol's proportion was 0.03723%, which was a decrease of 0.00678 from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, The International School at Mesa Del Sol recognized pension expense of \$205,127. At June 30, 2016, The International School at Mesa Del Sol reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (44,707)
Changes in assumptions	82,944	-
Net difference between projected and actual earnings on pension plan investments	-	(10,855)
Changes in proportion	246,649	(319,478)
International School at Mesa Del Sol contributions subsequent to the measurement date	<u>185,400</u>	<u>-</u>
Total	<u>\$ 514,993</u>	<u>\$ (375,040)</u>

Deferred outflows of resources of \$185,400 resulted from contributions made subsequent to the June 30, 2015 measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (16,185)
2018	(1,759)
2019	96,885
2020	<u>(33,494)</u>
Total	<u>\$ 45,447</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of The International School at Mesa Del Sol's proportionate share of the net pension liability to changes in the discount rate. The following presents the net pension liability calculated using the discount rate of 7.75%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The International School at Mesa Del Sol's proportionate share of the net pension liability	<u>\$ 3,244,816</u>	<u>2,411,486</u>	<u>1,711,403</u>

Payables to the pension plan. At June 30, 2016, The International School at Mesa Del Sol had a payable due to ERB of \$57,244 for payroll paid in July 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,511	2,411	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,213	1,016	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.98%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
THE INTERNATIONAL SCHOOL AT MESA DEL SOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 160	185	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	160	185	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
			2014	\$ (112)	5		\$ (61)	(61)	(47)	57	-	
2015	(45)	5			(16)	(2)	97	(34)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (157)			\$ (61)	(77)	(49)	154	(34)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ 10,900	10,900	40,601	29,701
State Grant	1,285,901	2,314,553	2,314,549	(4)
Total Revenues	1,296,801	2,325,453	2,355,150	29,697
EXPENDITURES				
Current:				
Instruction	776,001	1,674,621	1,380,321	294,300
Support Services:				
Students	115,394	144,179	92,607	51,572
Instruction	10,000	10,000	4,031	5,969
General Administration	42,550	84,849	61,450	23,399
School Administration	297,027	328,094	280,652	47,442
Central Services	96,645	101,235	100,380	855
Operation & Maintenance of Plant	137,445	154,635	124,978	29,657
Other Support Services Operations	1,232	7,333	6,118	1,215
Total Expenditures	1,476,294	2,504,946	2,050,537	454,409
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(179,493)	(179,493)	304,613	484,106
Other Financing Sources (Uses):				
Designated Cash	179,493	179,493	-	(179,493)
Total Other Financing Sources (Uses):	179,493	179,493	-	(179,493)
Net Changes in Fund Balances	-	-	304,613	304,613
Cash or Fund Balances - Beginning of Year	-	-	233,040	233,040
Cash or Fund Balances - End of Year	\$ -	-	537,653	537,653
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 304,613	
Adjustments to Revenues			(25,636)	
Adjustments to Expenditures			22,128	
NET CHANGE IN FUND BALANCE			\$ 301,105	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	117,977	117,977	-
Total Revenues	<u>-</u>	<u>117,977</u>	<u>117,977</u>	<u>-</u>
EXPENDITURES				
Current:				
Student Transportation	-	127,832	108,268	19,564
Total Expenditures	<u>-</u>	<u>127,832</u>	<u>108,268</u>	<u>19,564</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(9,855)</u>	<u>9,709</u>	<u>19,564</u>
Other Financing Sources (Uses):				
Designated Cash	-	9,855	-	(9,855)
Total Other Financing Sources (Uses):	<u>-</u>	<u>9,855</u>	<u>-</u>	<u>(9,855)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>9,709</u>	<u>9,709</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>19,710</u>	<u>19,710</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>29,419</u>	<u>29,419</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 9,709	
Adjustments to Revenues			(19,564)	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (9,855)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 9,280	9,280	16,676	7,396
Total Revenues	<u>9,280</u>	<u>9,280</u>	<u>16,676</u>	<u>7,396</u>
EXPENDITURES				
Current:				
Instruction	34,629	34,400	11,530	22,870
Total Expenditures	<u>34,629</u>	<u>34,400</u>	<u>11,530</u>	<u>22,870</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(25,349)</u>	<u>(25,120)</u>	<u>5,146</u>	<u>30,266</u>
Other Financing Sources (Uses):				
Designated Cash	25,349	25,120	-	(25,120)
Total Other Financing Sources (Uses):	<u>25,349</u>	<u>25,120</u>	<u>-</u>	<u>(25,120)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>5,146</u>	<u>5,146</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>24,693</u>	<u>24,693</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>29,839</u>	<u>29,839</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,146	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>427</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 5,573</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 48,918	48,918	50,393	1,475
Charges for Services	12,169	12,169	16,168	3,999
Total Revenues	61,087	61,087	66,561	5,474
EXPENDITURES				
Current:				
Food Services Operations	68,010	71,749	57,463	14,286
Total Expenditures	68,010	71,749	57,463	14,286
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(6,923)</i>	<i>(10,662)</i>	<i>9,098</i>	<i>19,760</i>
Other Financing Sources (Uses):				
Designated Cash	6,923	10,662	-	(10,662)
Total Other Financing Sources (Uses):	6,923	10,662	-	(10,662)
Net Changes in Fund Balances	-	-	9,098	9,098
Cash or Fund Balances - Beginning of Year	-	-	10,662	10,662
Cash or Fund Balances - End of Year	\$ -	-	19,760	19,760
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 9,098	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 9,098	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 31,081	82,507	30,356	(52,151)
Total Revenues	<u>31,081</u>	<u>82,507</u>	<u>30,356</u>	<u>(52,151)</u>
EXPENDITURES				
Current:				
Instruction	6,000	53,821	21,132	32,689
Support Services:				
Students	25,081	25,081	24,744	337
General Administration	-	3,605	-	3,605
Total Expenditures	<u>31,081</u>	<u>82,507</u>	<u>45,876</u>	<u>36,631</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(15,520)</u>	<u>(15,520)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(15,520)</u>	<u>(15,520)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(15,520)</u>	<u>(15,520)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (15,520)	
Adjustments to Revenues			15,520	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 28,846	43,640	20,985	(22,655)
Total Revenues	28,846	43,640	20,985	(22,655)
EXPENDITURES				
Current:				
Support Services:				
Students	28,846	42,603	20,989	21,614
General Administration	-	1,037	-	1,037
Total Expenditures	28,846	43,640	20,989	22,651
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(4)	(4)
Net Changes in Fund Balances	-	-	(4)	(4)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(4)	(4)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4)	
Adjustments to Revenues			4	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	45	-	(45)
Total Revenues	<u>-</u>	<u>45</u>	<u>-</u>	<u>(45)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	45	-	45
Total Expenditures	<u>-</u>	<u>45</u>	<u>-</u>	<u>45</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			64	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 64</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 8,434	16,860	4,751	(12,109)
Total Revenues	8,434	16,860	4,751	(12,109)
EXPENDITURES				
Current:				
Instruction	7,882	16,308	5,334	10,974
Support Services:				
General Administration	552	552	-	552
Total expenditures	8,434	16,860	5,334	11,526
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(583)	(583)
Net changes in Fund Balances	-	-	(583)	(583)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(583)	(583)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (583)	
Adjustments to Revenues			583	
Adjustments to Expenditures			3,800	
NET CHANGE IN FUND BALANCE			\$ 3,800	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25153
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 4,000	4,000	2,175	(1,825)
Total Revenues	4,000	4,000	2,175	(1,825)
EXPENDITURES				
Current:				
Instruction	6,849	10,629	2,440	8,189
Support Services:				
General Administration	720	1,720	-	1,720
Total Expenditures	7,569	12,349	2,440	9,909
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(3,569)	(8,349)	(265)	8,084
Other Financing Sources (Uses):				
Designated Cash	3,569	8,349	-	(8,349)
Total Other Financing Sources (Uses):	3,569	8,349	-	(8,349)
Net Changes in Fund Balances	-	-	(265)	(265)
Cash or Fund Balances - Beginning of Year	-	-	8,350	8,350
Cash or Fund Balances - End of Year	\$ -	-	8,085	8,085
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (265)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (265)	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Budgetary Comparisons - Budgetary Basis
 Elementary & Middle School Initiative 26177
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Current:				
Community Services Operation	-	8,600	6,740	1,860
Total Expenditures	-	8,600	6,740	1,860
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(8,600)	(6,740)	1,860
Other Financing Sources (Uses):				
Designated Cash	-	8,600	-	(8,600)
Total Other Financing Sources (Uses):	-	8,600	-	(8,600)
Net Changes in Fund Balances	-	-	(6,740)	(6,740)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(6,740)	(6,740)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,740)	
Adjustments to Revenues			6,740	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 Student Library 27107
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 5,139	5,139	280	(4,859)
Total Revenues	<u>5,139</u>	<u>5,139</u>	<u>280</u>	<u>(4,859)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	5,139	5,139	-	5,139
Total Expenditures	<u>5,139</u>	<u>5,139</u>	<u>-</u>	<u>5,139</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>280</u>	<u>280</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>280</u>	<u>280</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>280</u>	<u>280</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 280	
Adjustments to Revenues			(280)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Budgetary Comparisons - Budgetary Basis
 New Mexico Reads 27114
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 50,000	50,000	44,343	(5,657)
Total Revenues	50,000	50,000	44,343	(5,657)
EXPENDITURES				
Current:				
Instruction	46,725	46,725	46,725	-
Total Expenditures	46,725	46,725	46,725	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>3,275</i>	<i>3,275</i>	<i>(2,382)</i>	<i>(5,657)</i>
Net Changes in Fund Balances	3,275	3,275	(2,382)	(5,657)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ 3,275	3,275	(2,382)	(5,657)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,382)	
Adjustments to Revenues			2,382	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Budgetary Comparisons - Budgetary Basis
 New Mexico Grown FVV 27183
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	234	-	(234)
Total Revenues	-	234	-	(234)
EXPENDITURES				
Current:				
Food Services Operations	-	234	226	8
Total Expenditures	-	234	226	8
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(226)	(226)
Net Changes in Fund Balances	-	-	(226)	(226)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(226)	(226)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (226)	
Adjustments to Revenues			226	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Budgetary Comparisons - Budgetary Basis
 Private Dir Grants (Categorical) 29102
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	14,980	14,980
Total Revenues	-	-	14,980	14,980
EXPENDITURES				
Current:				
Instruction	29,635	30,653	22,579	8,074
Total Expenditures	29,635	30,653	22,579	8,074
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(29,635)</i>	<i>(30,653)</i>	<i>(7,599)</i>	<i>23,054</i>
Other Financing Sources (Uses):				
Designated Cash	29,635	30,653	-	(30,653)
Total Other Financing Sources (Uses):	29,635	30,653	-	(30,653)
Net Changes in Fund Balances	-	-	(7,599)	(7,599)
Cash or Fund Balances - Beginning of Year	-	-	30,654	30,654
Cash or Fund Balances - End of Year	\$ -	-	23,055	23,055
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,599)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (7,599)	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	162,343	121,757	(40,586)
Total Revenues	<u>-</u>	<u>162,343</u>	<u>121,757</u>	<u>(40,586)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	162,343	162,343	-
Total Expenditures	<u>-</u>	<u>162,343</u>	<u>162,343</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(40,586)	(40,586)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(40,586)</u>	<u>(40,586)</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(40,586)</u>	<u>(40,586)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (40,586)	
Adjustments to Revenues			<u>40,586</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 68,999	68,999	70,647	1,648
State Grant	-	-	7,837	7,837
Total Revenues	68,999	68,999	78,484	9,485
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	690	698	(8)
Capital Outlay	112,657	159,957	57,175	102,782
Total Expenditures	112,657	160,647	57,873	102,774
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(43,658)	(91,648)	20,611	112,259
Other Financing Sources (Uses):				
Designated Cash	43,658	91,648	-	(91,648)
Total Other Financing Sources (Uses):	43,658	91,648	-	(91,648)
Net Changes in Fund Balances	-	-	20,611	20,611
Cash or Fund Balances - Beginning of Year	-	-	82,986	82,986
Cash or Fund Balances - End of Year	\$ -	-	103,597	103,597
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 20,611	
Adjustments to Revenues			(7,837)	
Adjustments to Expenditures			16,500	
NET CHANGE IN FUND BALANCE			\$ 29,274	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Suntrust- NM Bank & Trust	Lindsay CA Sch Dist Bond	535545CB1	8/1/2031	\$ 504,681
				<u>\$ 504,681</u>

Total Cash per Schedule of Cash Accounts:	\$ 886,415
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	636,415
Collateral Requirement:	318,208
Pledged Collateral Held by Pledging Financial Institution:	<u>504,681</u>
Balance Over Collateralized:	<u>\$ 186,473</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ 131,734</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>New Mexico Bank & Trust</u>
Checking - Operational Account	\$ 886,415
<i>Total on Deposit</i>	<u>886,415</u>
Reconciling Items	<u>(20,141)</u>
Reconciled Balance June 30, 2016	<u>866,274</u>
Less Agency Funds	(8,098)
Plus Petty Cash	<u>35</u>
<i>Total Cash</i>	<u><u>\$ 858,211</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Cash Reconciliation
June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2015	\$ 344,170	19,710	25,120	10,662
Add:				
2015-16 revenues	<u>2,355,150</u>	<u>117,977</u>	<u>16,676</u>	<u>66,561</u>
Total Cash Available	2,699,320	137,687	41,796	77,223
Less:				
2015-16 expenditures	(2,050,537)	(108,268)	(11,530)	(57,463)
Receivables/Payables	53,791	(9,855)	-	-
Outstanding Loans	<u>(57,353)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>645,221</u>	<u>19,564</u>	<u>30,266</u>	<u>19,760</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>645,221</u>	<u>19,564</u>	<u>30,266</u>	<u>19,760</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(111,076)	(19,564)	-	-
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 534,145</u>	<u>-</u>	<u>30,266</u>	<u>19,760</u>

Federal Projects Account 24000	Federal Direct 25000	Local Grants 26000	State Account 27000	Local or State Fund 29000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
995	8,350	-	7,510	30,654	-	91,649	538,820
56,092	2,175	-	44,623	14,980	121,757	78,484	2,874,475
57,087	10,525	-	52,133	45,634	121,757	170,133	3,413,295
(72,199)	(2,440)	(6,740)	(46,951)	(22,579)	(162,343)	(57,873)	(2,598,923)
(112)	-	197	(182)	-	-	-	43,839
15,224	-	6,543	(5,000)	-	40,586	-	-
-	8,085	-	-	23,055	-	112,260	858,211
-	-	-	-	-	-	-	-
-	8,085	-	-	23,055	-	112,260	858,211
							<u>\$ 858,211</u>
-	-	-	-	-	-	-	(130,640)
-	8,085	-	-	23,055	-	112,260	727,571
							<u>Balance Sheets - Governmental Funds: 727,571</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 16,729
Receivables	
Due from Other Governments	15,142
Total Current Assets	<u>31,871</u>

Noncurrent Assets:

Capital Assets	
Furnitures, Fixtures, and Equipment	22,482
Less: Accumulated Depreciation	(18,857)
Total Noncurrent Assets	<u>3,625</u>
Total Assets	<u>35,496</u>

Deferred Outflows - Pension Related	<u>275,624</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	1,613
Total Current Liabilities	<u>1,613</u>

Noncurrent Liabilities:

Net Pension Liability	1,947,714
Total Noncurrent Liabilities	<u>1,947,714</u>
Total Liabilities	<u>1,949,327</u>

Deferred Inflows - Pension Related	<u>48,363</u>
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NET POSITION

Net Investment in Capital Assets	3,625
Restricted	36,252
Unrestricted (Deficit)	(1,726,447)
Total Net Position	<u>\$ (1,686,570)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Statement Of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 988,726	4,289	47,646	-	(936,791)
Support Services:					
Students	101,425	-	-	-	(101,425)
Instruction	3,703	-	-	-	(3,703)
General Administration	21,974	-	-	-	(21,974)
School Administration	155,800	-	-	-	(155,800)
Central Services	64,965	-	-	-	(64,965)
Operation & Maintenance of Plant	77,920	-	-	-	(77,920)
Food Services	94,513	28,612	34,155	-	(31,746)
Facilities Materials, Supplies & Other Services	142,026	-	-	151,106	9,080
Total Governmental Activities	<u>\$ 1,651,052</u>	<u>32,901</u>	<u>81,801</u>	<u>151,106</u>	<u>(1,385,244)</u>

General Revenues:

State Equalization Guarantee	\$ 1,331,042
Miscellaneous	12,567
Total General Revenues	<u>1,343,609</u>

Change in Net Position (41,635)

Net Position - Beginning	(1,626,457)
Restatement	(18,478)
Net Position, as Restated	<u>(1,644,935)</u>
Net Position - Ending	<u>\$ (1,686,570)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ -	5,812	10,877	-
Accounts Receivable				
Due from Government	-	-	-	-
Due from Other Funds	14,754	15,880	-	-
Total Assets	\$ 14,754	21,692	10,877	-
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 1,613	-	-	-
Due to Other Funds	15,880	-	-	-
Total Liabilities	17,493	-	-	-
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Restricted for:				
Instruction	-	21,692	-	-
Food Service Operations	-	-	10,877	-
Unassigned (Deficit)	(2,739)	-	-	-
Total Fund Balance (Deficit)	(2,739)	21,692	10,877	-
Total Liabilities and Fund Balances (Deficit)	\$ 14,754	21,692	10,877	-

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Federal Charter School Planning 24146	Teacher Principal Training 24154	Spaceport Grant 26204	2012 SB-66 Student Library 27107
-	-	25	-	15	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	25	-	15	-
-	-	-	-	-	-
-	35	-	-	-	3,220
-	35	-	-	-	3,220
-	-	25	-	15	-
-	-	-	-	-	-
-	(35)	-	-	-	(3,220)
-	(35)	25	-	15	(3,220)
-	-	25	-	15	-

STATE OF NET MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paula Taylor Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
ASSETS			
Cash and Cash Equivalents	\$ -	-	16,729
Accounts Receivable			
Due from Government	13,002	2,140	15,142
Due from Other Funds	-	-	30,634
Total Assets	\$ 13,002	2,140	62,505
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	-	1,613
Due to Other Funds	11,499	-	30,634
Total Liabilities	11,499	-	32,247
Fund Balances (Deficit)			
Fund Balance:			
Restricted for:			
Instruction	1,503	2,140	25,375
Food Service Operations	-	-	10,877
Unassigned (Deficit)	-	-	(5,994)
Total Fund Balance (Deficit)	1,503	2,140	30,258
Total Liabilities and Fund Balances (Deficit)	\$ 13,002	2,140	62,505

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds **\$ 30,258**

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

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

Capital Assets	22,482	
Accumulated Depreciation	(18,857)	
	3,625	3,625

Defined benefit pension plan deferred outflows are not
 financial resources and, therefore are not reported in the
 funds.

275,624

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Net Pension Liability	(1,947,714)	
	(1,947,714)	(1,947,714)

Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, are not reported
 in the funds

(48,363)

Net Position - Total Governmental Activities **\$ (1,686,570)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Statement Of Revenues, Expenditures, And Changes In Fund Balances(Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Local & County Grant	\$ 12,567	-	-	-
State Grant	1,331,042	14,225	-	-
Federal Grant	-	-	34,155	-
Charges for Services	4,289	-	28,612	-
Total Revenues	1,347,898	14,225	62,767	-
EXPENDITURES				
Current:				
Instruction	905,455	-	-	-
Support Services:				
Students	82,324	-	-	-
Instruction	3,703	-	-	-
General Administration	21,974	-	-	-
School Administration	145,418	-	-	-
Central Services	57,514	-	-	-
Operation & Maintenance of Plant	77,920	-	-	-
Food Services Operations	29,995	-	62,548	-
Capital Outlay	-	-	-	-
Total Expenditures	1,324,303	-	62,548	-
Net Changes in Fund Balances	23,595	14,225	219	-
Fund Balances (Deficit) - Beginning of Year	(7,856)	7,467	10,658	-
Prior Period Adjustment	(18,478)	-	-	-
Fund Balances (Deficit) - End of Year	\$ (2,739)	21,692	10,877	-

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Federal Charter School Planning 24146	Teacher Principal Training 24154	Spaceport Grant 26204	2012 SB-66 Student Library 27107
-	-	-	-	11,262	-
-	-	-	-	-	-
19,793	-	-	2,366	-	-
-	-	-	-	-	-
<u>19,793</u>	<u>-</u>	<u>-</u>	<u>2,366</u>	<u>11,262</u>	<u>-</u>
-	-	-	1,166	11,247	-
15,063	35	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,200	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>15,063</u>	<u>35</u>	<u>-</u>	<u>2,366</u>	<u>11,247</u>	<u>-</u>
<u>4,730</u>	<u>(35)</u>	<u>-</u>	<u>-</u>	<u>15</u>	<u>-</u>
<u>(4,730)</u>	<u>-</u>	<u>25</u>	<u>-</u>	<u>-</u>	<u>(3,220)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(35)</u>	<u>25</u>	<u>-</u>	<u>15</u>	<u>(3,220)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paula Taylor Academy
Statement Of Revenues, Expenditures, And Changes In Fund Balances(Deficit) - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
REVENUES			
Local & County Grant	\$ -	-	23,829
State Grant	140,992	10,114	1,496,373
Federal Grant	-	-	56,314
Charges for Services	-	-	32,901
Total Revenues	140,992	10,114	1,609,417
EXPENDITURES			
Current:			
Instruction	-	-	917,868
Support Services:			
Students	-	-	97,422
Instruction	-	-	3,703
General Administration	-	-	21,974
School Administration	-	-	146,618
Central Services	-	-	57,514
Operation & Maintenance of Plant	-	-	77,920
Food Services Operations	-	-	92,543
Capital Outlay	139,489	7,974	147,463
Total Expenditures	139,489	7,974	1,563,025
Net Changes in Fund Balances	1,503	2,140	46,392
Fund Balances (Deficit) - Beginning of Year	-	-	2,344
Prior Period Adjustment	-	-	(18,478)
Fund Balances (Deficit) - End of Year	\$ 1,503	2,140	30,258

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016**

Net Change in Fund Balance - Total Governmental Funds **\$ 46,392**

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

Capital Outlays to purchase or build capital assets are reported in governmental
funds as expenditures. However, for governmental activities those costs are
shown in the Statement of Net Position and allocated over their estimated useful
lives as annual depreciation expenses in the Statement of Activities. This is the
amount by which capital outlay exceeds depreciation for the period

Capital Outlays	5,437	
Depreciation expense	(1,812)	
	3,625	3,625

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		(91,652)
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Change in Net Position - Total Governmental Activities **\$ (41,635)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 J. Paul Taylor Academy
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2016

	<u>Funds</u>
ASSETS	
Cash in Bank	\$ 15,487
Total Assets	<u>\$ 15,487</u>
 LIABILITIES	
Deposits Held for Others	\$ 15,487
Total Liabilities	<u>\$ 15,487</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2016

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 13	21,132	(5,658)	15,487
Total Assets	<u>\$ 13</u>	<u>21,132</u>	<u>(5,658)</u>	<u>15,487</u>
 LIABILITIES				
Deposits Held for Others	\$ 13	21,132	(5,658)	15,487
Total Liabilities	<u>\$ 13</u>	<u>21,132</u>	<u>(5,658)</u>	<u>15,487</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
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Capital assets for the J. Paul Taylor Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 17,045	5,437	-	22,482
<i>Total</i>	<u>17,045</u>	<u>5,437</u>	<u>-</u>	<u>22,482</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(17,045)	(1,812)	-	(18,857)
<i>Total</i>	<u>(17,045)</u>	<u>(1,812)</u>	<u>-</u>	<u>(18,857)</u>
Capital Assets, Net	<u>\$ -</u>	<u>3,625</u>	<u>-</u>	<u>3,625</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Food Services	\$ 1,812
Total	<u>\$ 1,812</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The J. Paul Taylor Academy leased equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2016 was \$141,391. The J. Paul Taylor Academy's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 146,882
2018	146,882
2019	146,882
2020	146,882
2021	146,882
Total	<u>\$ 734,410</u>

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the J. Paul Taylor Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and J. Paul Taylor Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2016 and 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from J. Paul Taylor Academy were \$108,577 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, and the net pension liability was measured as of that date. At June 30, 2016, J. Paul Taylor Academy reported a liability of \$1,947,714 for its proportionate share of the net pension liability. The J. Paul Taylor Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, J. Paul Taylor Academy's proportion was 0.03007%, which was a decrease of 0.00006 from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, J. Paul Taylor Academy recognized pension expense of \$200,229. At June 30, 2016, J. Paul Taylor Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 36,109
Changes in assumptions	66,992	-
Net difference between projected and actual earnings on pension plan investments	-	8,767
Changes in proportion	100,055	3,487
J. Paul Taylor Academy contributions subsequent to the measurement date	<u>108,577</u>	<u>-</u>
Total	<u>\$ 275,624</u>	<u>\$ 48,363</u>

\$108,577 reported as deferred outflows of resources related to pensions resulting from J. Paul Taylor Academy contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (47,502)
2018	(42,181)
2019	(1,948)
2020	<u>(27,053)</u>
Total	<u>\$ (118,684)</u>

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of J. Paul Taylor Academy's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
J. Paul Taylor Academy's proportionate share of the net pension liability	<u>\$ 2,620,779</u>	<u>1,947,714</u>	<u>1,382,269</u>

NOTE 5. DEFICIT FUND BALANCES

J. Paul Taylor Academy had three funds with deficit fund balances at June 30, 2016. They were the Operational Fund, IDEA-B Risk Pool Fund and the 2012 SB-66 Student Library Fund, with deficits of \$2,739, \$35 and \$3,220, respectively. The Academy anticipates having surplus operations in FY 2017 to eliminate these differences.

NOTE 6. BUDGETARY OVERAGE

J. Paul Taylor Academy has expended in excess of the budget in the following fund and function:

Operational Fund (11000) – Instruction	\$ 20,917
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Notes to the Financial Statements
June 30, 2016**

NOTE 7. Prior Period Adjustment

The school had a prior period adjustment of (\$18,478) related to the June 2015 Education Retirement Board expenditures not being accrued in the 2015 Financial Statements.

NOTE 8. Budgetary Information

The school had no budget for the Federal Charter School Planning – 24146 Fund.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. PAUL TAYLOR ACADEMY
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,719	1,948	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 831	821	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.00%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. PAUL TAYLOR ACADEMY
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 136	109	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	119	109	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 17	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (29)	5		\$ 5	5	-	(39)	-				
2015	(119)	5			(48)	(42)	(2)	(27)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5					-	-	-	-	-	-
2020	-	5						-	-	-	-	-
2021	-	5							-	-	-	-
2022	-	5								-	-	-
2023	-	5									-	-
	\$ (148)			\$ 5	(43)	(42)	(41)	(27)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Local & County Grant	-	-	6,796	6,796
State Grant	\$ 1,326,826	1,331,042	1,331,042	-
Charges for Services	12,000	12,000	31,844	19,844
Total Revenues	<u>1,338,826</u>	<u>1,343,042</u>	<u>1,369,682</u>	<u>26,640</u>
EXPENDITURES				
Current:				
Instruction	909,130	909,129	930,046	(20,917)
Support Services:				
Students	89,755	83,372	82,324	1,048
Instruction	-	5,595	3,703	1,892
General Administration	18,000	31,682	30,268	1,414
School Administration	131,519	148,553	145,494	3,059
Central Services	71,422	57,617	57,514	103
Operation & Maintenance of Plant	99,000	87,094	81,124	5,970
Food Services Operations	30,000	30,000	29,995	5
Total Expenditures	<u>1,348,826</u>	<u>1,353,042</u>	<u>1,360,468</u>	<u>(7,426)</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(10,000)</u>	<u>(10,000)</u>	9,214	19,214
Net Changes in Fund Balances	<u>(10,000)</u>	<u>(10,000)</u>	9,214	19,214
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	(7,856)	(7,856)
Prior Period Adjustment	<u>-</u>	<u>-</u>	(18,478)	-
Cash or Fund Balances - End of Year	<u>\$ (10,000)</u>	<u>(10,000)</u>	<u>(17,120)</u>	<u>(7,120)</u>
Reconciliation to GAAP Basis:				
		Pa		
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 9,214	
Adjustments to Revenues			(21,784)	
Adjustments to Expenditures			36,165	
NET CHANGE IN FUND BALANCE			<u>\$ 23,595</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ 10,548	14,225	14,225	-
Total Revenues	<u>10,548</u>	<u>14,225</u>	<u>14,225</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	10,548	21,692	-	21,692
Total Expenditures	<u>10,548</u>	<u>21,692</u>	<u>-</u>	<u>21,692</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(7,467)</u>	<u>14,225</u>	<u>21,692</u>
Other financing sources (uses):				
Designated Cash	-	7,467	-	(7,467)
Total other financing sources (uses):	<u>-</u>	<u>7,467</u>	<u>-</u>	<u>(7,467)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>14,225</u>	<u>14,225</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>7,467</u>	<u>7,467</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>21,692</u>	<u>21,692</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>		Pa	\$ 14,225	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 14,225</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 33,000	38,437	37,086	(1,351)
Charges for Services	20,000	20,000	26,326	6,326
Total Revenues	53,000	58,437	63,412	4,975
EXPENDITURES				
Current:				
Food Services Operations	59,830	65,267	62,548	2,719
Total Expenditures	59,830	65,267	62,548	2,719
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(6,830)</i>	<i>(6,830)</i>	<i>864</i>	<i>7,694</i>
Other financing sources (uses):				
Designated Cash	6,830	6,830	-	(6,830)
Total other financing sources (uses):	6,830	6,830	-	(6,830)
Net Changes in Fund Balances	-	-	864	864
Cash or Fund Balances - Beginning of Year	-	-	10,658	10,658
Cash or Fund Balances- End of Year	\$ -	-	11,522	11,522
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>		Pa	\$ 864	
Adjustments to Revenues			(645)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 219	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I - IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Federal Grant	\$ 22,831	27,831	-	(27,831)
Total Revenues	<u>22,831</u>	<u>27,831</u>	<u>-</u>	<u>(27,831)</u>
EXPENDITURES				
Current:				
Instruction	22,831	27,831	-	27,831
Total Expenditures	<u>22,831</u>	<u>27,831</u>	<u>-</u>	<u>27,831</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>		Pa	\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Entitlement IDEA-B 24106
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Federal Grant	\$ 35,541	38,489	19,793	(18,696)
Total Revenues	<u>35,541</u>	<u>38,489</u>	<u>19,793</u>	<u>(18,696)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	35,541	38,489	19,793	18,696
Total Expenditures	<u>35,541</u>	<u>38,489</u>	<u>19,793</u>	<u>18,696</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(4,730)</u>	<u>(4,730)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,730)</u>	<u>(4,730)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>		Pa	\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>4,730</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 4,730</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Federal Grant	\$ -	35	-	(35)
Total Revenues	<u>-</u>	<u>35</u>	<u>-</u>	<u>(35)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	35	35	-
Total Expenditures	<u>-</u>	<u>35</u>	<u>35</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i> <i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(35)</u>	<u>(35)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(35)</u>	<u>(35)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(35)</u>	<u>(35)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i> <i>Over (Under) Expenditures</i>		Pa	\$ (35)	
Adjustments to Revenues				
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (35)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher/Principal Training & Recruiting 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Federal Grant	\$ 5,694	10,684	6,366	(4,318)
Total Revenues	<u>5,694</u>	<u>10,684</u>	<u>6,366</u>	<u>(4,318)</u>
EXPENDITURES				
Current:				
Instruction	5,694	5,297	1,166	4,131
Support Services:				
School Administration	-	5,387	1,200	4,187
Total Expenditures	<u>5,694</u>	<u>10,684</u>	<u>2,366</u>	<u>8,318</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>4,000</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>4,000</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,000</u>	<u>4,000</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>		Pa	\$ 4,000	
Adjustments to Revenues			(4,000)	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Spaceport Grant – Dona Ana County 26204
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Local & County Grant	\$ -	11,262	11,262	-
Total Revenues	<u>-</u>	<u>11,262</u>	<u>11,262</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	11,262	11,247	15
Total Expenditures	<u>-</u>	<u>11,262</u>	<u>11,247</u>	<u>15</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>15</u>	<u>15</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>15</u>	<u>15</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>15</u>	<u>15</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>		Pa	\$ 15	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 15</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
2012 SB-66 Student Library 27107
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ 3,512	6,732	-	(6,732)
Total Revenues	<u>3,512</u>	<u>6,732</u>	<u>-</u>	<u>(6,732)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,512	6,732	-	6,732
Total Expenditures	<u>3,512</u>	<u>6,732</u>	<u>-</u>	<u>6,732</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(3,220)</u>	<u>(3,220)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,220)</u>	<u>(3,220)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>		Pa	\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ -	140,992	127,990	(13,002)
Total Revenues	<u>-</u>	<u>140,992</u>	<u>127,990</u>	<u>(13,002)</u>
EXPENDITURES				
Capital Outlay	-	140,992	139,489	1,503
Total Expenditures	<u>-</u>	<u>140,992</u>	<u>139,489</u>	<u>1,503</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(11,499)</u>	<u>(11,499)</u>
Net Changes in Fund Balance	<u>-</u>	<u>-</u>	<u>(11,499)</u>	<u>(11,499)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(11,499)</u>	<u>(11,499)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>		Pa	\$ (11,499)	
Adjustments to Revenues			13,002	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 1,503</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ 8,094	18,208	18,436	228
Total Revenues	<u>8,094</u>	<u>18,208</u>	<u>18,436</u>	<u>228</u>
EXPENDITURES				
Capital Outlay	8,094	18,208	7,974	10,234
Total Expenditures	<u>8,094</u>	<u>18,208</u>	<u>7,974</u>	<u>10,234</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>10,462</u>	<u>10,462</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>10,462</u>	<u>10,462</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>10,462</u>	<u>10,462</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>		Pa	\$ 10,462	
Adjustments to Revenues			(8,322)	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 2,140</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Collateral Pledged by Depository For Public Funds
June 30, 2016

Name of Depository	Security Type	CUSIP/ Security Number	Maturity Date	Fair Value June 30, 2016
N/A	N/A	N/A	N/A	\$ -
Total Cash per Schedule of Cash Accounts:				\$ 68,418
Less: FDIC Coverage:				(68,418)
Uninsured Public Funds:				-
Collateral Requirement:				-
Pledged Collateral Held by Pledging Financial Institution:				-
Balance Over Collateralized:				\$ -
Balance Uninsured and Uncollateralized at June 30, 2016:				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 J. Paul Taylor Academy
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Century Bank</u>
Checking - Operational Account	<u>\$ 68,418</u>
<i>Total on Deposit</i>	68,418
Reconciling Items	<u>(36,202)</u>
Reconciled Balance June 30, 2016	<u>32,216</u>
Less Agency Funds	<u>(15,487)</u>
<i>Total Cash</i>	<u><u>\$ 16,729</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Federal Projects Account 24000
Cash, June 30, 2015	\$ 720	7,000	10,013	25
Add:				
2015-16 revenues	1,369,682	14,225	63,412	26,159
Total Cash Available	1,370,402	21,225	73,425	26,184
Less:				
2015-16 expenditures	(1,360,468)	-	(62,548)	(22,194)
Receivables/Payables	(17,493)	(15,880)	-	-
Cash June 30, 2016	(7,559)	5,345	10,877	3,990
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	7,559	467	-	(3,965)
Cash Per Books	-	5,812	10,877	25
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(2,739)	15,880	-	(35)
Fund Balance (Deficit) , Modified Accrual Basis	\$ (2,739)	21,692	10,877	(10)

The accompanying notes are an integral part of these financial statements

Local Grants Account 26000	State Account 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
-	-	-	-	17,758
11,262	-	127,990	18,436	1,631,166
11,262	-	127,990	18,436	1,648,924
(11,247)	-	(139,489)	(7,974)	(1,603,920)
-	-	-	-	(33,373)
15	-	(11,499)	10,462	11,631
-	-	11,499	(10,462)	5,098
15	-	-	-	16,729
-	(3,220)	1,503	2,140	13,529
15	(3,220)	1,503	2,140	30,258

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 56,917
Receivables	
Due from Other Governments	195,205
Total Current Assets	<u>252,122</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	107,244
Less: Accumulated Depreciation	(69,962)
Total Noncurrent Assets	<u>37,282</u>

Total Assets	<u>289,404</u>
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Deferred Outflows - Pension Related	<u>233,152</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	6,913
Accrued Liabilities	50,258
Compensated Absences	17,343
Total Current Liabilities	<u>74,514</u>

Noncurrent Liabilities:

Net Pension Liability	1,759,226
Total Noncurrent Liabilities	<u>1,759,226</u>

Total Liabilities	<u>1,833,740</u>
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Deferred Inflows - Pension Related	<u>40,533</u>
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NET POSITION

Investment in Capital Assets	37,282
Restricted	47,026
Unrestricted (Deficit)	(1,436,025)
Total Net Position	<u>\$ (1,351,717)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,015,052	-	176,405	-	(838,647)
Support Services:					
Students	166,551	-	-	-	(166,551)
Instruction	8,298	-	-	-	(8,298)
General Administration	14,423	-	-	-	(14,423)
School Administration	183,609	-	-	-	(183,609)
Central Services	165,226	-	-	-	(165,226)
Operation & Maintenance of Plant	66,028	-	-	-	(66,028)
Student Transportation	23,402	-	-	-	(23,402)
Food Services	117,791	2,408	84,914	-	(30,469)
Facilities Materials, Supplies & Other Services	229,275	-	-	110,552	(118,723)
Total Governmental Activities	\$ 1,989,655	2,408	261,319	110,552	(1,615,376)
General Revenues:					
					\$ 60,861
					1,394,093
					<u>1,454,954</u>
Change in Net Position					(160,422)
Net Position, Beginning of Year					<u>(1,191,295)</u>
Net position, Ending					<u>\$ (1,351,717)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 24,849	26,759	-	-
Accounts Receivable				
Due from Government	-	-	154	84,750
Due from Other Funds	185,242	-	-	-
Total Assets	\$ 210,091	26,759	154	84,750
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 6,913	-	-	-
Accrued Expenditures	49,574	-	-	-
Due to Other Funds	-	-	5,833	84,750
Total Liabilities	56,487	-	5,833	84,750
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	26,759	-	-
Capital Improvements	-	-	-	-
Unassigned	153,604	-	(5,679)	-
Total Fund Balance	153,604	26,759	(5,679)	-
Total Liabilities and Fund Balances	\$ 210,091	26,759	154	84,750

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Carl D Perkins Secondary 24183	Spaceport Grt Grant - Dona Ana County 26204	After School Enrichment Program 27168	W.K. Kellogg Foundation 27401
-	185	-	23	-	-
38,605	-	5,310	-	-	-
-	-	-	-	-	-
38,605	185	5,310	23	-	-
-	-	-	-	-	-
499	185	-	-	-	-
38,106	-	5,310	-	-	-
38,605	185	5,310	-	-	-
-	-	-	23	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	23	-	-
38,605	185	5,310	23	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Medicaid HSD 28144	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
ASSETS					
Cash and Cash Equivalents	\$ 2,756	-	2,345	-	56,917
Accounts Receivable					
Due from Government	-	28,666	15,143	22,577	195,205
Due from Other Funds	-	-	-	-	185,242
Total Assets	<u>2,756</u>	<u>28,666</u>	<u>17,488</u>	<u>22,577</u>	<u>437,364</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	-	-	-	-	6,913
Accrued Expenditures	-	-	-	-	50,258
Due to Other Funds	-	28,666	-	22,577	185,242
Total Liabilities	<u>-</u>	<u>28,666</u>	<u>-</u>	<u>22,577</u>	<u>242,413</u>
Fund Balances					
Fund Balance:					
Restricted for:					
Instruction	2,756	-	-	-	29,538
Capital Improvements	-	-	17,488	-	17,488
Unassigned	-	-	-	-	147,925
Total Fund Balance	<u>2,756</u>	<u>-</u>	<u>17,488</u>	<u>-</u>	<u>194,951</u>
Total Liabilities and Fund Balances	<u>\$ 2,756</u>	<u>28,666</u>	<u>17,488</u>	<u>22,577</u>	<u>437,364</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balance - Total Governmental Funds **\$ 194,951**

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

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

Capital Assets	107,244	
Accumulated Depreciation	(69,962)	
		37,282

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		233,152
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Compensated Absences		(17,343)
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Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		
Net Pension Liability		(1,759,226)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		
		(40,533)

Net Position-Total Governmental Activities		<u><u>\$ (1,351,717)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	1,877	-	-	-
State Grant	1,394,093	11,724	-	-
Federal Grant	-	-	84,914	84,750
Charges for Services	-	-	2,408	-
Total Revenues	1,395,970	11,724	87,322	84,750
EXPENDITURES				
Current:				
Instruction	853,534	11,723	-	72,740
Support Services:				
Students	143,330	-	-	12,010
Instruction	3,330	-	-	-
General Administration	14,423	-	-	-
School Administration	174,483	-	-	-
Central Services	164,721	-	-	-
Operation & Maintenance of Plant	96,683	-	-	-
Student Transportation	23,402	-	-	-
Food Services Operations	17,851	-	94,816	-
Capital Outlay	-	-	-	-
Total Expenditures	1,491,757	11,723	94,816	84,750
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(95,787)</u>	<u>1</u>	<u>(7,494)</u>	<u>-</u>
Net Changes in Fund Balances	<u>(95,787)</u>	<u>1</u>	<u>(7,494)</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>249,391</u>	<u>26,758</u>	<u>1,815</u>	<u>-</u>
Fund Balances - End of Year	<u><u>\$ 153,604</u></u>	<u><u>26,759</u></u>	<u><u>(5,679)</u></u>	<u><u>-</u></u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Carl D Perkins Secondary 24183	Spaceport Grt Grant - Dona Ana County 26204	After School Enrichment Program 27168	W.K. Kellogg Foundation 27401
-	-	-	-	-	-
-	-	-	9,781	-	-
-	-	-	-	-	-
38,605	-	5,310	-	-	-
-	-	-	-	-	-
38,605	-	5,310	9,781	-	-
38,605	-	-	21,301	-	-
-	-	-	-	-	-
-	-	-	-	4,968	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	5,310	-	-	-
-	-	-	-	-	-
38,605	-	5,310	21,301	4,968	-
-	-	-	(11,520)	(4,968)	-
-	-	-	(11,520)	(4,968)	-
-	-	-	11,543	4,968	-
-	-	-	23	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2016

	Medicaid HSD 28144	Public School Capital 31200	HB-33 Outlay 31600	Capital Improvements 31700	SB-9 Capital Improvements	Total
REVENUES						
Property Taxes	\$ -	-	60,861	-	-	60,861
Local & County Grant	-	-	-	-	-	11,658
State Grant	1,781	110,552	-	22,577	-	1,540,727
Federal Grant	-	-	-	-	-	213,579
Charges for Services	-	-	-	-	-	2,408
Total Revenues	1,781	110,552	60,861	22,577		1,829,233
EXPENDITURES						
Current:						
Instruction	-	-	-	-	-	997,903
Support Services:						-
Students	-	-	-	-	-	155,340
Instruction	-	-	-	-	-	8,298
General Administration	-	-	-	-	-	14,423
School Administration	-	-	-	-	-	174,483
Central Services	-	-	-	-	-	164,721
Operation & Maintenance of Plant	-	-	-	-	-	96,683
Student Transportation	-	-	-	-	-	23,402
Food Services Operations	-	-	-	-	-	117,977
Capital Outlay	-	110,552	96,146	22,577	-	229,275
Total Expenditures	-	110,552	96,146	22,577		1,982,505
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	1,781	-	(35,285)	-	-	(153,272)
Net Changes in Fund Balances	1,781	-	(35,285)	-		(153,272)
Fund Balances - Beginning of Year	975	-	52,773	-		348,223
Fund Balances - End of Year	\$ 2,756	-	17,488	-		194,951

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balance-Total Governmental Funds **\$ (153,272)**

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

Change in Compensated Absences (5,214)

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	35,499	
Depreciation Expense	(4,260)	
	31,239	31,239

Changes in deferred outflows of resources-pension related, deferred
 inflows of resources-pension related, and the net pension liability (33,175)

Change in Net Position-Total Governmental Activities **\$ (160,422)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 7,484
Total Assets	<u>\$ 7,484</u>
 LIABILITIES	
Deposits Held for Others	\$ 7,484
Total Liabilities	<u>\$ 7,484</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 5,923	19,107	17,546	7,484
Total Assets	<u>\$ 5,923</u>	<u>19,107</u>	<u>17,546</u>	<u>7,484</u>
LIABILITIES				
Deposits Held for Others	\$ 5,923	19,107	17,546	7,484
Total Liabilities	<u>\$ 5,923</u>	<u>19,107</u>	<u>17,546</u>	<u>7,484</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at their acquisition cost as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The La Academia Dolores Huerta's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The La Academia Dolores Huerta does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
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Capital assets for the La Academia Dolores Huerta are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 71,745	35,499	-	107,244
<i>Total</i>	71,745	35,499	-	107,244
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(65,702)	(4,260)	-	(69,962)
<i>Total</i>	(65,702)	(4,260)	-	(69,962)
Capital Assets, Net	\$ 6,043	31,239	-	37,282

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Facilities, Materials, Supplies & Other Services	\$ 4,260
Total	<u>\$ 4,260</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The La Academia Dolores Huerta leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$114,661. The La Academia Dolores Huerta's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 114,661
2018	170,189
2019	170,189
2020	170,189
2021	170,189
Total	<u>\$ 795,417</u>

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to La Academia Dolores Huerta and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and La Academia Dolores Huerta are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2016 and 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from La Academia Dolores Huerta were \$121,910 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, and the net pension liability was measured as of that date. At June 30, 2016, La Academia Dolores Huerta reported a liability of \$1,759,226 for its proportionate share of the net pension liability. La Academia Dolores Huerta's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, La Academia Dolores Huerta's proportion was 0.02716%, which was an increase of 0.00073 from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, La Academia Dolores Huerta recognized pension expense of \$155,085. At June 30, 2016, La Academia Dolores Huerta reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 32,614
Changes in assumptions	60,509	-
Net difference between projected and actual earnings on pension plan investments	-	7,919
Changes in proportion	50,733	-
La Academia Dolores Huerta contributions subsequent to the measurement date	<u>121,910</u>	<u>-</u>
Total	<u>\$ 233,152</u>	<u>\$ 40,533</u>

\$121,910 reported as deferred outflows of resources related to pensions resulting from La Academia Dolores Huerta contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (16,514)
2018	(16,389)
2019	(13,372)
2020	<u>(24,434)</u>
Total	<u>\$ (70,709)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of La Academia Dolores Huerta’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
La Academia Dolores Huerta’s proportionate share of the net pension liability	\$ 2,367,155	1,759,226	1,248,501

Payables to the pension plan. For the year ending June 30, 2016, La Academia Dolores Huerta’s accrued liability due to ERB was \$19,740 for payroll paid in July 2016.

NOTE 5. DEFICIT FUND BALANCE

At June 30, 2016, the Food Service Fund had a deficit fund balance of \$5,679. This deficit will be eliminated as revenues are expected to exceed expenditures in the next fiscal year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
LA ACADEMIA DOLORES HUERTA
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,508	1,759	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 729	742	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.97%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
LA ACADEMIA DOLORES HUERTA
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 122	122	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	108	122	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 14	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (133)	5		\$ (33)	(33)	(33)	(34)	-				
2015	(71)	5			(17)	(17)	(13)	(24)				
2016	-	5				-	-	-				
2017	-	5				-	-	-				
2018	-	5				-	-	-				
2019	-	5				-	-	-				
2020	-	5				-	-	-				
2021	-	5				-	-	-				
2022	-	5				-	-	-				
2023	-	5				-	-	-				
	\$ (204)			\$ (33)	(50)	(50)	(47)	(24)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Local & County Grant	\$ -	-	1,877	1,877
State Grant	1,231,379	1,394,093	1,394,093	-
Total Revenues	<u>1,231,379</u>	<u>1,394,093</u>	<u>1,395,970</u>	<u>1,877</u>
EXPENDITURES				
Current:				
Instruction	797,023	919,237	843,662	75,575
Support Services:				
Students	131,699	154,699	143,330	11,369
Instruction	-	-	3,330	(3,330)
General Administration	59,528	59,528	22,450	37,078
School Administration	147,850	147,850	174,517	(26,667)
Central Services	175,345	188,845	164,755	24,090
Operation & Maintenance of Plant	128,774	128,774	102,143	26,631
Student Transportation	-	-	23,402	(23,402)
Food Services Operations	13,969	17,969	17,851	118
Total Expenditures	<u>1,454,188</u>	<u>1,616,902</u>	<u>1,495,440</u>	<u>121,462</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(222,809)</u>	<u>(222,809)</u>	<u>(99,470)</u>	<u>123,339</u>
Other Financing Sources (Uses):				
Designated Cash	222,809	222,809	-	(222,809)
Total Other Financing Sources (Uses):	<u>222,809</u>	<u>222,809</u>	<u>-</u>	<u>(222,809)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(99,470)</u>	<u>(99,470)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>249,391</u>	<u>249,391</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>149,921</u>	<u>149,921</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (99,470)	
Adjustments to Revenues				
Adjustments to Expenditures			3,683	
NET CHANGE IN FUND BALANCE			<u>\$ (95,787)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 9,127	11,723	11,724	1
Total Revenues	<u>9,127</u>	<u>11,723</u>	<u>11,724</u>	<u>1</u>
EXPENDITURES				
Current:				
Instruction	9,127	11,723	11,723	-
Total Expenditures	<u>9,127</u>	<u>11,723</u>	<u>11,723</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>26,758</u>	<u>26,758</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>26,759</u>	<u>26,759</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Federal Grant	\$ -	90,000	94,687	4,687
Charges for Services	-	3,000	2,254	(746)
Total Revenues	<u>-</u>	<u>93,000</u>	<u>96,941</u>	<u>3,941</u>
EXPENDITURES				
Current:				
Food Services Operations	-	93,000	93,000	-
Total Expenditures	<u>-</u>	<u>93,000</u>	<u>93,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	3,941	3,941
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,941</u>	<u>3,941</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>1,815</u>	<u>1,815</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,756</u>	<u>5,756</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,941	
Adjustments to Revenues			<u>(9,619)</u>	
Adjustments to Expenditures			<u>(1,816)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (7,494)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Federal Grant	\$ 87,767	91,076	39,717	(51,359)
Total Revenues	<u>87,767</u>	<u>91,076</u>	<u>39,717</u>	<u>(51,359)</u>
EXPENDITURES				
Current:				
Instruction	75,757	79,066	72,740	6,326
Support Services:				
Students	<u>12,010</u>	<u>12,010</u>	<u>12,010</u>	<u>-</u>
Total Expenditures	<u>87,767</u>	<u>91,076</u>	<u>84,750</u>	<u>6,326</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(45,033)</u>	<u>(45,033)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(45,033)</u>	<u>(45,033)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(45,033)</u>	<u>(45,033)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (45,033)	
Adjustments to Revenues			<u>45,033</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 29,768	38,605	35,218	(3,387)
Total Revenues	29,768	38,605	35,218	(3,387)
EXPENDITURES				
Current:				
Instruction	29,768	38,605	38,605	-
Total Expenditures	29,768	38,605	38,605	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,387)	(3,387)
Net Changes in Fund Balances	-	-	(3,387)	(3,387)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(3,387)	(3,387)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,387)	
Adjustments to Revenues			3,387	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 11,890	21,983	-	(21,983)
Total Revenues	<u>11,890</u>	<u>21,983</u>	<u>-</u>	<u>(21,983)</u>
EXPENDITURES				
Current:				
Instruction	-	10,093	-	10,093
Support Services:				
Students	5,945	5,945	-	5,945
School Administration	5,945	5,945	-	5,945
Total expenditures	<u>11,890</u>	<u>21,983</u>	<u>-</u>	<u>21,983</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Budgetary Comparisons - Budgetary Basis
 Carl D Perkins Secondary 24183
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	5,310	5,310	-
Total Revenues	-	5,310	5,310	-
EXPENDITURES				
Current:				
Food Services Operations	-	5,310	5,310	-
Total expenditures	-	5,310	5,310	-
Net changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
Spaceport Grt Grant - Dona Ana County 26204
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Local & County Grant	\$ -	9,781	9,781	-
Total Revenues	<u>-</u>	<u>9,781</u>	<u>9,781</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	11,519	21,301	21,301	-
Total Expenditures	<u>11,519</u>	<u>21,301</u>	<u>21,301</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(11,519)</u>	<u>(11,520)</u>	<u>(11,520)</u>	<u>-</u>
Other Financing Sources (Uses):				
Designated Cash	11,519	11,520	-	(11,520)
Total Other Financing Sources (Uses):	<u>11,519</u>	<u>11,520</u>	<u>-</u>	<u>(11,520)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(11,520)</u>	<u>(11,520)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>11,543</u>	<u>11,543</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>23</u>	<u>23</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (11,520)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (11,520)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
After School Enrichment Program 27168
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	29,664	29,664
Total Revenues	-	-	29,664	29,664
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	29,664	29,664
Net Changes in Fund Balances	-	-	29,664	29,664
Cash or Fund Balances - Beginning of Year	-	-	4,968	4,968
Cash or Fund Balances - End of Year	\$ -	-	34,632	34,632
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 29,664	
Adjustments to Revenues			(29,664)	
Adjustments to Expenditures			(4,968)	
NET CHANGE IN FUND BALANCE			\$ (4,968)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Budgetary Comparisons - Budgetary Basis
 W.K. Kellogg Foundation 27401
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ -	5,000	5,000	-
Total Revenues	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	5,000	-	5,000
Total Expenditures	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,000	5,000
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,000	
Adjustments to Revenues			<u>(5,000)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Budgetary Comparisons - Budgetary Basis
 Medicaid HSD 28144
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	1,781	1,781
Total Revenues	-	-	1,781	1,781
EXPENDITURES				
Current:				
Support Services:				
Students	-	-	-	-
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,781	1,781
Net Changes in Fund Balances	-	-	1,781	1,781
Cash or Fund Balances - Beginning of Year	-	-	975	975
Cash or Fund Balances - End of Year	\$ -	-	2,756	2,756
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,781	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1,781</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ -	110,552	81,886	(28,666)
Total Revenues	<u>-</u>	<u>110,552</u>	<u>81,886</u>	<u>(28,666)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	110,552	110,552	-
Total Expenditures	<u>-</u>	<u>110,552</u>	<u>110,552</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(28,666)	(28,666)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(28,666)</u>	<u>(28,666)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(28,666)</u>	<u>(28,666)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (28,666)	
Adjustments to Revenues			<u>28,666</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ 60,928	60,928	46,134	(14,794)
Total Revenues	<u>60,928</u>	<u>60,928</u>	<u>46,134</u>	<u>(14,794)</u>
EXPENDITURES				
Current:				
General Administration	609	609	-	609
Capital Outlay	110,319	110,319	96,146	14,173
Total Expenditures	<u>110,928</u>	<u>110,928</u>	<u>96,146</u>	<u>14,782</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,012)</u>	<u>(12)</u>
Other financing sources (uses):				
Designated Cash	50,000	50,000	-	(50,000)
Total other financing sources (uses):	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(50,012)</u>	<u>(50,012)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>52,773</u>	<u>52,773</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,761</u>	<u>2,761</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (50,012)	
Adjustments to Revenues			<u>14,727</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (35,285)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 14,242	22,577	-	(22,577)
Total Revenues	<u>14,242</u>	<u>22,577</u>	<u>-</u>	<u>(22,577)</u>
EXPENDITURES				
Capital Outlay	14,242	22,577	22,577	-
Total Expenditures	<u>14,242</u>	<u>22,577</u>	<u>22,577</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(22,577)</u>	<u>(22,577)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(22,577)</u>	<u>(22,577)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(22,577)</u>	<u>(22,577)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (22,577)	
Adjustments to Revenues			<u>22,577</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
US Bank	FHLMC FGLMC C78550	31288HQB9	5/1/2033	\$ 98,670
US Bank	FHLMC GOLD POOL G11311	31283KN46	10/1/2017	9,176
US Bank	FHLMC GOLD POOL G11502	31283KU30	12/1/2018	26,872
				<u>\$ 134,718</u>
Total Cash per Schedule of Cash Accounts:				\$ 91,617
Less: FDIC coverage:				<u>(91,617)</u>
Uninsured Public Funds:				-
Collateral Requirement:				-
Pledged Collateral Held by Pledging Financial Institution:				<u>134,718</u>
Balance Over Collateralized:				<u>\$ 134,718</u>
Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>US Bank</u>
Checking - Operational Account	\$ 84,133
Checking - Activity Account	7,484
<i>Total on Deposit</i>	91,617
Reconciling Items	(27,216)
Reconciled Balance June 30, 2016	64,401
Less Agency Funds	(7,484)
<i>Total Cash</i>	\$ 56,917

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 179,653	26,758	-	5,923
Add:				
2015-16 revenues	1,395,970	11,724	96,941	19,107
Total Cash Available	1,575,623	38,482	96,941	25,030
Less:				
2015-16 expenditures	(1,495,440)	(11,723)	(93,000)	(17,546)
Receivables/Payables	24,014	-	-	-
Outstanding Loans	(185,057)	-	5,833	-
Cash June 30, 2016	(80,860)	26,759	9,774	7,484
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	105,709	-	(9,774)	-
Cash Per Books	24,849	26,759	-	7,484
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	128,755	-	(5,679)	(7,484)
Fund Balance, Modified Accrual Basis	\$ 153,604	26,759	(5,679)	-

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

Federal Projects Account 24000	Local Grant Funds 26000	State Account 27000	State Direct Account 28000	Public School Capital Outlay 31200	Capital Improv HB 33 31600	Capital Improv SB 9 31700	Total
-	11,543	-	975	-	52,357	-	277,209
74,935	9,781	34,664	1,781	81,886	46,134	-	1,772,923
74,935	21,324	34,664	2,756	81,886	98,491	-	2,050,132
(123,355)	(21,301)	-	-	(110,552)	(96,146)	(22,577)	(1,991,640)
499	-	-	-	-	-	-	24,513
100,601	-	-	-	56,044	-	22,577	(2)
52,680	23	34,664	2,756	27,378	2,345	-	83,003
(52,495)	-	(34,664)	-	(27,378)	-	-	(18,602)
185	23	-	2,756	-	2,345	-	64,401
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:							(7,484)
							<u>\$ 56,917</u>
(185)	-	-	-	-	15,143	-	130,550
-	23	-	2,756	-	17,488	-	194,951

Balance Sheets - Governmental Funds: \$ 194,951

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 26,356
Receivables	
Due from Other Governments	46,869
Prepaid Expenses	4,045
Total Current Assets	<u>77,270</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	194,712
Furniture, Fixtures, and Equipment	88,193
Less: Accumulated Depreciation	(59,453)
Total Noncurrent Assets	<u>223,452</u>

Total Assets 300,722

Deferred Outflows - Pension Related 223,691

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Current Portion of Long-Term Debt	21,566
Total Current Liabilities	<u>21,566</u>

Noncurrent Liabilities:

Net Pension Liability	377,625
Long-Term Debt	373,484
Total Noncurrent Liabilities	<u>751,109</u>

Total Liabilities 772,675

Deferred Inflows - Pension Related 19,166

NET POSITION

Net Investment in Capital Assets	223,452
Restricted	23,214
Unrestricted (Deficit)	(514,094)
Total Net Position	<u>\$ (267,428)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 245,330	1,454	128,361	-	(115,515)
Support Services:					
Students	16,175	-	-	-	(16,175)
Instruction	450	-	-	-	(450)
General Administration	13,344	-	-	-	(13,344)
School Administration	116,239	-	-	-	(116,239)
Central Services	58,478	-	-	-	(58,478)
Operation & Maintenance of Plant	93,660	-	-	46,110	(47,550)
Other Support Services	63	-	-	-	(63)
Food Services	9,305	3,127	4,936	-	(1,242)
Facilities Materials, Supplies & Other Services	52,754	-	-	-	(52,754)
Interest on long-term debt	28,424	-	-	-	(28,424)
Total Governmental Activities	\$ 634,222	4,581	133,297	46,110	(450,234)
General Revenues:					
					\$ 9,254
					308,373
					117
					Special item - abandonment of land and land improvements (Note 2)
					(417,661)
					Total general revenues and special item
					(99,917)
					Change in Net Position
					(550,151)
					Net Position, Beginning
					282,723
					Net position (deficit), Ending
					\$ (267,428)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 6,269	2,022	-	-
Accounts Receivable				
Due from Government	-	-	-	3,759
Due from Other Funds	48,090	-	-	-
Prepaid Expenditures	4,045	-	-	-
Total Assets	\$ 58,404	2,022	-	3,759
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Due to Other Funds	\$ -	-	1,242	3,759
Total Liabilities	-	-	1,242	3,759
<i>Fund Balances</i>				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	4,045	-	-	-
Restricted for:				
Instruction	-	2,022	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	54,359	-	-	-
Unassigned	-	-	(1,242)	-
Total Fund Balance (Deficit)	58,404	2,022	(1,242)	-
Total Liabilities and Fund Balances	\$ 58,404	2,022	-	3,759

The accompanying notes are an integral part of these financial statements

Federal Charter Planning 24146	Teacher Principal Training 24154	Title XIX Medicaid 25153	Rural Education Program 25233	Reads to Lead 27114	Teacher & School Leader Incentive Pay 27188
115	-	113	-	-	-
-	-	-	16,494	4,812	16,186
-	-	-	-	-	-
-	-	-	-	-	-
<u>115</u>	<u>-</u>	<u>113</u>	<u>16,494</u>	<u>4,812</u>	<u>16,186</u>
-	-	-	16,494	4,812	16,186
-	-	-	16,494	4,812	16,186
-	-	-	-	-	-
115	-	113	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>115</u>	<u>-</u>	<u>113</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>115</u>	<u>-</u>	<u>113</u>	<u>16,494</u>	<u>4,812</u>	<u>16,186</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Bond Building 31100	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	La Jicarita Community School Foundation	Total
ASSETS					
Cash and Cash Equivalents	\$ -	-	16,898	939	26,356
Accounts Receivable					
Due from Government	-	5,597	21	-	46,869
Due from Other Funds	-	-	-	-	48,090
Prepaid Expenditures	-	-	-	-	4,045
Total Assets	\$ -	5,597	16,919	939	125,360
LIABILITIES AND FUND BALANCES					
<i>Liabilities:</i>					
Due to Other Funds	\$ -	5,597	-	-	48,090
Total Liabilities	-	5,597	-	-	48,090
<i>Fund Balances</i>					
Fund Balance:					
Nonspendable:					
Prepaid Expenditures	-	-	-	-	4,045
Restricted for:					
Instruction	-	-	-	-	2,250
Capital Improvements	-	-	16,919	-	16,919
Assigned to:					
Subsequent Years Expenditures and Other Programs	-	-	-	939	55,298
Unassigned	-	-	-	-	(1,242)
Total Fund Balance (Deficit)	-	-	16,919	939	77,270
Total Liabilities and Fund Balances	\$ -	5,597	16,919	939	125,360

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds **\$ 77,270**

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

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

Capital Assets	282,905	
Accumulated Depreciation	(59,453)	
		223,452

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		223,691
--	--	---------

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(19,166)
--	--	----------

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		(377,625)
---	--	-----------

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Long-Term Debt		(395,050)
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Net Position-Total Governmental Activities		<u><u>\$ (267,428)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	2,179	-	-	-
State Grant	308,373	1,573	-	-
Federal Grant	-	-	4,936	14,106
Charges for Services	1,454	-	3,127	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>312,006</u>	<u>1,573</u>	<u>8,063</u>	<u>14,106</u>
EXPENDITURES				
Current:				
Instruction	119,128	2,225	-	14,106
Support Services:				
Students	8,212	-	-	-
Instruction	450	-	-	-
General Administration	13,252	-	-	-
School Administration	84,049	-	-	-
Central Services	43,364	-	-	-
Operation & Maintenance of Plant	58,168	-	-	-
Other Support Services Operations	63	-	-	-
Food Services Operations	-	-	9,305	-
Capital Outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>326,686</u>	<u>2,225</u>	<u>9,305</u>	<u>14,106</u>
Net Changes in Fund Balances	<u>(14,680)</u>	<u>(652)</u>	<u>(1,242)</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>73,084</u>	<u>2,674</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 58,404</u>	<u>2,022</u>	<u>(1,242)</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Federal Charter Planning 24146	Teacher Principal Training 24154	Title XIX Medicaid 25153	Rural Education Program 25233	Reads to Lead 27114	Teacher & School Leader Incentive Pay 27188
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	19,603	16,186
-	3,096	-	16,494	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>3,096</u>	<u>-</u>	<u>16,494</u>	<u>19,603</u>	<u>16,186</u>
-	2,600	-	16,494	13,900	16,186
-	-	-	-	5,703	-
-	-	-	-	-	-
-	-	-	-	-	-
-	496	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>3,096</u>	<u>-</u>	<u>16,494</u>	<u>19,603</u>	<u>16,186</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>115</u>	<u>-</u>	<u>113</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>115</u>	<u>-</u>	<u>113</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2016

	Bond Building 31100	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	La Jicarita Community School Foundation	Total
REVENUES					
Property Taxes	\$ -	-	9,254	-	9,254
Local & County Grant	-	-	-	1,071	3,250
State Grant	23,721	22,389	-	-	375,659
Federal Grant	-	-	-	-	38,632
Charges for Services	-	-	-	54,053	58,634
Miscellaneous Income	-	-	-	117	117
Total Revenues	<u>23,721</u>	<u>22,389</u>	<u>9,254</u>	<u>55,241</u>	<u>485,546</u>
EXPENDITURES					
Current:					
Instruction	-	-	-	-	168,453
Support Services:					
Students	-	-	-	-	13,915
Instruction	-	-	-	-	450
General Administration	-	-	92	-	13,344
School Administration	-	-	-	-	84,545
Central Services	-	-	-	12,727	56,091
Operation & Maintenance of Plant	-	-	-	-	58,168
Other Support Services Operations	-	-	-	-	63
Food Services Operations	-	-	-	-	9,305
Capital Outlay	23,721	22,389	3,618	-	49,728
Debt service					
Principal	-	-	-	20,113	20,113
Interest	-	-	-	28,424	28,424
Total Expenditures	<u>23,721</u>	<u>22,389</u>	<u>3,710</u>	<u>61,264</u>	<u>502,599</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>5,544</u>	<u>(6,023)</u>	<u>(17,053)</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>11,375</u>	<u>6,962</u>	<u>94,323</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>16,919</u>	<u>939</u>	<u>77,270</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ (17,053)**

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Depreciation Expense	(39,100)
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The School recorded a loss on the impairment of land and land improvements due the school closing after the 2015-2016 school year. The land and land improvements had a net book value of \$417,661. (417,661)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Payment of Notes Payable	20,113
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Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability	(96,450)
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Change in Net Position-Total Governmental Activities **\$ (550,151)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	<u>\$ 365</u>
Total Assets	<u><u>\$ 365</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 365</u>
Total Liabilities	<u><u>\$ 365</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ -	2,346	1,981	365
Total Assets	<u>\$ -</u>	<u>2,346</u>	<u>1,981</u>	<u>365</u>
 LIABILITIES				
Deposits Held for Others	\$ -	2,346	1,981	365
Total Liabilities	<u>\$ -</u>	<u>2,346</u>	<u>1,981</u>	<u>365</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Building Improvements	15 years
Furniture, Fixtures and Equipment	3-15 years

Capital assets for La Jicarita Community School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
<i>Capital Assets not Depreciated:</i>				
Land	\$ 47,694	-	(47,694)	-
<i>Total</i>	<u>47,694</u>	<u>-</u>	<u>(47,694)</u>	<u>-</u>
<i>Capital Assets being Depreciated:</i>				
Buildings and building improvements	194,712	-	-	194,712
Furniture, fixtures and equipment	88,193	-	-	88,193
Land improvements	413,626	-	(413,626)	-
<i>Total</i>	<u>696,531</u>	<u>-</u>	<u>(413,626)</u>	<u>282,905</u>
<i>Less: Accumulated Depreciation</i>				
Buildings and building improvements	(26,368)	(16,591)	-	(42,959)
Furniture, fixtures and equipment	(10,294)	(6,200)	-	(16,494)
Land improvements	(27,350)	(16,309)	43,659	-
<i>Total</i>	<u>(64,012)</u>	<u>(39,100)</u>	<u>43,659</u>	<u>(59,453)</u>
Net Capital Assets	<u>\$ 680,213</u>	<u>(39,100)</u>	<u>(417,661)</u>	<u>223,452</u>

La Jicarita Community School wrote-off land and land improvement assets at June 30, 2016, as school year 2015 – 2016 was the final year of operation of the school and there is no perceived economic benefit to be received for the land and land improvements in the near future. La Jicarita Community School recognized a loss related to these assets in the amount of \$417,661.

Depreciation expensed for the year ended June 30, 2016, was expensed to the following functions:

Operation and Maintenance of Plant	\$ 33,687
Facilities Materials, Supplies & Other Services	3,026
Central Services	2,387
Total	<u>\$ 39,100</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Notes to the Financial Statements
June 30, 2016**

NOTE 3. LONG-TERM DEBT

In May 2013, the La Jicarita Community Foundation entered into a note payable agreement with the Charter School Development Corporation to finance the purchase of land and to make various land improvements. The note has an annual interest rate of 7% and a maturity date of July 2018. However, due to the closing of the School in June 2016 the land and associated improvements reverted back to the lender in July 2016 and the last payment by the Foundation on the note occurred in June 2016. The total amount owed at June 30, 2016 was \$395,050. No additional payments on this note will be made and the lender anticipates having completely foreclosed on the land by the end of 2016.

NOTE 4. COMMITMENTS AND CONTINGENCIES

The school leases facilities under a long-term cancelable operating lease. The facilities are leased from the Foundation. Rental expense for the year ended June 30, 2016 was \$53,887. The School's lease was terminated as of June 30, 2016 upon closure of the School.

NOTE 5. RELATED PARTY TRANSACTIONS

The School has a Foundation which subleases the property to the School. The Foundation is considered a component unit of the School and is presented as a blended component unit.

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to La Jicarita Community School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and La Jicarita Community School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from La Jicarita Community School were \$26,702 for the year ended June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Notes to the Financial Statements
June 30, 2016

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD – (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. Therefore, the employer’s portion was established as of the measurement date June 30, 2015. At June 30, 2016, La Jicarita Community School reported a liability of \$377,625 for its proportionate share of the net pension liability. La Jicarita Community School’s proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, La Jicarita Community School’s proportion was 0.00583%, which was a decrease of 0.00022% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, La Jicarita Community School recognized pension expense of \$122,999. At June 30, 2016, La Jicarita Community School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(7,001)
Changes in assumptions	12,990	-
Net difference between projected and actual earnings on pension plan investments	-	(1,700)
Changes in proportion	183,999	(10,465)
Fiscal year 2016 employer contributions	26,702	-
	<hr/>	<hr/>
Ending balance	<u>\$ 223,691</u>	<u>(19,166)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Notes to the Financial Statements
 June 30, 2016

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The amount of \$26,702 reported as deferred outflows of resources related to pensions resulting from La Jicarita Community School’s contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2017	\$	(93,411)
2018		(81,872)
2019		2,706
2020		(5,246)
Total	\$	<u>(177,823)</u>

Sensitivity of La Jicarita Community School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
La Jicarita Community School’s proportionate share of the net pension liability	<u>\$ 508,119</u>	<u>377,625</u>	<u>267,997</u>

Payables to the pension plan. At June 30, 2016, La Jicarita Community School owed \$0 to ERB for fiscal year 2016 contributions.

NOTE 7. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2016:

Food Services Operations – 21000	\$1,242
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Notes to the Financial Statements
June 30, 2016**

NOTE 9. BUDGETARY OVERAGES

La Jicarita Community School has expended in excess of the budget in the following fund and function:

Fund 11000 – Operational	
Central Services	\$366
Fund 24154 – Teacher/Principal Training and Recruiting	
Support Services School Administration	\$396

NOTE 8. SCHOOL CLOSURE

The school year ending June 30, 2016 is the final year of operation of La Jicarita Community School. Subsequent to year end the New Mexico Public Education Department (PED) is in the process of closing out the school’s governmental and agency funds.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
LA JICARITA
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 345	378	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 167	159	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.87%	237.49%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
LA JICARITA COMMUNITY SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 26	\$ 23	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	23	23	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 3	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (245)	5		\$ (88)	\$ (88)	\$ (77)	\$ 8	-				
2015	\$ (178)	5			(93)	(82)	3	(5)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ (423)			\$ (88)	\$ (181)	(159)	11	(5)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	1,400	2,179	779
State Grant	307,609	308,373	308,373	-
Charges for Services	-	-	1,454	1,454
Total Revenues	307,609	309,773	312,006	2,233
EXPENDITURES				
Current:				
Instruction	152,321	120,910	119,128	1,782
Support Services:				
Students	8,050	11,428	8,212	3,216
Instruction	900	451	450	1
General Administration	17,440	16,863	13,512	3,351
School Administration	86,548	86,659	84,049	2,610
Central Services	40,886	42,998	43,364	(366)
Operation & Maintenance of Plant	54,380	65,147	63,615	1,532
Other Support Services Operations	-	40,063	63	40,000
Total Expenditures	360,525	384,519	332,393	52,126
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(52,916)	(74,746)	(20,387)	54,359
Other Financing Sources (Uses):				
Designated Cash	52,916	74,746	-	(74,746)
Total Other Financing Sources (Uses):	52,916	74,746	-	(74,746)
Net Changes in Fund Balances	-	-	(20,387)	(20,387)
Cash or Fund Balances - Beginning of Year	-	-	73,084	73,084
Cash or Fund Balances - End of Year	\$ -	-	52,697	52,697
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (20,387)	
Adjustments to Revenues			-	
Adjustments to Expenditures			5,707	
NET CHANGE IN FUND BALANCE			\$ (14,680)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 2,199	1,368	1,573	205
Total Revenues	<u>2,199</u>	<u>1,368</u>	<u>1,573</u>	<u>205</u>
EXPENDITURES				
Current:				
Instruction	4,196	4,041	2,225	1,816
Total Expenditures	<u>4,196</u>	<u>4,041</u>	<u>2,225</u>	<u>1,816</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(1,997)</u>	<u>(2,673)</u>	<u>(652)</u>	<u>2,021</u>
Other Financing Sources (Uses):				
Designated Cash	1,997	2,673	-	(2,673)
Total Other Financing Sources (Uses):	<u>1,997</u>	<u>2,673</u>	<u>-</u>	<u>(2,673)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(652)</u>	<u>(652)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>2,674</u>	<u>2,674</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,022</u>	<u>2,022</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (652)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (652)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	10,000	4,936	(5,064)
Charges for Services	-	-	3,127	3,127
Total Revenues	-	10,000	8,063	(1,937)
EXPENDITURES				
Current:				
Food Services Operations	-	10,000	9,305	695
Total Expenditures	-	10,000	9,305	695
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,242)	(1,242)
Net Changes in Fund Balances	-	-	(1,242)	(1,242)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(1,242)	(1,242)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,242)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (1,242)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 14,278	20,880	37,431	16,551
Total Revenues	<u>14,278</u>	<u>20,880</u>	<u>37,431</u>	<u>16,551</u>
EXPENDITURES				
Current:				
Instruction	14,278	20,880	14,106	6,774
Total Expenditures	<u>14,278</u>	<u>20,880</u>	<u>14,106</u>	<u>6,774</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	23,325	23,325
Net Changes in Fund Balances	-	-	23,325	23,325
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>23,325</u>	<u>23,325</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 23,325	
Adjustments to Revenues			(23,325)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Federal Charter Planning 24146
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	115	115
Cash or Fund Balances - End of Year	\$ -	-	115	115
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher/Principal Training & Recruiting 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 3,155	7,084	3,096	(3,988)
Total Revenues	<u>3,155</u>	<u>7,084</u>	<u>3,096</u>	<u>(3,988)</u>
EXPENDITURES				
Current:				
Instruction	3,155	6,984	2,600	4,384
Support Services:				
School Administration	-	100	496	(396)
Total Expenditures	<u>3,155</u>	<u>7,084</u>	<u>3,096</u>	<u>3,988</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title XIX Medicaid 25153
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	-	-
Charges for Services	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	113	113
Cash or Fund Balances - End of Year	\$ -	-	113	113
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Rural Education Program 25233
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	-	-
Charges for Services	-	16,494	-	(16,494)
Total Revenues	-	16,494	-	(16,494)
EXPENDITURES				
Current:				
Instruction	-	16,494	16,494	-
Total Expenditures	-	16,494	16,494	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(16,494)	(16,494)
Net Changes in Fund Balances	-	-	(16,494)	(16,494)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(16,494)	(16,494)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (16,494)	
Adjustments to Revenues			16,494	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Reads to Lead 27114
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 22,000	22,000	27,364	5,364
Total Revenues	<u>22,000</u>	<u>22,000</u>	<u>27,364</u>	<u>5,364</u>
EXPENDITURES				
Current:				
Instruction	16,439	16,074	13,900	2,174
Support Services:				
Students	5,561	5,926	5,703	223
Total Expenditures	<u>22,000</u>	<u>22,000</u>	<u>19,603</u>	<u>2,397</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	7,761	7,761
Net Changes in Fund Balances	-	-	7,761	7,761
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>7,761</u>	<u>7,761</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 7,761	
Adjustments to Revenues			(7,761)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher & School Leader Incentive Pay 27188
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	33,500	-	(33,500)
Total Revenues	-	33,500	-	(33,500)
EXPENDITURES				
Current:				
Instruction	-	33,500	16,186	17,314
Total Expenditures	-	33,500	16,186	17,314
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(16,186)	(16,186)
Net Changes in Fund Balances	-	-	(16,186)	(16,186)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(16,186)	(16,186)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (16,186)	
Adjustments to Revenues			16,186	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Bond Building 31100
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	23,721	23,721
Total Revenues	-	-	23,721	23,721
EXPENDITURES				
Capital Outlay	95,716	95,716	23,721	71,995
Total Expenditures	95,716	95,716	23,721	71,995
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(95,716)	(95,716)	-	95,716
Net Changes in Fund Balances	(95,716)	(95,716)	-	95,716
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ (95,716)	(95,716)	-	95,716
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	22,389	23,451	1,062
Total Revenues	-	22,389	23,451	1,062
EXPENDITURES				
Capital Outlay	-	22,389	22,389	-
Total Expenditures	-	22,389	22,389	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,062	1,062
Net Changes in Fund Balances	-	-	1,062	1,062
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	1,062	1,062
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,062	
Adjustments to Revenues			(1,062)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 6,893	6,983	9,233	2,250
State Grant	-	3,869	-	(3,869)
Total Revenues	6,893	10,852	9,233	(1,619)
EXPENDITURES				
Current:				
Support Services:				
General Administration	20	520	92	428
Capital Outlay	22,018	25,387	3,618	21,769
Total Expenditures	22,038	25,907	3,710	22,197
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(15,145)</i>	<i>(15,055)</i>	<i>5,523</i>	<i>20,578</i>
Other Financing Sources (Uses):				
Designated Cash	11,375	11,375	-	(11,375)
Total Other Financing Sources (Uses):	11,375	11,375	-	(11,375)
Net Changes in Fund Balances	(3,770)	(3,680)	5,523	9,203
Cash or Fund Balances - Beginning of Year	-	-	11,375	11,375
Cash or Fund Balances - End of Year	\$ (3,770)	(3,680)	16,898	20,578
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,523	
Adjustments to Revenues			21	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 5,544	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	40,830
Less: FDIC coverage:		<u>(40,830)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Schedule of Cash Accounts
June 30, 2016

<u>Bank Account Type</u>	<u>Centinel Bank</u>	<u>US Bank</u>	<u>Total</u>
Checking - Operational Account	\$ 39,878	-	39,878
Checking - Foundation	-	952	952
Total on Deposit	39,878	952	40,830
Reconciling Items	<u>(14,096)</u>	<u>(13)</u>	<u>(14,109)</u>
Reconciled Balance June 30, 2016	<u>25,782</u>	<u>939</u>	<u>26,721</u>
Less Agency Funds	<u>(365)</u>	-	<u>(365)</u>
Total Cash	<u>\$ 25,417</u>	<u>939</u>	<u>26,356</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Service Account 21000	Agency Funds Account 23000
Cash, June 30, 2015	\$ 54,491	2,674	-	-
Add:				
2015-16 revenues	312,006	1,573	8,063	2,346
Total Cash Available	366,497	4,247	8,063	2,346
Less:				
2015-16 expenditures	(332,393)	(2,225)	(9,305)	(1,981)
Receivables/Payables	(20,043)	-	-	-
Outstanding Loans	(7,792)	-	1,242	-
Cash June 30, 2016	6,269	2,022	-	365
			-	-
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	6,269	2,022	-	365
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	52,135	-	(1,242)	(365)
Fund Balance, Modified Accrual Basis	\$ 58,404	2,022	(1,242)	-

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

Federal Projects Account 24000	Federal Direct Account 25000	State Account 27000	Bond Building 31100	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
115	113	-	-	-	11,375	68,768
40,527	-	27,364	23,721	23,451	9,233	448,284
40,642	113	27,364	23,721	23,451	20,608	517,052
(17,202)	(16,494)	(35,789)	(23,721)	(22,389)	(3,710)	(465,209)
(3,765)	-	(2,253)	-	-	-	(26,061)
(19,560)	16,494	10,678	-	(1,062)	-	-
115	113	-	-	-	16,898	25,782
-	-	-	-	-	-	-
115	113	-	-	-	16,898	25,782
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:						(365)
Balance Sheet-Foundation:						939
						<u>\$ 26,356</u>
-	-	-	-	-	21	50,549
115	113	-	-	-	16,919	76,331
Add: Foundation:						939
Balance Sheets - Governmental Funds:						<u>\$ 77,270</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Statement of Net Position
June 30, 2016
Unaudited

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 42,194
Receivables	
Due from Other Governments	534,531
Total Current Assets	<u>576,725</u>

Noncurrent Assets:

Capital Assets	
Land	1,402,136
Building and Improvements	9,013,755
Furniture, Fixtures, and Equipment	204,445
Less: Accumulated Depreciation	(1,404,164)
Total Noncurrent Assets	<u>9,216,172</u>
Total Assets	<u>9,792,897</u>

Deferred Outflows - Pension Related	<u>1,002,967</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	96,109
Accrued Liabilities	41,899
Cash Overdraft	91,856
Current Portion of Long-Term Debt	8,657
Total Current Liabilities	<u>238,521</u>

Noncurrent Liabilities:

Long-Term Debt	7,585,868
Net Pension Liability	4,032,746
Total Noncurrent Liabilities	<u>11,618,614</u>
Total Liabilities	<u>11,857,135</u>

Deferred Inflows - Pension Related	<u>92,916</u>
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NET POSITION

Investment in Capital Assets	1,621,647
Restricted	630,500
Unrestricted (Deficit)	(3,406,334)
Total Net Position	<u>\$ (1,154,187)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Statement of Activities
For The Year Ended June 30, 2016
Unaudited

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,808,463	59,363	1,210,086	-	(1,539,014)
Support Services:					
Students	563,122	-	-	-	(563,122)
Instruction	3,329	-	-	-	(3,329)
General Administration	28,162	-	-	-	(28,162)
School Administration	382,062	-	-	-	(382,062)
Central Services	100,873	-	-	-	(100,873)
Operation & Maintenance of Plant	610,085	-	-	-	(610,085)
Community Services Operations	-	-	-	-	-
Student Transportation	93,937	-	102,830	-	8,893
Food Services	372,518	1,128	315,742	-	(55,648)
Facilities Materials, Supplies & Other Services	1,477,011	-	-	414,419	(1,062,592)
Total Governmental Activities	\$ 6,439,562	60,491	1,628,658	414,419	(4,335,994)
General Revenues:					
Property Taxes				\$	329,491
State Equalization Guarantee					2,721,657
Miscellaneous					600,000
Total General Revenues					<u>3,651,148</u>
Change in Net Position					(684,846)
Net Position (Deficit) - Beginning of Year					<u>(469,341)</u>
Net Position (Deficit) - Ending					<u>\$ (1,154,187)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Balance Sheets - Governmental Funds
June 30, 2016
Unaudited

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Government	16,776	-	-	-
Due from Other Funds	132,373	23,573	23,419	-
Total Assets	\$ 149,149	23,573	23,419	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 92,465	-	-	-
Accrued Expenditures	1,684	-	-	4,047
Cash Overdraft	91,856	-	-	-
Due to Other Funds	-	-	-	999
Total Liabilities	186,005	-	-	5,046
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	23,419	-
Student Transportation	-	23,573	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	(36,856)	-	-	(5,046)
Total Fund Balance (Deficit)	(36,856)	23,573	23,419	(5,046)
Total Liabilities and Fund Balances (Deficit)	\$ 149,149	23,573	23,419	-

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

Title I IASA 24101	IDEA-B Entitlement 24106	Fresh Fruit & Vegetables 24118	IDEA-B Risk Pool 24120	English Language Acquisition 24153	Teacher Principal Training 24154
-	-	-	-	-	-
64,094	14,507	7,391	84	2,432	9,217
-	-	-	-	-	-
<u>64,094</u>	<u>14,507</u>	<u>7,391</u>	<u>84</u>	<u>2,432</u>	<u>9,217</u>
-	-	-	-	-	-
23,976	2,194	-	-	-	(4,311)
-	-	-	-	-	-
<u>40,118</u>	<u>12,313</u>	<u>7,391</u>	<u>84</u>	<u>2,432</u>	<u>13,528</u>
<u>64,094</u>	<u>14,507</u>	<u>7,391</u>	<u>84</u>	<u>2,432</u>	<u>9,217</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>64,094</u>	<u>14,507</u>	<u>7,391</u>	<u>84</u>	<u>2,432</u>	<u>9,217</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Balance Sheets - Governmental Funds (Continued)
June 30, 2016
Unaudited

	Title XIX Medicaid 0-2 Years 25152	Elementary & Middle School Initiative 26177	2012 SB-66 GoBond Student Library 27107	New Mexico Reads to Lead K-3 27114
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Government	-	-	3,329	16,198
Due from Other Funds	-	-	-	-
Total Assets	\$ -	-	3,329	16,198
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	(153)	-	(1,297)
Cash Overdraft	-	-	-	-
Due to Other Funds	-	17,727	3,329	17,495
Total Liabilities	-	17,574	3,329	16,198
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	-
Student Transportation	-	-	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	-	(17,574)	-	-
Total Fund Balance (Deficit)	-	(17,574)	-	-
Total Liabilities and Fund Balances (Deficit)	\$ -	-	3,329	16,198

Pre-K Initiative 27149	K-3 Plus 27166	Afterschool Enrichment Program 27168	2013 Pre-K Classrooms 27177	NM Grown FVV 27183	Teacher & School Leader Incentive Pay 27188
-	-	-	-	-	-
160,645	-	12,305	57,469	305	35,734
-	-	-	-	-	-
<u>160,645</u>	<u>-</u>	<u>12,305</u>	<u>57,469</u>	<u>305</u>	<u>35,734</u>
-	3,422	-	-	-	-
14,451	-	(91)	-	-	1,399
-	-	-	-	-	-
<u>189,596</u>	<u>69,933</u>	<u>49,515</u>	<u>57,469</u>	<u>305</u>	<u>34,335</u>
<u>204,047</u>	<u>73,355</u>	<u>49,424</u>	<u>57,469</u>	<u>305</u>	<u>35,734</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(43,402)</u>	<u>(73,355)</u>	<u>(37,119)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(43,402)</u>	<u>(73,355)</u>	<u>(37,119)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>160,645</u>	<u>-</u>	<u>12,305</u>	<u>57,469</u>	<u>305</u>	<u>35,734</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Balance Sheets - Governmental Funds (Continued)
June 30, 2016
Unaudited

	Teacher School Leader Incentive Pay Group 27190	Public School Capital Outlay 31200	Special Capital Outlay-State 31400	HB-33 Capital Improvements 31600
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Government	-	68,011	64,179	1,227
Due from Other Funds	-	-	-	335,331
Total Assets	\$ -	68,011	64,179	336,558
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	222
Accrued Expenditures	-	-	-	-
Cash Overdraft	-	-	-	-
Due to Other Funds	-	80,844	121,633	-
Total Liabilities	-	80,844	121,633	222
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	-
Student Transportation	-	-	-	-
Capital Improvements	-	-	-	336,336
Unassigned (Deficit)	-	(12,833)	(57,454)	-
Total Fund Balance (Deficit)	-	(12,833)	(57,454)	336,336
Total Liabilities and Fund Balances (Deficit)	\$ -	68,011	64,179	336,558

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

SB-9 Capital Improvements 31700	Foundation	Total
-	42,194	42,194
628	-	534,531
<u>204,350</u>	<u>-</u>	<u>719,046</u>
<u>204,978</u>	<u>42,194</u>	<u>1,295,771</u>

-	-	96,109
-	-	41,899
-	-	91,856
-	-	719,046
<u>-</u>	<u>-</u>	<u>948,910</u>

-	-	23,419
-	-	23,573
204,978	42,194	583,508
-	-	(283,639)
<u>204,978</u>	<u>42,194</u>	<u>346,861</u>
<u>204,978</u>	<u>42,194</u>	<u>1,295,771</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016
Unaudited

Fund Balance - Total Governmental Funds **\$ 346,861**

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

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

Capital Assets	10,620,336	
Accumulated Depreciation	<u>(1,404,164)</u>	9,216,172

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		1,002,967
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Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		
Long-Term Debt		(7,594,525)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(92,916)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds		<u>(4,032,746)</u>
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Net Position-Total Governmental Activities **\$ (1,154,187)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016
Unaudited

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	89,569	-	-	295
State Grant	2,721,657	102,830	26,450	-
Federal Grant	-	-	-	315,447
Charges for Services	59,363	-	-	1,128
Miscellaneous Income	-	-	-	-
Total Revenues	2,870,589	102,830	26,450	316,870
EXPENDITURES				
Current:				
Instruction	1,528,886	-	13,919	-
Support Services:				
Students	421,271	-	-	-
Instruction	-	-	-	-
General Administration	27,352	-	-	-
School Administration	327,195	-	-	-
Central Services	89,063	-	-	-
Operation & Maintenance of Plant	606,276	-	-	-
Student Transportation	-	93,937	-	-
Food Services Operations	30,869	-	-	314,775
Capital Outlay	-	-	-	-
Total Expenditures	3,030,912	93,937	13,919	314,775
Net Changes in Fund Balances	(160,323)	8,893	12,531	2,095
Fund Balances(Deficit) - Beginning of Year	123,467	14,680	10,888	(7,141)
Fund Balances (Deficit) - End of Year	\$ (36,856)	23,573	23,419	(5,046)

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

Title I IASA 24101	IDEA-B Entitlement 24106	Fresh Fruit & Vegetables 24118	IDEA-B Risk Pool 24120	English Language Acquisition 24153	Teacher Principal Training 24154
-	-	-	-	-	-
-	-	7,391	-	-	-
-	-	-	-	-	-
192,282	68,727	6,521	84	21,679	21,674
-	-	-	-	-	-
-	-	-	-	-	-
<u>192,282</u>	<u>68,727</u>	<u>13,912</u>	<u>84</u>	<u>21,679</u>	<u>21,674</u>
153,860	60,781	-	84	21,679	17,813
38,425	7,946	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	3,286
-	-	-	-	-	-
-	-	-	-	-	-
-	-	13,912	-	-	-
-	-	-	-	-	-
<u>192,285</u>	<u>68,727</u>	<u>13,912</u>	<u>84</u>	<u>21,679</u>	<u>21,099</u>
(3)	-	-	-	-	575
3	-	-	-	-	(575)
-	-	-	-	-	-
<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016
Unaudited

	Title XIX Medicaid 0-2 Years 25152	Elementary & Middle School Initiative 26177	2012 SB-66 GoBond Student Library 27107	New Mexico Reads to Lead K-3 27114
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	3,329	16,198
State Grant	-	-	-	33,802
Federal Grant	7,341	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>7,341</u>	<u>-</u>	<u>3,329</u>	<u>50,000</u>
EXPENDITURES				
Current:				
Instruction	-	17,833	-	50,000
Support Services:				
Students	3,063	-	-	-
Instruction	-	-	3,329	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>3,063</u>	<u>17,833</u>	<u>3,329</u>	<u>50,000</u>
Net Changes in Fund Balances	<u>4,278</u>	<u>(17,833)</u>	<u>-</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>(4,278)</u>	<u>259</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>\$ (17,574)</u>	<u>-</u>	<u>-</u>

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

Pre-K Initiative 27149	K-3 Plus 27166	Afterschool Enrichment Program 27168	2013 Pre-K Classrooms 27177	NM Grown FVV 27183	Teacher & School Leader Incentive Pay 27188
-	-	-	-	-	-
160,645	-	12,305	-	305	35,734
156,414	230,965	13,201	57,469	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>317,059</u>	<u>230,965</u>	<u>25,506</u>	<u>57,469</u>	<u>305</u>	<u>35,734</u>
293,988	242,409	39,888	-	-	32,444
25,022	28,296	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	20,185	-	-	-	3,290
-	5,560	-	-	-	-
-	3,809	-	-	-	-
-	-	-	-	-	-
-	4,061	-	-	305	-
-	-	-	57,469	-	-
<u>319,010</u>	<u>304,320</u>	<u>39,888</u>	<u>57,469</u>	<u>305</u>	<u>35,734</u>
<u>(1,951)</u>	<u>(73,355)</u>	<u>(14,382)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(41,451)</u>	<u>-</u>	<u>(22,737)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(43,402)</u>	<u>(73,355)</u>	<u>(37,119)</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016
Unaudited

	Teacher School Leader Incentive Pay Group 27190	Public School Capital Outlay 31200	Special Capital Outlay-State 31400	HB-33 Capital Improvements 31600
REVENUES				
Property Taxes	\$ -	-	-	219,759
Local & County Grant	-	-	64,179	-
State Grant	48,001	272,044	78,196	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>48,001</u>	<u>272,044</u>	<u>142,375</u>	<u>219,759</u>
EXPENDITURES				
Current:				
Instruction	48,001	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	543
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	284,877	199,075	101,934
Total Expenditures	<u>48,001</u>	<u>284,877</u>	<u>199,075</u>	<u>102,477</u>
Net Changes in Fund Balances	<u>-</u>	<u>(12,833)</u>	<u>(56,700)</u>	<u>117,282</u>
Fund Balances(Deficit) - Beginning of Year	<u>-</u>	<u>-</u>	<u>(754)</u>	<u>219,054</u>
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>(12,833)</u>	<u>(57,454)</u>	<u>336,336</u>

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

SB-9 Capital Improvements 31700	Foundation	Total
109,732.00	-	329,491
-	-	389,950
-	-	3,741,029
-	-	633,755
-	-	60,491
-	600,000	600,000
<u>109,732</u>	<u>600,000</u>	<u>5,754,716</u>
-	-	2,521,585
-	-	524,023
-	-	3,329
267	-	28,162
-	-	353,956
-	-	94,623
-	-	610,085
-	-	93,937
-	-	363,922
<u>36,778</u>	<u>574,900</u>	<u>1,255,033</u>
<u>37,045</u>	<u>574,900</u>	<u>5,848,655</u>
<u>72,687</u>	<u>25,100</u>	<u>(93,939)</u>
<u>132,291</u>	<u>17,094</u>	<u>440,800</u>
<u>\$ 204,978</u>	<u>42,194</u>	<u>346,861</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2016
 Unaudited

Net Change in Fund Balance-Total Governmental Funds **\$ (93,939)**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	52,375	
Depreciation Expense	<u>(284,726)</u>	(232,351)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Payments on Long-Term Debt		8,074
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Changes in deferred outflows rsources-pension related, deferrred inflows of resources-pension related and the net pesnsion liability		(366,630)
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Change in Net Position-Total Governmental Activities **\$ (684,846)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2016
Unaudited

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 3,607
Total Assets	<u>\$ 3,607</u>
 LIABILITIES	
Deposits Held for Others	\$ 3,607
Total Liabilities	<u>\$ 3,607</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016
 Unaudited

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 7,501	37,073	(40,967)	3,607
Total Assets	<u>\$ 7,501</u>	<u>37,073</u>	<u>(40,967)</u>	<u>3,607</u>
LIABILITIES				
Deposits Held for Others	\$ 7,501	37,073	(40,967)	3,607
Total Liabilities	<u>\$ 7,501</u>	<u>37,073</u>	<u>(40,967)</u>	<u>3,607</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Notes to the Financial Statements
June 30, 2016
Unaudited

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for La Promesa Early Learning Center are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Notes to the Financial Statements
June 30, 2016
Unaudited

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets not being Depreciated:</i>			
Land	\$ 1,402,136	-	1,402,136
Total	<u>1,402,136</u>	<u>-</u>	<u>1,402,136</u>
<i>Capital Assets being Depreciated:</i>			
Furniture, Fixtures and Equipment	152,070	52,375	204,445
Building and Improvements	<u>9,013,755</u>	<u>-</u>	<u>9,013,755</u>
Total	<u>9,165,825</u>	<u>52,375</u>	<u>9,218,200</u>
<i>Less: Accumulated Depreciation</i>			
Furniture, Fixtures and Equipment	(56,472)	(25,664)	(82,136)
Building and Improvements	<u>(1,062,966)</u>	<u>(259,062)</u>	<u>(1,322,028)</u>
Total	<u>(1,119,438)</u>	<u>(284,726)</u>	<u>(1,404,164)</u>
<i>Capital Assets, Net</i>	<u>\$ 9,448,523</u>	<u>(232,351)</u>	<u>9,216,172</u>

Depreciation expense for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 2,299
Facilities, Materials, Supplies & Other Services	<u>282,427</u>
	<u>\$ 284,726</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Notes to the Financial Statements
June 30, 2016
Unaudited

NOTE 3. COMMITMENTS AND LIABILITIES

La Promesa Early Learning Center leased equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2016 was \$652,412. La Promesa Early Learning Center’s minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 636,000
2018	636,000
2019	636,000
2020	540,000
2021	-
Total	<u><u>\$ 2,448,000</u></u>

In May 2013, The Early Learning Solutions Foundation Inc. entered into a note agreement to purchase land and buildings for the school.

Note Payable to lender secured by land and building. Interest at lender’s rate 4.334% per annum, compounded monthly for the first year and 7% per annum compounded monthly, thereafter. Due in monthly installments of \$38,710 for the first twelve months and \$51,486 per month through February 28, 2015 and \$45,000 thereafter. The note matures on April 26, 2019, with a balloon payment due at that date.

	\$ 7,594,525
less: current maturities	<u>(8,657)</u>
	<u><u>\$ 7,585,868</u></u>

The aggregate amounts of principal maturities of note payable are as follows:

2017	\$ 8,657
2018	9,283
2019	<u>7,576,585</u>
Total	<u><u>\$ 7,594,525</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Notes to the Financial Statements
June 30, 2016
Unaudited

NOTE 4. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2016:

Operational - 11000	\$ 36,856
Food Services -21000	5,046
Elementary & Middle School Initiative - 26177	17,574
Pre-K initiative - 27149	43,402
K-3 Plus - 27166	73,355
Afterschool Enrichment Program - 27168	37,119
Public School Capital Outlay - 31200	12,833
Special Capital Outlay -State - 31400	57,454

La Promesa Early Learning Center is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 5. RELATED PARTY TRANSACTIONS

La Promesa Early Learning Center created a Foundation to purchase a school facility. The Foundation is considered a component unit of the La Promesa Early Learning Center and is presented as a blended component unit.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to La Promesa Early Learning Center and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and La Promesa Early Learning Center are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2016 and 2015, employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from La Promesa Early Learning Center were \$256,609 for the year ended June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
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Unaudited

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, and the net pension liability was measured as of that date. At June 30, 2016, La Promesa Early Learning Center reported a liability of \$4,032,746 for its proportionate share of the net pension liability. La Promesa Early Learning Center's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, La Promesa Early Learning Center's proportion was 0.06226% percent, which was an increase of 0.00078% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, La Promesa Early Learning Center recognized pension expense of \$623,138. At the June 30, 2016, La Promesa Early Learning Center reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(74,764)
Changes in assumptions	138,708	-
Net difference between projected and actual earnings on pension plan investments	-	(18,152)
Changes in proportion	607,650	-
Mission Achievement and Success contributions subsequent to the measurement date	<u>256,609</u>	<u>-</u>
Total	<u>\$ 1,002,967</u>	<u>(92,916)</u>

The amount of \$256,609 reported as deferred outflows of resources related to pensions resulting from La Promesa Early Learning Center contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30,

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Notes to the Financial Statements
 June 30, 2016
 Unaudited

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	
2017	\$ (307,169)
2018	(272,839)
2019	(17,422)
2020	(56,012)
Total	<u><u>\$ (653,442)</u></u>

Sensitivity of La Promesa Early Learning Center's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
La Promesa Early Learning Center's proportionate share of the net pension liability	<u>\$ 5,426,329</u>	<u>4,032,746</u>	<u>2,861,991</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Notes to the Financial Statements
June 30, 2016
Unaudited

NOTE 7. BUDGETARY OVERAGE

La Promesa Early Learning Center has expended in excess of the budget in the following funds and functions:

Operational (Fund 11000)	
Instruction (Function 1000)	\$ 4,301
Support Services (Function 2000)	11,824
Operation of Non-Instructional Services (Function 3000)	<u>28,867</u>
	<u>\$ 44,992</u>
Title I - IASA (Fund 24101)	
Instruction (Function 1000)	<u>\$ 4,336</u>
Kindergarten-Three Plus (Fund 27166)	
Support Services (Function 2000)	<u>\$ 470</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
LA PROMESA EARLY LEARNING CENTER
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016
Unaudited

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.06%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 3,508	4,033	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,695	1,700	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the previous year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
LA PROMESA EARLY LEARNING CENTER
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016
Unaudited

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 281	257	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	246	257	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 35	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (506)	5		\$ (207)	(207)	(172)	80	-				
2015	(653)	5			(307)	(273)	(17)	(56)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (1,159)			\$ (207)	(514)	(445)	63	(56)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	75,674	82,265	6,591
State Grant	2,714,920	2,721,661	2,721,657	(4)
Charges for Services	-	49,008	62,055	13,047
Total Revenues	2,714,920	2,846,343	2,865,977	19,634
EXPENDITURES				
Current:				
Instruction	1,686,872	1,531,696	1,535,999	(4,303)
Support Services:				
Students	342,244	362,244	353,399	8,845
General Administration	23,500	39,972	40,291	(319)
School Administration	317,008	317,008	323,006	(5,998)
Central Services	93,612	93,612	91,698	1,914
Operation & Maintenance of Plant	281,684	580,870	597,135	(16,265)
Food Services Operations	-	2,002	30,869	(28,867)
Total Expenditures	2,744,920	2,927,404	2,972,397	(44,993)
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(30,000)	(81,061)	(106,420)	(25,359)
Other Financing Sources (Uses):				
Designated Cash	30,000	81,061	-	(81,061)
Total Other Financing Sources (Uses):	30,000	81,061	-	(81,061)
Net Changes in Fund Balances	-	-	(106,420)	(106,420)
Cash or Fund Balances - Beginning of Year	-	-	123,467	123,467
Cash or Fund Balances - End of Year	\$ -	-	17,047	17,047
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (106,420)	
Adjustments to Revenues			4,612	
Adjustments to Expenditures			(58,515)	
NET CHANGE IN FUND BALANCE			\$ (160,323)	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	102,830	102,830	-
Total Revenues	<u>-</u>	<u>102,830</u>	<u>102,830</u>	<u>-</u>
EXPENDITURES				
Current:				
Student Transportation	-	110,170	93,937	16,233
Total Expenditures	<u>-</u>	<u>110,170</u>	<u>93,937</u>	<u>16,233</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(7,340)	8,893	16,233
Other Financing Sources (Uses):				
Operating Transfers	-	-	-	-
Designated Cash	-	7,340	-	(7,340)
Total Other Financing Sources (Uses):	<u>-</u>	<u>7,340</u>	<u>-</u>	<u>(7,340)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>8,893</u>	<u>8,893</u>
Cash or Fund Balances - Beginning of Year	-	-	14,680	14,680
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>23,573</u>	<u>23,573</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,893	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 8,893</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 20,744	26,450	26,450	-
Total Revenues	<u>20,744</u>	<u>26,450</u>	<u>26,450</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	20,744	37,338	13,919	23,419
Total Expenditures	<u>20,744</u>	<u>37,338</u>	<u>13,919</u>	<u>23,419</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(10,888)	12,531	23,419
Other Financing Sources (Uses):				
Designated Cash	-	10,888	-	(10,888)
Total Other Financing Sources (Uses):	<u>-</u>	<u>10,888</u>	<u>-</u>	<u>(10,888)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>12,531</u>	<u>12,531</u>
Cash or Fund Balances - Beginning of Year	-	-	10,888	10,888
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>23,419</u>	<u>23,419</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 12,531	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 12,531</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	-	-	295	295
Federal Grant	\$ 355,000	448,000	315,447	(132,553)
Charges for Services	-	-	1,128	1,128
Total Revenues	355,000	448,000	316,870	(131,130)
EXPENDITURES				
Current:				
Food Services Operations	355,000	461,837	335,753	126,084
Total Expenditures	355,000	461,837	335,753	126,084
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(13,837)	(18,883)	(5,046)
Other Financing Sources (Uses):				
Designated Cash	-	13,837	-	(13,837)
Total Other Financing Sources (Uses):	-	13,837	-	(13,837)
Net Changes in Fund Balances	-	-	(18,883)	(18,883)
Cash or Fund Balances - Beginning of Year	18,881	18,881	(7,141)	(26,022)
Cash or Fund Balances - End of Year	\$ 18,881	18,881	(26,024)	(44,905)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (18,883)	
Adjustments to Revenues			-	
Adjustments to Expenditures			20,978	
NET CHANGE IN FUND BALANCE			\$ 2,095	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 130,189	193,926	128,188	(65,738)
Total Revenues	<u>130,189</u>	<u>193,926</u>	<u>128,188</u>	<u>(65,738)</u>
EXPENDITURES				
Current:				
Instruction	99,338	149,524	153,860	(4,336)
Support Services:				
Students	30,851	44,402	38,425	5,977
Total Expenditures	<u>130,189</u>	<u>193,926</u>	<u>192,285</u>	<u>1,641</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(64,097)</u>	<u>(64,097)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(64,097)</u>	<u>(64,097)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(64,094)</u>	<u>(64,094)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (64,097)	
Adjustments to Revenues			64,094	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (3)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 51,677	68,727	54,220	(14,507)
Total Revenues	<u>51,677</u>	<u>68,727</u>	<u>54,220</u>	<u>(14,507)</u>
EXPENDITURES				
Current:				
Instruction	51,677	60,781	60,781	-
Support Services:				
Students	-	7,946	7,946	-
Total Expenditures	<u>51,677</u>	<u>68,727</u>	<u>68,727</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(14,507)</u>	<u>(14,507)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(14,507)</u>	<u>(14,507)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(14,507)</u>	<u>(14,507)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (14,507)	
Adjustments to Revenues			14,507	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Fresh Fruit & Vegetables 24118
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	14,112	14,112
Federal Grant	-	14,098	6,521	(7,577)
Total Revenues	-	14,098	20,633	6,535
EXPENDITURES				
Current:				
Food Services Operations	-	14,098	13,912	186
Total Expenditures	-	14,098	13,912	186
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	6,721	6,721
Net Changes in Fund Balances	-	-	6,721	6,721
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	6,721	6,721
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,721	
Adjustments to Revenues			(6,721)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	84	75	(9)
Total Revenues	<u>-</u>	<u>84</u>	<u>75</u>	<u>(9)</u>
EXPENDITURES				
Current:				
Instruction	-	84	84	-
Total Expenditures	<u>-</u>	<u>84</u>	<u>84</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(9)	(9)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(9)</u>	<u>(9)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(9)</u>	<u>(9)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9)	
Adjustments to Revenues			9	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 English Language Acquisition 24153
 For The Year Ended June 30, 2016
 Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 19,247	21,679	39,377	17,698
Total Revenues	<u>19,247</u>	<u>21,679</u>	<u>39,377</u>	<u>17,698</u>
EXPENDITURES				
Current:				
Instruction	19,247	21,679	21,679	-
Total expenditures	<u>19,247</u>	<u>21,679</u>	<u>21,679</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	17,698	17,698
Net changes in Fund Balances	-	-	17,698	17,698
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>17,698</u>	<u>17,698</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 17,698	
Adjustments to Revenues			(17,698)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016
 Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 24,570	31,699	46,104	14,405
Total Revenues	<u>24,570</u>	<u>31,699</u>	<u>46,104</u>	<u>14,405</u>
EXPENDITURES				
Current:				
Instruction	21,000	25,629	17,813	7,816
Support Services:				
School Administration	3,570	6,070	3,861	2,209
Total expenditures	<u>24,570</u>	<u>31,699</u>	<u>21,674</u>	<u>10,025</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>24,430</u>	<u>24,430</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>24,430</u>	<u>24,430</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>24,430</u>	<u>24,430</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 24,430	
Adjustments to Revenues			(24,430)	
Adjustments to Expenditures			575	
NET CHANGE IN FUND BALANCE			<u>\$ 575</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title XIX Medicaid 0-2 Years 25152
 For The Year Ended June 30, 2016
 Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	7,341	7,341	-
Total Revenues	<u>-</u>	<u>7,341</u>	<u>7,341</u>	<u>-</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	7,341	3,063	4,278
Total Expenditures	<u>-</u>	<u>7,341</u>	<u>3,063</u>	<u>4,278</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>4,278</u>	<u>4,278</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>4,278</u>	<u>4,278</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,278</u>	<u>4,278</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,278	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 4,278</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Elementary & Middle School Initiative 26177
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	17,833	17,492	(341)
Total Revenues	<u>-</u>	<u>17,833</u>	<u>17,492</u>	<u>(341)</u>
EXPENDITURES				
Current:				
Instruction	-	17,833	17,833	-
Total Expenditures	<u>-</u>	<u>17,833</u>	<u>17,833</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(341)	(341)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(341)</u>	<u>(341)</u>
Cash or Fund Balances - Beginning of Year	<u>259</u>	<u>259</u>	<u>259</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 259</u>	<u>259</u>	<u>(82)</u>	<u>(341)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (341)	
Adjustments to Revenues			(17,492)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (17,833)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 GO Bond Student Library 27107
 For The Year Ended June 30, 2016
 Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	3,307	3,307
State Grant	4,011	4,011	-	(4,011)
Total Revenues	4,011	4,011	3,307	(704)
EXPENDITURES				
Current:				
Support Services:				
Instruction	4,011	4,011	3,329	682
Total Expenditures	4,011	4,011	3,329	682
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(22)	(22)
Net Changes in Fund Balances	-	-	(22)	(22)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(22)	(22)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (22)	
Adjustments to Revenues			22	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
New Mexico Reads to Lead K-3 27114
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 50,000	50,000	33,802	(16,198)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>33,802</u>	<u>(16,198)</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	50,000	-
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
	-	-	(16,198)	(16,198)
Net Changes in Fund Balances	-	-	(16,198)	(16,198)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(16,198)</u>	<u>(16,198)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (16,198)	
Adjustments to Revenues			16,198	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Pre-K Initiative 27149
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 320,620	320,620	156,414	(164,206)
Total Revenues	<u>320,620</u>	<u>320,620</u>	<u>156,414</u>	<u>(164,206)</u>
EXPENDITURES				
Current:				
Instruction	292,322	292,322	292,320	2
Support Services:				
Students	28,298	28,298	25,022	3,276
Total Expenditures	<u>320,620</u>	<u>320,620</u>	<u>317,342</u>	<u>3,278</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(160,928)</u>	<u>(160,928)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(160,928)</u>	<u>(160,928)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(160,928)</u>	<u>(160,928)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (160,928)	
Adjustments to Revenues			160,645	
Adjustments to Expenditures			<u>(1,668)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (1,951)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
K-3 Plus 27166
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	300,899	230,965	(69,934)
Total Revenues	<u>-</u>	<u>300,899</u>	<u>230,965</u>	<u>(69,934)</u>
EXPENDITURES				
Current:				
Instruction	-	239,457	238,987	470
Support Services:				
Students	-	18,159	28,296	(10,137)
School Administration	-	18,659	20,185	(1,526)
Central Services	-	6,528	5,560	968
Operation & Maintenance of Plant	-	2,032	3,809	(1,777)
Student Transportation	-	12,000	-	12,000
Food Services Operations	-	4,064	4,061	3
Total Expenditures	<u>-</u>	<u>300,899</u>	<u>300,898</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(69,933)	(69,933)
Net Changes in Fund Balances	-	-	(69,933)	(69,933)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(69,933)</u>	<u>(69,933)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (69,933)	
Adjustments to Revenues			-	
Adjustments to Expenditures			(3,422)	
NET CHANGE IN FUND BALANCE			<u>\$ (73,355)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Afterschool Enrichment Program 27168
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	51,535	51,535
State Grant	-	51,000	13,201	(37,799)
Total Revenues	<u>-</u>	<u>51,000</u>	<u>64,736</u>	<u>13,736</u>
EXPENDITURES				
Current:				
Instruction	-	51,000	39,884	11,116
Total Expenditures	<u>-</u>	<u>51,000</u>	<u>39,884</u>	<u>11,116</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>24,852</u>	<u>24,852</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>24,852</u>	<u>24,852</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(22,737)</u>	<u>(22,737)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,115</u>	<u>2,115</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 24,852	
Adjustments to Revenues			(39,238)	
Adjustments to Expenditures			4	
NET CHANGE IN FUND BALANCE			<u>\$ (14,382)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
2013 Pre-K Classrooms 27177
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 149,389	149,389	-	(149,389)
Total Revenues	149,389	149,389	-	(149,389)
EXPENDITURES				
Current:				
Instruction	149,389	-	-	-
Support Services:				
Capital Outlay	-	149,389	57,469	91,920
Total Expenditures	149,389	149,389	57,469	91,920
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>-</i>	<i>-</i>	<i>(57,469)</i>	<i>(57,469)</i>
Net Changes in Fund Balances	-	-	(57,469)	(57,469)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(57,469)	(57,469)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (57,469)	
Adjustments to Revenues			57,469	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
NM Grown FVV 27183
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	393	-	(393)
Total Revenues	<u>-</u>	<u>393</u>	<u>-</u>	<u>(393)</u>
EXPENDITURES				
Current:				
Support Services:				
Food Services Operations	-	393	305	88
Total Expenditures	<u>-</u>	<u>393</u>	<u>305</u>	<u>88</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(305)</u>	<u>(305)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(305)</u>	<u>(305)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(305)</u>	<u>(305)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (305)	
Adjustments to Revenues			305	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher & School Leader Incentive Pay 27188
 For The Year Ended June 30, 2016
 Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	104,987	104,987
State Grant	-	95,000	-	(95,000)
Total Revenues	-	95,000	104,987	9,987
EXPENDITURES				
Current:				
Instruction	-	87,000	32,444	54,556
Support Services:				
School Administration	-	8,000	3,290	4,710
Total Expenditures	-	95,000	35,734	59,266
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	69,253	69,253
Net Changes in Fund Balances	-	-	69,253	69,253
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	69,253	69,253
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 69,253	
Adjustments to Revenues			(69,253)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher & School Leader Incentive Pay Group 27190
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	50,000	48,001	(1,999)
Total Revenues	<u>-</u>	<u>50,000</u>	<u>48,001</u>	<u>(1,999)</u>
EXPENDITURES				
Current:				
Instruction	-	50,000	48,001	1,999
Total Expenditures	<u>-</u>	<u>50,000</u>	<u>48,001</u>	<u>1,999</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues				
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	-	-
State Grant	-	284,877	204,033	(80,844)
Total Revenues	<u>-</u>	<u>284,877</u>	<u>204,033</u>	<u>(80,844)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	284,877	284,877	-
Total Expenditures	<u>-</u>	<u>284,877</u>	<u>284,877</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(80,844)	(80,844)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(80,844)</u>	<u>(80,844)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(80,844)</u>	<u>(80,844)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (80,844)	
Adjustments to Revenues			68,011	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (12,833)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay-State 31400
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	41,462	41,462
State Grant	388,984	500,984	78,196	(422,788)
Total Revenues	<u>388,984</u>	<u>500,984</u>	<u>119,658</u>	<u>(381,326)</u>
EXPENDITURES				
Current:				
Capital Outlay	388,984	500,984	199,829	301,155
Total Expenditures	<u>388,984</u>	<u>500,984</u>	<u>199,829</u>	<u>301,155</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(80,171)	(80,171)
Net Changes in Fund Balances	-	-	(80,171)	(80,171)
Cash or Fund Balances - Beginning of Year	-	-	(754)	(754)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(80,925)</u>	<u>(80,925)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (80,171)	
Adjustments to Revenues			22,717	
Adjustments to Expenditures			754	
NET CHANGE IN FUND BALANCE			<u>\$ (56,700)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 221,691	221,691	223,443	1,752
Total Revenues	<u>221,691</u>	<u>221,691</u>	<u>223,443</u>	<u>1,752</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	2,217	2,217	543	1,674
Capital Outlay	411,402	434,267	102,362	331,905
Total Expenditures	<u>413,619</u>	<u>436,484</u>	<u>102,905</u>	<u>333,579</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(191,928)</u>	<u>(214,793)</u>	<u>120,538</u>	<u>335,331</u>
Other Financing Sources (Uses):				
Designated Cash	191,928	214,793	-	(214,793)
Total Other Financing Sources (Uses):	<u>191,928</u>	<u>214,793</u>	<u>-</u>	<u>(214,793)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>120,538</u>	<u>120,538</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>219,054</u>	<u>219,054</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>339,592</u>	<u>\$ 339,592</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 120,538	
Adjustments to Revenues			(3,684)	
Adjustments to Expenditures			428	
NET CHANGE IN FUND BALANCE			<u>\$ 117,282</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 110,999	110,999	111,410	411
State Grant	21,421	30,285	-	(30,285)
Total Revenues	132,420	141,284	111,410	(29,874)
EXPENDITURES				
Current:				
General Administration	-	1,110	267	843
Capital Outlay	249,827	270,159	36,778	233,381
Total Expenditures	249,827	271,269	37,045	234,224
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(117,407)</u>	<u>(129,985)</u>	<u>74,365</u>	<u>204,350</u>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	117,407	129,985	-	(129,985)
Total Other Financing Sources (Uses):	117,407	129,985	-	(129,985)
Net Changes in Fund Balances	-	-	74,365	74,365
Cash or Fund Balances - Beginning of Year	-	-	132,291	132,291
Cash or Fund Balances - End of Year	\$ -	-	206,656	206,656
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 74,365	
Adjustments to Revenues			(1,678)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 72,687	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016
 Unaudited

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	275,595
Less: FDIC coverage:		<u>(275,595)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Cash Accounts
June 30, 2016
Unaudited

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account Wells Fargo	\$ 233,401
Checking - Foundation	<u>42,194</u>
<i>Total on Deposit</i>	275,595
Reconciling Items	<u>(229,794)</u>
Reconciled Balance June 30, 2016	<u>45,801</u>
Less Agency Funds	<u>(3,607)</u>
<i>Total Cash</i>	<u><u>\$ 42,194</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Cash Reconciliation
June 30, 2016
Unaudited

	Operational 11000	Transportation 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2015	\$ 7,141	14,680	10,888	18,881
Add:				
2015-16 revenues	<u>2,865,977</u>	<u>102,830</u>	<u>26,450</u>	<u>316,870</u>
Total Cash Available	2,873,118	117,510	37,338	335,751
Less:				
2015-16 expenditures	(2,972,397)	(93,937)	(13,919)	(335,753)
Receivables/Payables	-	-	-	-
Outstanding Loans	<u>(132,373)</u>	<u>(23,573)</u>	<u>(23,419)</u>	<u>999</u>
Cash June 30, 2016	<u>(231,652)</u>	<u>-</u>	<u>-</u>	<u>997</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>231,652</u>	<u>-</u>	<u>-</u>	<u>(997)</u>
Cash Per Books	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(36,856)</u>	<u>23,573</u>	<u>23,419</u>	<u>(5,046)</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ (36,856)</u>	<u>23,573</u>	<u>23,419</u>	<u>(5,046)</u>

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

Non-Instruct. Fund 23000	Federal Projects Account 24000	Federal Direct 25000	Local Grants 26000	State Account 27000	Public School Capital Outlay 31200
7,501	10,855	-	-	7,251	-
<u>37,073</u>	<u>288,597</u>	<u>7,341</u>	<u>17,492</u>	<u>642,212</u>	<u>204,033</u>
44,574	299,452	7,341	17,492	649,463	204,033
(40,967)	(318,361)	(3,063)	(17,833)	(852,962)	(284,877)
-	-	-	-	-	-
-	75,866	-	17,727	421,977	80,844
<u>3,607</u>	<u>56,957</u>	<u>4,278</u>	<u>17,386</u>	<u>218,478</u>	<u>-</u>
-	(56,957)	(4,278)	(17,386)	(218,478)	-
<u>3,607</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(3,607)</u>	<u>-</u>	<u>-</u>	<u>(17,574)</u>	<u>(153,876)</u>	<u>(12,833)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(17,574)</u>	<u>(153,876)</u>	<u>(12,833)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Cash Reconciliation (Continued)
June 30, 2016
Unaudited

	Special Capital Outlay 31400	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
Cash, June 30, 2015	\$ -	214,793	129,985	421,975
Add:				
2015-16 revenues	119,658	223,443	111,410	4,963,386
Total Cash Available	119,658	438,236	241,395	5,385,361
Less:				
2015-16 expenditures	(199,829)	(102,905)	(37,045)	(5,273,848)
Receivables/Payables	-	-	-	-
Outstanding Loans	121,633	(335,331)	(204,350)	-
Cash June 30, 2016	41,462	-	-	111,513
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	(41,462)	-	-	(107,906)
Cash Per Books	-	-	-	3,607
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:				(3,607)
Balance Sheet-Foundation:				42,194
				<u>\$ 42,194</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(57,454)	336,336	204,978	301,060
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ (57,454)</u>	<u>336,336</u>	<u>204,978</u>	<u>304,667</u>
			Add: Foundation:	42,194
			Balance Sheets - Governmental Funds:	<u>\$ 346,861</u>

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

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2016

VOLUME VII



**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Statement of Net Position
 June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 8,094
Receivables	
Due from Other Governments	62,686
Total Current Assets	<u>70,780</u>

Total Assets	<u>70,780</u>
---------------------	---------------

Deferred Outflows - Pension Related	<u>219,261</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	55,715
Accrued Liabilities	39,619
Total Current Liabilities	<u>95,334</u>

Noncurrent Liabilities:

Net Pension Liability	1,030,533
Total Noncurrent Liabilities	<u>1,030,533</u>
Total Liabilities	<u>1,125,867</u>

Deferred Inflows - Pension Related	<u>23,744</u>
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NET POSITION

Restricted	6,178
Unrestricted (Deficit)	<u>(865,748)</u>
Total Net Position	<u>\$ (859,570)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Statement of Activities
 For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 455,269	24	112,800	-	(342,445)
Support Services:					
Students	40,342	-	-	-	(40,342)
Instruction	8,298	-	-	-	(8,298)
General Administration	27,192	-	-	-	(27,192)
School Administration	247,140	-	-	-	(247,140)
Central Services	87,133	-	-	-	(87,133)
Operation & Maintenance of Plant	144,629	-	-	-	(144,629)
Food Services	69,708	-	49,218	-	(20,490)
Facilities Materials, Supplies & Other Services	59,636	-	-	59,636	-
Total Governmental Activities	\$ 1,139,347	24	162,018	59,636	(917,669)

General Revenues:

State Equalization Guarantee	\$ 824,503
Total General Revenues	824,503

Change in Net Position (93,166)

Net Position (Deficit), Beginning of Year (766,404)

Net Position (Deficit), Ending \$ (859,570)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ -	1,469	6,625	-
Accounts Receivable				
Due from Government	-	-	-	7,570
Due from Other Funds	46,776	-	5,820	-
Total Assets	\$ 46,776	1,469	12,445	7,570
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 47,979	-	7,736	-
Accrued Expenditures	29,529	-	-	-
Due to Other Funds	-	-	-	7,570
Total Liabilities	77,508	-	7,736	7,570
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Restricted for:				
Instruction	-	1,469	-	-
Food Service Operations	-	-	4,709	-
Unassigned (Deficit)	(30,732)	-	-	-
Total Fund Balance (Deficit)	(30,732)	1,469	4,709	-
Total Liabilities and Fund Balances	\$ 46,776	1,469	12,445	7,570

<u>IDEA-B Entitlement 24106</u>	<u>IDEA-B Risk Pool 24120</u>	<u>Teacher Principal Training 24154</u>	<u>2012 SB-66 Student Library 27107</u>	<u>Teacher & School Leader Incentive Pay 27188</u>	<u>Teacher & School Leader Incentive Pay Group 27190</u>
-	-	-	-	-	-
-	-	1,308	-	26,464	12,435
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>1,308</u>	<u>-</u>	<u>26,464</u>	<u>12,435</u>
-	-	-	-	-	-
-	-	-	-	6,859	3,231
-	-	1,308	-	19,605	9,204
<u>-</u>	<u>-</u>	<u>1,308</u>	<u>-</u>	<u>26,464</u>	<u>12,435</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>1,308</u>	<u>-</u>	<u>26,464</u>	<u>12,435</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Balance Sheets - Governmental Funds - (Continued)
June 30, 2016

	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
ASSETS			
Cash and Cash Equivalents	\$ -	-	8,094
Accounts Receivable			
Due from Government	14,909	-	62,686
Due from Other Funds	-	-	52,596
Total Assets	\$ 14,909	-	123,376
LIABILITIES AND FUND BALANCES			
<i>Liabilities:</i>			
Accounts Payable	\$ -	-	55,715
Accrued Expenditures	-	-	39,619
Due to Other Funds	14,909	-	52,596
Total Liabilities	14,909	-	147,930
<i>Fund Balances (Deficit)</i>			
Fund Balance:			
Restricted for:			
Instruction	-	-	1,469
Food Service Operations	-	-	4,709
Unassigned (Deficit)	-	-	(30,732)
Total Fund Balance (Deficit)	-	-	(24,554)
Total Liabilities and Fund Balances (Deficit)	\$ 14,909	-	123,376

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balance (Deficit) - Total Governmental Funds \$ (24,554)

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

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds. 219,261

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.
 Net Pension Liability (1,030,533)

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds (23,744)

Net Position (Deficit) - Total Governmental Activities \$ (859,570)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Local & County Grant	\$ 400	-	-	-
State Grant	824,503	5,623	-	-
Federal Grant	-	-	49,218	40,988
Charges for Services	24	-	-	-
Total Revenues	<u>824,927</u>	<u>5,623</u>	<u>49,218</u>	<u>40,988</u>
EXPENDITURES				
Current:				
Instruction	320,969	5,249	-	40,988
Support Services:				
Students	41,670	-	-	-
Instruction	5,055	-	-	-
General Administration	27,192	-	-	-
School Administration	217,791	-	-	-
Central Services	87,133	-	-	-
Operation & Maintenance of Plant	142,144	-	-	-
Food Services Operations	27,118	-	40,528	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>869,072</u>	<u>5,249</u>	<u>40,528</u>	<u>40,988</u>
Net Changes in Fund Balances	<u>(44,145)</u>	<u>374</u>	<u>8,690</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>13,413</u>	<u>1,095</u>	<u>(3,981)</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ (30,732)</u>	<u>1,469</u>	<u>4,709</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	2012 SB-66 Student Library 27107	Teacher & School Leader Incentive Pay 27188	Teacher & School Leader Incentive Pay Group 27190
-	-	-	-	-	-
-	-	-	3,243	26,464	12,435
22,320	19	1,308	-	-	-
<u>22,320</u>	<u>19</u>	<u>1,308</u>	<u>3,243</u>	<u>26,464</u>	<u>12,435</u>
22,320	19	-	-	21,523	9,964
-	-	-	-	-	-
-	-	-	3,243	-	-
-	-	1,308	-	4,941	2,471
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>22,320</u>	<u>19</u>	<u>1,308</u>	<u>3,243</u>	<u>26,464</u>	<u>12,435</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
REVENUES			
Local & County Grant	\$ -	-	400
State Grant	59,636	-	931,904
Federal Grant	-	-	113,853
Charges for Services	-	-	24
Total Revenues	<u>59,636</u>	<u>-</u>	<u>1,046,181</u>
EXPENDITURES			
Current:			
Instruction	-	-	421,032
Support Services:			
Students	-	-	41,670
Instruction	-	-	8,298
General Administration	-	-	27,192
School Administration	-	-	226,511
Central Services	-	-	87,133
Operation & Maintenance of Plant	-	-	142,144
Food Services Operations	-	-	67,646
Capital Outlay	59,636	-	59,636
Total Expenditures	<u>59,636</u>	<u>-</u>	<u>1,081,262</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(35,081)</u>
Fund Balances(Deficit) - Beginning of Year	<u>-</u>	<u>-</u>	<u>10,527</u>
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(24,554)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds \$ (35,081)

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

Changes in deferred outflows of resources - pension related,
 deferred inflows of resources - pension related, and the net
 pension liability

(58,085)

Change in Net Position-Total Governmental Activities \$ (93,166)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 2,014
Total Assets	<u>\$ 2,014</u>
LIABILITIES	
Deposits Held for Others	\$ 2,014
Total Liabilities	<u>\$ 2,014</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 1,416	2,062	1,464	2,014
Total Assets	<u>\$ 1,416</u>	<u>2,062</u>	<u>1,464</u>	<u>2,014</u>
 LIABILITIES				
Deposits Held for Others	\$ 1,416	2,062	1,464	2,014
Total Liabilities	<u>\$ 1,416</u>	<u>2,062</u>	<u>1,464</u>	<u>2,014</u>

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. COMMITMENTS AND LIABILITIES

La Resolana Leadership Academy Charter School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$69,067. La Resolana Leadership Academy Charter School’s minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 70,000
Total	<u>\$ 70,000</u>

NOTE 3. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2016:

Operational - 11000	\$ 30,732
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La Resolana Leadership Academy Charter School is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 4. RELATED PARTY TRANSACTIONS

The business manager services are performed by the Vigil Group, which performed services for multiple state charter schools.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to La Resolana Leadership Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and La Resolana Leadership Academy are established in state statute under Section 22-11-21, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2015 and 2016, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan La Resolana Leadership Academy were \$69,134 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2016, La Resolana Leadership Academy reported a liability of \$1,030,523 for its proportionate share of the net pension liability. The proportionate share of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, La Resolana Leadership Academy's proportion was 0.01591 percent, which was an increase of 0.00138 percent from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, La Resolana Leadership Academy recognized pension expense of \$127,211. At the June 30, 2015, La Resolana Leadership Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	<19,105>
Changes in assumptions	35,446	-
Net difference between projected and actual earnings on pension plan investments	-	<4,639>
Changes in proportion and differences between La Resolana Leadership Academy contributions and proportionate share of contributions	114,681	-
La Resolana Leadership Academy contributions subsequent to the measurement date	<u>69,134</u>	<u>-</u>
Total	<u>\$ 219,261</u>	<u><23,744></u>

Deferred outflows of resources of \$69,134 resulted from contributions made subsequent to the June 30, 2015 measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ <46,388>
2018	<43,749>
2019	<21,936>
2020	<u><14,310></u>
Total	<u>\$ <126,383></u>

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of La Resolana Leadership Academy's proportionate share of the net pension liability to changes in the discount rate. The following presents the net pension liability calculated using the discount rate of 7.75%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
La Resolana Leadership Academy's proportionate share of the net pension liability	\$ 1,386,651	1,030,533	731,357

Payables to the pension plan. For the year ended June 30, 2016, La Resolana Leadership Academy School's accrued liability due to ERB was \$22,507 for payroll paid in July 2016.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 LA RESOLANA LEADERSHIP ACADEMY
 SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 June 30, 2016

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data*
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.01%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 829	1,031	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 401	434	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
LA RESOLANA LEADERSHIP ACADEMY
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 63	69	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	63	69	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (11)	5		\$ 4	3	1	(19)	-				
2015	(126)	5			(46)	(44)	(22)	(14)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (137)			\$ 4	(43)	(43)	(41)	(14)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	400	400
State Grant	822,461	824,503	824,503	-
Charges for Services	-	24	24	-
Total Revenues	822,461	824,527	824,927	400
EXPENDITURES				
Current:				
Instruction	353,517	309,495	302,894	6,601
Support Services:				
Students	50,500	38,820	37,971	849
Instruction	12,000	3,496	3,496	-
General Administration	19,000	23,309	23,307	2
School Administration	209,381	214,263	213,941	322
Central Services	82,100	72,479	72,467	12
Operation & Maintenance of Plant	96,057	156,987	143,780	13,207
Food Services Operations	-	28,007	27,118	889
Total Expenditures	822,555	846,856	824,974	21,882
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(94)</i>	<i>(22,329)</i>	<i>(47)</i>	<i>22,282</i>
Other Financing Sources (Uses):				
Designated Cash	94	22,329	-	(22,329)
Total Other Financing Sources (Uses):	94	22,329	-	(22,329)
Net Changes in Fund Balances	-	-	(47)	(47)
Cash or Fund Balances - Beginning of Year	-	-	28,900	28,900
Cash or Fund Balances - End of Year	\$ -	-	28,853	28,853
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (47)	
Adjustments to Expenditures			(44,098)	
NET CHANGE IN FUND BALANCE			\$ (44,145)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 4,978	4,932	5,623	691
Total Revenues	4,978	4,932	5,623	691
EXPENDITURES				
Current:				
Instruction	5,804	6,027	5,249	778
Total Expenditures	5,804	6,027	5,249	778
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(826)	(1,095)	374	1,469
Other Financing Sources (Uses):				
Designated Cash	826	1,095	-	(1,095)
Total Other Financing Sources (Uses):	826	1,095	-	(1,095)
Net Changes in Fund Balances	-	-	374	374
Cash or Fund Balances - Beginning of Year	-	-	1,095	1,095
Cash or Fund Balances - End of Year	\$ -	-	1,469	1,469
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 374	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 374	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 45,000	45,000	49,218	4,218
Total Revenues	<u>45,000</u>	<u>45,000</u>	<u>49,218</u>	<u>4,218</u>
EXPENDITURES				
Current:				
Food Services Operations	53,102	50,450	42,223	8,227
Total Expenditures	<u>53,102</u>	<u>50,450</u>	<u>42,223</u>	<u>8,227</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(8,102)</u>	<u>(5,450)</u>	<u>6,995</u>	<u>12,445</u>
Other Financing Sources (Uses):				
Designated Cash	8,102	5,450	-	(5,450)
Total Other Financing Sources (Uses):	<u>8,102</u>	<u>5,450</u>	<u>-</u>	<u>(5,450)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>6,995</u>	<u>6,995</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>5,450</u>	<u>5,450</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>12,445</u>	<u>12,445</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,995	
Adjustments to Expenditures			<u>1,695</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 8,690</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I IASA 24101
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 26,131	40,988	33,418	(7,570)
Total Revenues	<u>26,131</u>	<u>40,988</u>	<u>33,418</u>	<u>(7,570)</u>
EXPENDITURES				
Current:				
Instruction	26,131	40,988	40,988	-
Total Expenditures	<u>26,131</u>	<u>40,988</u>	<u>40,988</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(7,570)	(7,570)
Net Changes in Fund Balances	-	-	(7,570)	(7,570)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,570)</u>	<u>(7,570)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,570)	
Adjustments to Revenues			<u>7,570</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 18,543	22,320	22,320	-
Total Revenues	<u>18,543</u>	<u>22,320</u>	<u>22,320</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	18,543	22,320	22,320	-
Total Expenditures	<u>18,543</u>	<u>22,320</u>	<u>22,320</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	19	35	16
Total Revenues	<u>-</u>	<u>19</u>	<u>35</u>	<u>16</u>
EXPENDITURES				
Current:				
Instruction	-	19	19	-
Total Expenditures	<u>-</u>	<u>19</u>	<u>19</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>16</u>	<u>16</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>16</u>	<u>16</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>16</u>	<u>16</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 16	
Adjustments to Revenues			(16)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 5,431	12,119	1,385	(10,734)
Total Revenues	<u>5,431</u>	<u>12,119</u>	<u>1,385</u>	<u>(10,734)</u>
EXPENDITURES				
Current:				
Instruction	5,431	5,431	-	5,431
Support Services:				
School Administration	-	6,688	1,308	5,380
Total expenditures	<u>5,431</u>	<u>12,119</u>	<u>1,308</u>	<u>10,811</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>77</u>	<u>77</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>77</u>	<u>77</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>77</u>	<u>77</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 77	
Adjustments to Revenues			<u>(77)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 Student Library 27107
 For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 3,243	3,243	3,243	-
Total Revenues	<u>3,243</u>	<u>3,243</u>	<u>3,243</u>	<u>-</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,243	3,243	3,243	-
Total Expenditures	<u>3,243</u>	<u>3,243</u>	<u>3,243</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>0</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher & School Leader Incentive Pay 27188
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	32,000	18,750	(13,250)
Total Revenues	<u>-</u>	<u>32,000</u>	<u>18,750</u>	<u>(13,250)</u>
EXPENDITURES				
Current:				
Instruction	-	24,000	21,523	2,477
Support Services:				
School Administration	-	8,000	4,941	3,059
Total Expenditures	<u>-</u>	<u>32,000</u>	<u>26,464</u>	<u>5,536</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(7,714)</u>	<u>(7,714)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(7,714)</u>	<u>(7,714)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,714)</u>	<u>(7,714)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,714)	
Adjustments to Revenues			<u>7,714</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher & School Leader Incentive Pay Group 27190
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	16,000	4,500	(11,500)
Total Revenues	-	16,000	4,500	(11,500)
EXPENDITURES				
Current:				
Instruction	-	12,000	9,964	2,036
Support Services:				
School Administration	-	4,000	2,471	1,529
Total Expenditures	-	16,000	12,435	3,565
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(7,935)	(7,935)
Net Changes in Fund Balances	-	-	(7,935)	(7,935)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(7,935)	(7,935)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,935)	
Adjustments to Revenues			7,935	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	59,636	58,407	(1,229)
Total Revenues	<u>-</u>	<u>59,636</u>	<u>58,407</u>	<u>(1,229)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	59,636	59,636	-
Total Expenditures	<u>-</u>	<u>59,636</u>	<u>59,636</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,229)</u>	<u>(1,229)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,229)</u>	<u>(1,229)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,229)</u>	<u>(1,229)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,229)	
Adjustments to Revenues			<u>1,229</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	1,653	2,091	438
Total Revenues	<u>-</u>	<u>1,653</u>	<u>2,091</u>	<u>438</u>
EXPENDITURES				
Current:				
Capital Outlay	-	1,653	-	1,653
Total Expenditures	<u>-</u>	<u>1,653</u>	<u>-</u>	<u>1,653</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>2,091</u>	<u>2,091</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>2,091</u>	<u>2,091</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,091</u>	<u>2,091</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,091	
Adjustments to Revenues			(2,091)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -

Total Cash per Schedule of Cash Accounts:	\$ 41,437
Less: FDIC coverage:	<u>(41,437)</u>
Uninsured Public Funds:	-
Collateral Requirement:	-
Pledged Collateral Held by Pledging Financial Institution:	<u>-</u>
Balance Over Collateralized:	\$ -
Balance Uninsured and Uncollateralized at June 30, 2016:	\$ -

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Schedule of Cash Accounts
June 30, 2016

<u>Bank Account Type</u>	<u>Total</u>
Checking - Operational Account	<u>\$ 41,437</u>
<i>Total on Deposit</i>	41,437
Reconciling Items	<u>(31,329)</u>
Reconciled Balance June 30, 2016	<u>10,108</u>
Less Agency Funds	<u>(2,014)</u>
<i>Total Cash</i>	<u>\$ 8,094</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 23,657	1,095	5,450	1,416
Add:				
2015-16 revenues	824,927	5,623	49,218	2,062
Total Cash Available	848,584	6,718	54,668	3,478
Less:				
2015-16 expenditures	(824,974)	(5,249)	(42,223)	(1,464)
Receivables/Payables	(15,808)	-	-	-
Outstanding Loans	(7,802)	-	(5,820)	-
Cash June 30, 2016	-	1,469	6,625	2,014
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	-	1,469	6,625	2,014
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(30,732)	-	(1,916)	(2,014)
Fund Balance (Deficit), Modified Accrual Basis	(30,732)	1,469	4,709	-

Federal Projects Account 24000	State Account 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	31,618
57,158	26,493	58,407	2,091	1,025,979
57,158	26,493	58,407	2,091	1,057,597
(64,635)	(42,142)	(59,636)	-	(1,040,323)
-	8,642	-	-	(7,166)
7,477	7,007	1,229	(2,091)	-
-	-	-	-	10,108
-	-	-	-	-
-	-	-	-	10,108
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:				(2,014)
				<u>\$ 8,094</u>
-	-	-	-	(34,662)
-	-	-	-	(24,554)
Balance Sheets - Governmental Funds:				<u>\$ (24,554)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Tierra Montessori School of the Arts and Sciences
 Statement of Net Position
 June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 137,102
Receivables	
Due from Other Governments	144,150
Prepaid Expenditures	<u>6,000</u>
Total Current Assets	<u>287,252</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	41,067
Furniture, Fixtures, and Equipment	7,845
Less: Accumulated Depreciation	<u>(9,750)</u>
Total Noncurrent Assets	<u>39,162</u>

Total Assets	<u>326,414</u>
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Deferred Outflows - Pension Related	<u>407,825</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accrued Liabilities	<u>64,361</u>
Total Current Liabilities	<u>64,361</u>

Noncurrent Liabilities:

Net Pension Liability	<u>1,013,692</u>
Total Noncurrent Liabilities	<u>1,013,692</u>

Total Liabilities	<u>1,078,053</u>
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Deferred Inflows - Pension Related	<u>23,356</u>
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NET POSITION

Net Investment in Capital Assets	39,162
Restricted	68,287
Unrestricted (Deficit)	<u>(474,619)</u>
Total Net Position	<u>\$ (367,170)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 766,815	3,600	106,546	-	(656,669)
Support Services:					
Students	127,745	-	-	-	(127,745)
Instruction	26,166	-	-	-	(26,166)
General Administration	-	-	-	-	-
School Administration	143,639	-	-	-	(143,639)
Central Services	96,980	-	-	-	(96,980)
Operation & Maintenance of Plant	64,267	-	-	-	(64,267)
Student Transportation	69,068	-	62,530	-	(6,538)
Food Services	6,491	-	-	-	(6,491)
Facilities Materials, Supplies & Other Services	87,581	-	-	86,813	(768)
Total Governmental Activities	\$ 1,388,752	3,600	169,076	86,813	(1,129,263)
General Revenues:					
Property Taxes				\$	22,015
State Equalization Guarantee					1,070,482
Miscellaneous					31,290
Total General Revenues					<u>1,123,787</u>
Change in Net Position					<u>(5,476)</u>
Net Position- Beginning					(361,694)
Net position, Ending					<u>\$ (367,170)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 90,212	7,986	4,310	-
Accounts Receivable				
Due from Governments	-	-	-	23,527
Due from Other Funds	127,637	-	-	-
Prepaid Expenditures	6,000	-	-	-
Total Assets	\$ 223,849	7,986	4,310	23,527
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accrued Expenditures	\$ 63,245	-	-	1,116
Due to Other Funds	-	-	-	22,411
Total Liabilities	63,245	-	-	23,527
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	6,000	-	-	-
Restricted for:				
Instruction	-	-	4,310	-
Student Transportation	-	7,986	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	154,604	-	-	-
Total Fund Balance (Deficit)	160,604	7,986	4,310	-
Total Liabilities and Fund Balances (Deficit)	\$ 223,849	7,986	4,310	23,527

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Teacher Principal Training 24154	Title XIX Medicaid 3/21 Years 25153	LANL Foundation 26113	Conoco Phillips Grant 26200
-	-	-	1,895	-	7,917
19,812	-	5,788	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>19,812</u>	<u>-</u>	<u>5,788</u>	<u>1,895</u>	<u>-</u>	<u>7,917</u>
-	-	-	-	-	-
<u>19,812</u>	<u>-</u>	<u>5,788</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>19,812</u>	<u>-</u>	<u>5,788</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	1,895	-	7,917
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,895</u>	<u>-</u>	<u>7,917</u>
<u>19,812</u>	<u>-</u>	<u>5,788</u>	<u>1,895</u>	<u>-</u>	<u>7,917</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Literacy for Children at Risk 27107	NM Reads to Lead K-3 27114	Kindergarten Three Plus 27166	Teacher and School Leader Incentive Pay 27188
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Government	2,949	21,982	-	1,133
Due from Other Funds	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	<u>\$ 2,949</u>	<u>21,982</u>	<u>-</u>	<u>1,133</u>
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accrued Expenditures	\$ -	-	-	-
Due to Other Funds	2,949	21,982	-	1,133
Total Liabilities	<u>2,949</u>	<u>21,982</u>	<u>-</u>	<u>1,133</u>
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Student Transportation	-	-	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balance (Deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 2,949</u>	<u>21,982</u>	<u>-</u>	<u>1,133</u>

The accompanying notes are an integral part of these financial statements

Private Direct Grants 29102	City / County Grants 29107	McCune Charitable Foundation 29114	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	23	10,000	-	14,759	137,102
-	-	-	53,562	15,397	144,150
-	-	-	-	-	127,637
-	-	-	-	-	6,000
-	23	10,000	53,562	30,156	414,889
-	-	-	-	-	64,361
-	-	-	53,562	-	127,637
-	-	-	53,562	-	191,998
-	-	-	-	-	6,000
-	23	10,000	-	-	24,145
-	-	-	-	-	7,986
-	-	-	-	30,156	30,156
-	-	-	-	-	154,604
-	23	10,000	-	30,156	222,891
-	23	10,000	53,562	30,156	414,889

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 222,891**

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

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

Capital Assets	48,912	
Accumulated Depreciation	(9,750)	
		39,162

Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds	407,825
---	---------

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Net Pension Liability	(1,013,692)	
		(1,013,692)

Defined benefit pension plan deferred inflows are not due and payable
 in the current period and, therefore, are not reported in the funds

	(23,356)	
		(23,356)

Net Position-Total Governmental Activities **\$ (367,170)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	1,070,482	62,530	8,507	-
Federal Grant	-	-	-	30,573
Charges for Services	3,600	-	-	-
Miscellaneous Income	4,745	-	-	-
Total Revenues	<u>1,078,827</u>	<u>62,530</u>	<u>8,507</u>	<u>30,573</u>
EXPENDITURES				
Current:				
Instruction	564,296	-	8,505	30,573
Support Services:				
Students	99,714	-	-	-
Instruction	23,217	-	-	-
General Administration	-	-	-	-
School Administration	143,072	-	-	-
Central Services	95,874	-	-	-
Operation & Maintenance of Plant	61,912	-	-	-
Student Transportation	-	69,068	-	-
Food Services Operations	6,143	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>994,228</u>	<u>69,068</u>	<u>8,505</u>	<u>30,573</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>84,599</u>	<u>(6,538)</u>	<u>2</u>	<u>-</u>
Net Changes in Fund Balances	<u>84,599</u>	<u>(6,538)</u>	<u>2</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>76,005</u>	<u>14,524</u>	<u>4,308</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 160,604</u>	<u>7,986</u>	<u>4,310</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Teacher Principal Training 24154	Title XIX Medicaid 3/21 Years 25153	LANL Foundation 26113	Conoco Phillips Grant 26200
-	-	-	-	-	-
-	-	-	5,573	-	-
19,812	-	5,788	-	-	-
-	-	-	-	-	-
-	-	-	-	3,000	-
<u>19,812</u>	<u>-</u>	<u>5,788</u>	<u>5,573</u>	<u>3,000</u>	<u>-</u>
-	-	5,788	-	3,000	-
19,812	-	-	8,219	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>19,812</u>	<u>-</u>	<u>5,788</u>	<u>8,219</u>	<u>3,000</u>	<u>-</u>
-	-	-	(2,646)	-	-
-	-	-	(2,646)	-	-
-	-	-	4,541	-	7,917
-	-	-	1,895	-	7,917

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016

	Literacy for Children at Risk 27107	NM Reads to Lead K-3 27114	Kindergarten Three Plus 27166	Teacher and School Leader Incentive Pay 27188
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	2,949	21,982	10,229	1,133
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>2,949</u>	<u>21,982</u>	<u>10,229</u>	<u>1,133</u>
EXPENDITURES				
Current:				
Instruction	-	21,982	10,229	566
Support Services:				
Students	-	-	-	-
Instruction	2,949	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	567
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,949</u>	<u>21,982</u>	<u>10,229</u>	<u>1,133</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Private Direct Grants 29102	City / County Grants 29107	McCune Charitable Foundation 29114	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	22,015	22,015
-	-	-	71,416	15,397	1,270,198
-	-	-	-	-	56,173
-	-	-	-	-	3,600
13,545	-	10,000	-	-	31,290
<u>13,545</u>	<u>-</u>	<u>10,000</u>	<u>71,416</u>	<u>37,412</u>	<u>1,383,276</u>
6,927	-	-	-	-	651,866
-	-	-	-	-	127,745
-	-	-	-	-	26,166
-	-	-	-	-	-
-	-	-	-	-	143,639
-	-	-	-	-	95,874
-	-	-	-	-	61,912
-	-	-	-	-	69,068
-	348	-	-	-	6,491
-	-	-	71,416	16,165	87,581
<u>6,927</u>	<u>348</u>	<u>-</u>	<u>71,416</u>	<u>16,165</u>	<u>1,270,342</u>
<u>6,618</u>	<u>(348)</u>	<u>10,000</u>	<u>-</u>	<u>21,247</u>	<u>112,934</u>
<u>6,618</u>	<u>(348)</u>	<u>10,000</u>	<u>-</u>	<u>21,247</u>	<u>112,934</u>
<u>(6,618)</u>	<u>371</u>	<u>-</u>	<u>-</u>	<u>8,909</u>	<u>109,957</u>
<u>-</u>	<u>23</u>	<u>10,000</u>	<u>-</u>	<u>30,156</u>	<u>222,891</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 112,934**

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

Change in net pension liability (114,949)

Expenditures to purchase or build capital assets, pay for interest on debt,
 and amortization on long term assets are reported in governmental funds
 as expenditures. However, for governmental activities those costs are
 shown in the Statement of Net Position and allocated over their estimated
 useful lives as annual depreciation expenses in the Statement of Activities.
 This is the amount by which capital outlay exceeds depreciation for the
 period

Capital Outlays	-	
Depreciation Expense	(3,461)	
	(3,461)	(3,461)

Change in Net Position-Total Governmental Activities **\$ (5,476)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2016

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 433
Total Assets	<u>\$ 433</u>
 LIABILITIES	
Deposits Held for Others	\$ 433
Total Liabilities	<u>\$ 433</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 433	-	-	433
Total Assets	<u>\$ 433</u>	<u>-</u>	<u>-</u>	<u>433</u>
LIABILITIES				
Deposits Held for Others	\$ 433	-	-	433
Total Liabilities	<u>\$ 433</u>	<u>-</u>	<u>-</u>	<u>433</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for La Tierra are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Notes to the Financial Statements
June 30, 2016

NOTE 2. RECEIVABLES

Receivables as of June 30, 2016 are as follows:

Due from Other Governments:			
Title I		\$	23,527
IDEA-B Entitlement			19,812
Teacher / Principal Training			5,788
Literacy for Children at Risk			2,949
NM Reads to Lead K-3			21,982
Teacher and School Leader Incentive Pay			1,133
Public School Capital Outlay			53,562
SB-9 Capital Improvements			<u>15,397</u>
Total Due from Other Governments		\$	<u>144,150</u>

NOTE 3. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	June 30, 2015	Additions	Deletions	June 30, 2016
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 7,845	-	-	7,845
Building and Improvements	41,067	-	-	41,067
<i>Total</i>	<u>48,912</u>	<u>-</u>	<u>-</u>	<u>48,912</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(3,042)	(1,106)	-	(4,148)
Building and Improvements	(3,247)	(2,355)	-	(5,602)
<i>Total</i>	<u>(6,289)</u>	<u>(3,461)</u>	<u>-</u>	<u>(9,750)</u>
Capital Assets, Net	<u>\$ 42,623</u>	<u>(3,461)</u>	<u>-</u>	<u>39,162</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Central Services	\$ 1,106
Operations / Plant Maintenance	2,355
Total	<u>\$ 3,461</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Notes to the Financial Statements
June 30, 2016

NOTE 4. COMMITMENTS AND LIABILITIES

La Tierra leases various facilities and equipment under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$72,000. La Tierra’s minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ 72,000
2018	72,000
2019	72,000
2020	72,000
2021	72,000
2022-2026	<u>300,000</u>
Total minimum lease payments	<u>\$ 660,000</u>

NOTE 5. DEFICIT FUND BALANCE

La Tierra had no funds with a deficit fund balance at June 30, 2016.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

La Tierra had the following funds with expenditures in excess of the budget during the year ended June 30, 2016:

Title XIX Medicaid 3/21 Years	
Support Services: Students	\$ 8,219
Private Direct Grants	
Instruction	6,927
City / County Grants	
Food Services Operations	<u>348</u>
Total	<u>\$ 15,494</u>

NOTE 7. RELATED PARTY TRANSACTIONS

The Business Manager is also the Business Manager of McCurdy Charter School, Taos Integrated School of Arts, Taos Academy, Vista Grande High School and Dream Dine’ Charter School.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to La Tierra Montessori School of the Arts and Science and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and La Tierra Montessori School of the Arts and Science are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal years ended June 30, 2015 and June 30, 2016 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from La Tierra Montessori School of the Arts and Science were \$72,066 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, La Tierra Montessori School of the Arts and Science reported a liability of \$1,013,692 for its proportionate share of the net pension liability. La Tierra Montessori School of the Arts and Science's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, La Tierra Montessori School of the Arts and Science's proportion was 0.01565% percent, which was an increase of 0.00562% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, La Tierra Montessori School of the Arts and Science recognized pension expense of \$187,015. As of June 30, 2016, La Tierra Montessori School of the Arts and Science reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	18,793
Changes in assumptions	34,866	-
Net difference between projected and actual earnings on pension plan investments	-	4,563
Changes in proportion and differences between La Tierra Montessori School of the Arts and Science’s contributions and proportionate share of contributions	300,893	-
La Tierra Montessori School of the Arts and Science’s contributions subsequent to the measurement date	<u>72,066</u>	<u>-</u>
Total	<u>\$ 407,825</u>	<u>23,356</u>

\$72,066 reported as deferred outflows of resources related to pensions resulting from La Tierra Montessori School of the Arts and Science’s contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ 107,720
2018	105,906
2019	84,697
2020	<u>14,080</u>
Total	<u>\$ 312,403</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Sensitivity of La Tierra Montessori School of the Arts and Science’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
La Tierra Montessori School of the Arts and Science’s proportionate share of the net pension liability	<u>\$ 1,363,991</u>	<u>1,013,692</u>	<u>719,405</u>

Payables to the pension plan. La Tierra Montessori School of the Arts and Science accrued \$20,052 in ERB benefits at June 30, 2016 for teachers with ten month contracts.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.01%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 572	1,014	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 277	427	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.50%	237.47%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*These amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 36	62	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	36	71	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	(9)	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 4	5		\$ (4)	(4)	(2)	14	-						
2015	\$ 313	5			108	106	85	14	-					
2016	-	5				-	-	-	-	-				
2017	-	5					-	-	-	-				
2018	-	5						-	-	-				
2019	-	5							-	-				
2020	-	5								-				
2021	-	5									-			
2022	-	5										-		
2023	-	5											-	
	<u>\$ 317</u>			<u>\$ (4)</u>	<u>104</u>	<u>104</u>	<u>99</u>	<u>14</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 1,051,552	1,070,481	1,070,482	1
Charges for Services	-	2,000	3,600	1,600
Miscellaneous Income	-	4,589	4,745	156
Total Revenues	<u>1,051,552</u>	<u>1,077,070</u>	<u>1,078,827</u>	<u>1,757</u>
EXPENDITURES				
Current:				
Instruction	625,309	648,980	564,296	84,684
Support Services:				
Students	63,140	105,811	99,714	6,097
Instruction	26,500	28,967	23,217	5,750
General Administration	-	-	-	-
School Administration	133,757	146,980	143,072	3,908
Central Services	112,731	117,221	95,874	21,347
Operation & Maintenance of Plant	90,115	92,115	61,912	30,203
Food Services Operations	-	7,000	6,143	857
Total Expenditures	<u>1,051,552</u>	<u>1,147,074</u>	<u>994,228</u>	<u>152,846</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	(70,004)	84,599	154,603
Net Changes in Fund Balances	-	(70,004)	84,599	154,603
Cash or Fund Balances - Beginning of Year	-	-	70,005	70,005
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>(70,004)</u>	<u>154,604</u>	<u>224,608</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 84,599	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 84,599</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Student Transportation 13000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	62,530	62,530	-
Total Revenues	<u>-</u>	<u>62,530</u>	<u>62,530</u>	<u>-</u>
EXPENDITURES				
Current:				
Student Transportation	-	69,792	69,068	724
Total Expenditures	<u>-</u>	<u>69,792</u>	<u>69,068</u>	<u>724</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(7,262)</u>	<u>(6,538)</u>	<u>724</u>
Net Changes in Fund Balances	<u>-</u>	<u>(7,262)</u>	<u>(6,538)</u>	<u>724</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>14,524</u>	<u>14,524</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>(7,262)</u>	<u>7,986</u>	<u>15,248</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,538)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (6,538)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 5,255	8,507	8,507	-
Total Revenues	<u>5,255</u>	<u>8,507</u>	<u>8,507</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	5,255	8,507	8,505	2
Total Expenditures	<u>5,255</u>	<u>8,507</u>	<u>8,505</u>	<u>2</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	2	2
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>4,308</u>	<u>4,308</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,310</u>	<u>4,310</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 21,479	43,120	14,156	(28,964)
Total Revenues	<u>21,479</u>	<u>43,120</u>	<u>14,156</u>	<u>(28,964)</u>
EXPENDITURES				
Current:				
Instruction	21,479	43,120	30,573	12,547
Total Expenditures	<u>21,479</u>	<u>43,120</u>	<u>30,573</u>	<u>12,547</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(16,417)</u>	<u>(16,417)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(16,417)</u>	<u>(16,417)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(7,110)</u>	<u>(7,110)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(23,527)</u>	<u>(23,527)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (16,417)	
Adjustments to Revenues			16,417	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 17,587	19,812	8,213	(11,599)
Total Revenues	<u>17,587</u>	<u>19,812</u>	<u>8,213</u>	<u>(11,599)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	17,587	19,812	19,812	-
Total Expenditures	<u>17,587</u>	<u>19,812</u>	<u>19,812</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(11,599)	(11,599)
Net Changes in Fund Balances	-	-	(11,599)	(11,599)
Cash or Fund Balances - Beginning of Year	-	-	(8,213)	(8,213)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(19,812)</u>	<u>(19,812)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (11,599)	
Adjustments to Revenues			11,599	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B "Risk Pool" 24120
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	19	-	(19)
Total Revenues	<u>-</u>	<u>19</u>	<u>-</u>	<u>(19)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	19	-	19
Total Expenditures	<u>-</u>	<u>19</u>	<u>-</u>	<u>19</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher / Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 4,649	10,675	-	(10,675)
Total Revenues	<u>4,649</u>	<u>10,675</u>	<u>-</u>	<u>(10,675)</u>
EXPENDITURES				
Current:				
Instruction	4,649	10,675	5,788	4,887
Total Expenditures	<u>4,649</u>	<u>10,675</u>	<u>5,788</u>	<u>4,887</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(5,788)	(5,788)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5,788)</u>	<u>(5,788)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,788)</u>	<u>(5,788)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,788)	
Adjustments to Revenues			5,788	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 3/21 Years 25153
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	5,573	5,573
Total Revenues	<u>-</u>	<u>-</u>	<u>5,573</u>	<u>5,573</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	-	8,219	(8,219)
Total Expenditures	<u>-</u>	<u>-</u>	<u>8,219</u>	<u>(8,219)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,646)</u>	<u>(2,646)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,646)</u>	<u>(2,646)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>4,541</u>	<u>4,541</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,895</u>	<u>1,895</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,646)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (2,646)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
LANL Foundation 26113
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Miscellaneous	\$ -	3,000	3,000	-
Total Revenues	<u>-</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	3,000	3,000	-
Total Expenditures	<u>-</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Conoco Phillips Grant 26200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
EXPENDITURES				
Current:				
Operation & Maintenance of Plant	\$ -	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>7,917</u>	<u>7,917</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>7,917</u>	<u>7,917</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children at Risk 27107
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 6,354	6,354	-	(6,354)
Total Revenues	<u>6,354</u>	<u>6,354</u>	<u>-</u>	<u>(6,354)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	6,354	6,354	2,949	3,405
Total Expenditures	<u>6,354</u>	<u>6,354</u>	<u>2,949</u>	<u>3,405</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,949)	(2,949)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,949)</u>	<u>(2,949)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,949)</u>	<u>(2,949)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,949)	
Adjustments to Revenues			2,949	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
NM Reads to Lead K-3 27114
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 22,000	22,000	2,733	(19,267)
Total Revenues	<u>22,000</u>	<u>22,000</u>	<u>2,733</u>	<u>(19,267)</u>
EXPENDITURES				
Current:				
Instruction	22,000	22,000	21,982	18
Total Expenditures	<u>22,000</u>	<u>22,000</u>	<u>21,982</u>	<u>18</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(19,249)	(19,249)
Net Changes in Fund Balances	-	-	(19,249)	(19,249)
Cash or Fund Balances - Beginning of Year	-	-	(2,733)	(2,733)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(21,982)</u>	<u>(21,982)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (19,249)	
Adjustments to Revenues			19,249	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Kindergarten Three Plus 27166
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 38,472	18,147	18,334	187
Total Revenues	<u>38,472</u>	<u>18,147</u>	<u>18,334</u>	<u>187</u>
EXPENDITURES				
Current:				
Instruction	16,550	16,708	10,229	6,479
Student Transportation	21,922	1,439	-	1,439
Total Expenditures	<u>38,472</u>	<u>18,147</u>	<u>10,229</u>	<u>7,918</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	8,105	8,105
Net Changes in Fund Balances	-	-	8,105	8,105
Cash or Fund Balances - Beginning of Year	-	-	(8,105)	(8,105)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,105	
Adjustments to Revenues			(8,105)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher and School Leader Incentive Pay 27188
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	56,000	24,190	(31,810)
Total Revenues	<u>-</u>	<u>56,000</u>	<u>24,190</u>	<u>(31,810)</u>
EXPENDITURES				
Current:				
Instruction	-	49,000	566	48,434
Support Services:				
School Administration	-	7,000	567	6,433
Total Expenditures	<u>-</u>	<u>56,000</u>	<u>1,133</u>	<u>54,867</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	23,057	23,057
Net Changes in Fund Balances	-	-	23,057	23,057
Cash or Fund Balances - Beginning of Year	-	-	(24,190)	(24,190)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,133)</u>	<u>(1,133)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 23,057	
Adjustments to Revenues			(23,057)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Miscellaneous Income	\$ -	-	13,545	13,545
Total Revenues	<u>-</u>	<u>-</u>	<u>13,545</u>	<u>13,545</u>
EXPENDITURES				
Current:				
Instruction	-	-	6,927	(6,927)
Total Expenditures	<u>-</u>	<u>-</u>	<u>6,927</u>	<u>(6,927)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	6,618	6,618
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>6,618</u>	<u>6,618</u>
Cash or Fund Balances - Beginning of Year	-	-	(6,618)	(6,618)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,618	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 6,618</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
City / County Grants 29107
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
EXPENDITURES				
Current:				
Food Services Operations	\$ -	-	348	(348)
Total Expenditures	<u>-</u>	<u>-</u>	<u>348</u>	<u>(348)</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(348)</u>	<u>348</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(348)</u>	<u>348</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>371</u>	<u>371</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>23</u>	<u>719</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (348)	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (348)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
McCune Charitable Foundation 29114
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Miscellaneous Income	\$ -	10,000	10,000	-
Total Revenues	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	10,000	-	10,000
Total Expenditures	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 10,000	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 10,000</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	71,416	44,122	(27,294)
Total Revenues	<u>-</u>	<u>71,416</u>	<u>44,122</u>	<u>(27,294)</u>
EXPENDITURES				
Capital Outlay	-	71,416	71,416	-
Total Expenditures	<u>-</u>	<u>71,416</u>	<u>71,416</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(27,294)	(27,294)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(27,294)</u>	<u>(27,294)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(26,268)</u>	<u>(26,268)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(53,562)</u>	<u>(53,562)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (27,294)	
Adjustments to Revenues			27,294	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements SB-9 31700
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 24,108	24,108	22,015	(2,093)
State Grant	5,384	12,842	-	(12,842)
Total Revenues	<u>29,492</u>	<u>36,950</u>	<u>22,015</u>	<u>(14,935)</u>
EXPENDITURES				
Capital Outlay	47,698	55,156	16,165	38,991
Total Expenditures	<u>47,698</u>	<u>55,156</u>	<u>16,165</u>	<u>38,991</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(18,206)</u>	<u>(18,206)</u>	<u>5,850</u>	<u>24,056</u>
Net Changes in Fund Balances	<u>(18,206)</u>	<u>(18,206)</u>	<u>5,850</u>	<u>24,056</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>8,909</u>	<u>8,909</u>
Cash or Fund Balances - End of Year	<u>\$ (18,206)</u>	<u>(18,206)</u>	<u>14,759</u>	<u>32,965</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,850	
Adjustments to Revenues			15,397	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 21,247</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Tierra Montessori School of the Arts and Sciences
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	160,265
Less: FDIC coverage:		<u>(160,265)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over (Under) Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Tierra Montessori School of the Arts and Sciences
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Los Alamos National Bank</u>
Checking - Operational Account	\$ 160,265
<i>Total on Deposit</i>	160,265
Reconciling Items	<u>(22,730)</u>
Reconciled Balance June 30, 2016	<u>137,535</u>
Less Agency Funds	<u>(433)</u>
<i>Total Cash</i>	<u><u>\$ 137,102</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Cash Reconciliation
June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Federal Flowthrough 24000
Cash, June 30, 2015	118,880	14,524	4,308	(11,713)
Add:				
2015-16 revenues	<u>1,029,952</u>	<u>62,530</u>	<u>8,507</u>	<u>18,759</u>
Total cash available	1,148,832	77,054	12,815	7,046
Less:				
2015-16 expenditures	(994,228)	(69,068)	(8,505)	(56,173)
Receivables/Payables	63,245	-	-	1,116
Prepaid Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>217,849</u>	<u>7,986</u>	<u>4,310</u>	<u>(48,011)</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>(127,637)</u>	<u>-</u>	<u>-</u>	<u>48,011</u>
Cash per Books	<u>90,212</u>	<u>7,986</u>	<u>4,310</u>	<u>-</u>
Fund Balance (Deficit) Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(57,245)</u>	<u>-</u>	<u>-</u>	<u>48,011</u>
Fund Balance (Deficit), Modified Accrual Basis	<u><u>160,604</u></u>	<u><u>7,986</u></u>	<u><u>4,310</u></u>	<u><u>-</u></u>

The accompanying notes are an integral part of these financial statements

State Direct 25000	Local Grants 26000	State Flowthrough 27000	Local or State Fund 29000	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	Total
4,541	7,917	(35,028)	(6,247)	(26,268)	8,909	79,823
5,573	3,000	45,257	23,545	44,122	22,015	1,263,260
10,114	10,917	10,229	17,298	17,854	30,924	1,343,083
(8,219)	(3,000)	(36,293)	(7,275)	(71,416)	(16,165)	(1,270,342)
-	-	-	-	-	-	64,361
-	-	-	-	-	-	-
1,895	7,917	(26,064)	10,023	(53,562)	14,759	137,102
-	-	26,064	-	53,562	-	-
1,895	7,917	-	10,023	-	14,759	137,102
-	-	26,064	-	53,562	15,397	85,789
1,895	7,917	-	10,023	-	30,156	222,891

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 50,815
Receivables	
Due from Other Governments	87,262
Total Current Assets	<u>138,077</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	145,398
Less: Accumulated Depreciation	<u>(73,666)</u>
Total Noncurrent Assets	<u>71,732</u>
Total Assets	<u>209,809</u>

Deferred Outflows - Pension Related	<u>237,722</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	3,840
Accrued Liabilities	<u>9,199</u>
Total Current Liabilities	<u>13,039</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,496,338</u>
Total Noncurrent Liabilities	<u>2,496,338</u>
Total Liabilities	<u>2,509,377</u>

Deferred Inflows - Pension Related	<u>234,050</u>
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NET POSITION

Investment in Capital Assets	71,732
Restricted	6,187
Unrestricted (Deficit)	<u>(2,373,815)</u>
Total Net Position	<u>\$ (2,295,896)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,182,247	8,897	134,695	-	(1,038,655)
Support Services:					
Students	124,261	-	-	-	(124,261)
Instruction	15,000	-	-	-	(15,000)
General Administration	51,666	-	-	-	(51,666)
School Administration	171,773	-	-	-	(171,773)
Central Services	161,358	-	-	-	(161,358)
Operation & Maintenance of Plant	354,249	-	-	-	(354,249)
Community Services Operations	-	-	-	-	-
Student Transportation	12,983	-	-	-	(12,983)
Food Services	48,869	519	48,171	-	(179)
Facilities Materials, Supplies & Other Services	182,477	-	-	134,734	(47,743)
Total Governmental Activities	\$ 2,304,883	9,416	182,866	134,734	(1,977,867)
General Revenues:					
Property Taxes					\$ 109,966
State Equalization Guarantee					1,708,954
Total General Revenues					<u>1,818,920</u>
Change in Net Position					(158,947)
Net Position- Beginning of Year					<u>(2,136,949)</u>
Net position, Ending					<u>\$ (2,295,896)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 40,517	1,099	-	-
Accounts Receivable				
Due from Government	-	-	10,380	15,779
Due from Other Funds	82,174	-	-	-
Total Assets	\$ 122,691	1,099	10,380	15,779
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	3,840	-	-	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	-	-	10,380	15,779
Total Liabilities	3,840	-	10,380	15,779
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	1,099	-	-
Unassigned	118,851	-	-	-
Total Fund Balance	118,851	1,099	-	-
Total Liabilities and Fund Balances	\$ 122,691	1,099	10,380	15,779

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Title I School Improvement 24162	Spaceport Dona Ana 26204	2012 SB-66 Student Library 27107	Public School Capital Outlay 31200
-	-	-	-	-	-
10,663	2,119	9,350	755	4,532	33,684
-	-	-	-	-	-
10,663	2,119	9,350	755	4,532	33,684
-	-	-	-	-	-
-	-	-	-	-	-
5,575	2,119	9,350	755	4,532	33,684
5,575	2,119	9,350	755	4,532	33,684
5,088	-	-	-	-	-
-	-	-	-	-	-
5,088	-	-	-	-	-
10,663	2,119	9,350	755	4,532	33,684

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
ASSETS			
Cash and Cash Equivalents	\$ 9,199	-	\$ 50,815
Accounts Receivable			
Due from Government	-	-	87,262
Due from Other Funds	-	-	82,174
Total Assets	\$ 9,199	-	\$ 220,251
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	-	-	3,840
Accrued Expenditures	9,199	-	9,199
Due to Other Funds	-	-	82,174
Total Liabilities	9,199	-	95,213
Fund Balances			
Fund Balance:			
Restricted for:			
Instruction	-	-	6,187
Unassigned	-	-	118,851
Total Fund Balance	-	-	125,038
Total Liabilities and Fund Balances	\$ 9,199	-	\$ 220,251

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Las Montanas Charter High School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balance - Total Governmental Funds **\$ 125,038**

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

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

Capital Assets	145,398	
Accumulated Depreciation	(73,666)	
		71,732

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		237,722
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The net pension liability is not due and payable in the current period and therefore, is not reported in the funds.		
Net Pension Liability		(2,496,338)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		
		(234,050)

Net Position (Deficit) - Total Governmental Activities **\$ (2,295,896)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	901	-	-	-
State Grant	1,708,954	11,360	-	-
Federal Grant	-	-	48,171	52,805
Charges for Services	8,897	-	519	-
Total Revenues	1,718,752	11,360	48,690	52,805
EXPENDITURES				
Current:				
Instruction	1,085,382	36,000	-	49,740
Support Services:				
Students	95,657	-	-	-
Instruction	-	-	-	-
General Administration	50,166	-	-	-
School Administration	176,891	-	-	-
Central Services	163,136	-	-	-
Operation & Maintenance of Plant	359,731	-	-	-
Student Transportation	10,759	-	-	-
Food Services Operations	-	-	48,690	-
Capital Outlay	-	-	-	-
Total Expenditures	1,941,722	36,000	48,690	49,740
Net Changes in Fund Balances	(222,970)	(24,640)	-	3,065
Fund Balances - Beginning of Year	341,821	25,739	-	(3,065)
Fund Balances - End of Year	\$ 118,851	1,099	-	-

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Title I School Improvement 24162	Spaceport Dona Ana 26204	2012 SB-66 Student Library 27107	Public School Capital Outlay 31200
-	-	-	-	-	-
6,982	-	-	11,246	-	-
-	-	-	-	4,532	134,734
29,220	2,649	15,000	-	-	-
-	-	-	-	-	-
36,202	2,649	15,000	11,246	4,532	134,734
-	2,649	-	31,627	-	-
27,721	-	-	-	4,532	-
-	-	15,000	-	-	-
1,500	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	134,734
29,221	2,649	15,000	31,627	4,532	134,734
6,981	-	-	(20,381)	-	-
(1,893)	-	-	20,381	-	-
5,088	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2016

	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
REVENUES			
Property Taxes	\$ 109,966	-	\$ 109,966
Local & County Grant	-	-	19,129
State Grant	-	-	1,859,580
Federal Grant	-	-	147,845
Charges for Services	-	-	9,416
Total Revenues	109,966	-	2,145,936
EXPENDITURES			
Current:			
Instruction	-	-	1,205,398
Support Services:			
Students	-	-	127,910
Instruction	-	-	15,000
General Administration	-	-	51,666
School Administration	-	-	176,891
Central Services	-	-	163,136
Operation & Maintenance of Plant	-	-	359,731
Student Transportation	-	-	10,759
Food Services Operations	-	-	48,690
Capital Outlay	109,966	-	244,700
Total Expenditures	109,966	-	2,403,881
Net Changes in Fund Balances	-	-	(257,945)
Fund Balances - Beginning of Year	-	-	382,983
Fund Balances - End of Year	-	-	\$ 125,038

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balance-Total Governmental Funds **\$ (257,945)**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	74,660	
Depreciation Expense	(12,604)	
	62,056	62,056

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		36,942
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Change in Net Position-Total Governmental Activities **\$ (158,947)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Las Montanas Charter High School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	Agency Funds
	<hr/>
ASSETS	
Cash in Bank	\$ 4,955
Total Assets	<hr/> \$ 4,955 <hr/>
 LIABILITIES	
Deposits Held for Others	\$ 4,955
Total Liabilities	<hr/> \$ 4,955 <hr/>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Las Montanas Charter High School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 5,858	4,430	(5,333)	4,955
Total Assets	<u>\$ 5,858</u>	<u>4,430</u>	<u>(5,333)</u>	<u>4,955</u>
LIABILITIES				
Deposits Held for Others	\$ 5,858	4,430	(5,333)	4,955
Total Liabilities	<u>\$ 5,858</u>	<u>4,430</u>	<u>(5,333)</u>	<u>4,955</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, fixtures and equipment 5 years

Capital assets for the Las Montanas Charter High School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 70,738	74,660	-	145,398
<i>Total</i>	<u>70,738</u>	<u>74,660</u>	<u>-</u>	<u>145,398</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	\$ (61,062)	(12,604)	-	(73,666)
<i>Total</i>	<u>(61,602)</u>	<u>(12,604)</u>	<u>-</u>	<u>(73,666)</u>
Capital Assets, Net	<u>\$ 9,676</u>	<u>62,056</u>	<u>-</u>	<u>71,732</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 2,603
Student Transportation	2,224
Capital Outlay	<u>7,777</u>
Total	<u>\$ 12,604</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Las Montanas Charter High School leased equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2016, was \$58,333. The school's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 57,707
2018	57,707
2019	<u>54,384</u>
Total lease payments	<u>\$ 169,798</u>

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Las Montanas Charter High School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Las Montanas Charter High School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2016 and 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Las Montanas Charter High School were \$151,860 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, and the net pension liability was measured as of that date. At June 30, 2016, Las Montanas Charter High School reported a liability of \$2,496,338 for its proportionate share of the net pension liability. Las Montanas Charter High School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Las Montanas Charter High School's proportion was 0.03854%, which was a decrease of 0.00212 from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Las Montanas Charter High School recognized pension expense of \$114,929. At June 30, 2016, Las Montanas Charter High School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (46,280)
Changes in assumptions	85,862	-
Net difference between projected and actual earnings on pension plan investments	-	(11,236)
Changes in proportion	-	(176,534)
Las Montanas Charter High School contributions subsequent to the measurement date	<u>151,860</u>	<u>-</u>
Total	<u>\$ 237,722</u>	<u>\$ (234,050)</u>

The amount of \$151,860 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (80,660)
2018	(74,442)
2019	(27,757)
2020	<u>34,671</u>
Total	<u>\$ (148,188)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Las Montanas Charter High School
 Notes to the Financial Statements
 June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Las Montanas Charter High School's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Las Montanas Charter High School's proportionate share of the net pension liability	<u>\$ 3,358,990</u>	<u>2,496,338</u>	<u>1,771,621</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
LAS MONTANAS CHARTER HIGH SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,320	2,496	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,121	1,052	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.01%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
LAS MONTANAS CHARTER HIGH SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 152	152	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	152	152	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (362)	5		\$ (105)	(105)	(99)	(53)	-						
2015	(148)	5			(81)	(74)	(28)	35						
2016	-	5				-	-	-						
2017	-	5				-	-	-						
2018	-	5				-	-	-						
2019	-	5				-	-	-						
2020	-	5				-	-	-						
2021	-	5				-	-	-						
2022	-	5				-	-	-						
2023	-	5				-	-	-						
	<u>\$ (510)</u>			<u>\$ (105)</u>	<u>(186)</u>	<u>(173)</u>	<u>(81)</u>	<u>35</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	901	901
State Grant	1,874,452	1,708,954	1,708,954	-
Charges for Services	-	-	8,897	8,897
Total Revenues	1,874,452	1,708,954	1,718,752	9,798
EXPENDITURES				
Current:				
Instruction	1,195,904	1,115,731	1,111,395	4,336
Support Services:				
Students	70,283	95,657	95,657	-
General Administration	31,500	46,326	46,326	-
School Administration	149,316	176,892	176,892	-
Central Services	172,845	163,137	163,137	-
Operation & Maintenance of Plant	431,178	340,249	359,731	(19,482)
Student Transportation	29,758	27,295	10,759	16,536
Total Expenditures	2,080,784	1,965,287	1,963,897	1,390
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(206,332)</i>	<i>(256,333)</i>	<i>(245,145)</i>	<i>11,188</i>
Other Financing Sources (Uses):				
Designated Cash	206,332	256,333	-	(256,333)
Total Other Financing Sources (Uses):	206,332	256,333	-	(256,333)
Net Changes in Fund Balances	-	-	(245,145)	(245,145)
Cash or Fund Balances - Beginning of Year	-	-	341,821	341,821
Cash or Fund Balances - End of Year	\$ -	-	96,676	96,676
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			<i>\$ (245,145)</i>	
Adjustments to Expenditures			22,175	
NET CHANGE IN FUND BALANCE			\$ (222,970)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Las Montanas Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ 9,636	11,121	11,360	239
Total Revenues	<u>9,636</u>	<u>11,121</u>	<u>11,360</u>	<u>239</u>
EXPENDITURES				
Current:				
Instruction	35,373	36,858	36,000	858
Total Expenditures	<u>35,373</u>	<u>36,858</u>	<u>36,000</u>	<u>858</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(25,737)</u>	<u>(25,737)</u>	<u>(24,640)</u>	<u>1,097</u>
Other Financing Sources (Uses):				
Designated Cash	25,737	25,737	-	(25,737)
Total Other Financing Sources (Uses):	<u>25,737</u>	<u>25,737</u>	<u>-</u>	<u>(25,737)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(24,640)</u>	<u>(24,640)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>25,739</u>	<u>25,739</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,099</u>	<u>1,099</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			<u>\$ (24,640)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (24,640)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 65,000	65,000	37,791	(27,209)
Charges for Services	-	-	519	519
Total Revenues	<u>65,000</u>	<u>65,000</u>	<u>38,310</u>	<u>(26,690)</u>
EXPENDITURES				
Current:				
Student Transportation	65,000	65,000	48,690	16,310
Total Expenditures	<u>65,000</u>	<u>65,000</u>	<u>48,690</u>	<u>16,310</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(10,380)	(10,380)
Net Changes in Fund Balances	-	-	(10,380)	(10,380)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(10,380)</u>	<u>(10,380)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (10,380)	
Adjustments to Revenues			<u>10,380</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	22,622	22,622
Federal Grant	50,000	54,666	37,026	(17,640)
Total Revenues	50,000	54,666	59,648	4,982
EXPENDITURES				
Current:				
Instruction	50,000	54,666	49,740	4,926
Total Expenditures	50,000	54,666	49,740	4,926
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	9,908	9,908
Net Changes in Fund Balances	-	-	9,908	9,908
Cash or Fund Balances - Beginning of Year	-	-	(3,065)	(3,065)
Cash or Fund Balances - End of Year	\$ -	-	6,843	6,843
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 9,908	
Adjustments to Revenues			(6,843)	
NET CHANGE IN FUND BALANCE			\$ 3,065	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	25,168	25,168
Federal Grant	37,524	40,431	18,557	(21,874)
Total Revenues	37,524	40,431	43,725	3,294
EXPENDITURES				
Current:				
Support Services:				
Students	35,524	38,431	27,721	10,710
General Administration	2,000	2,000	1,500	500
Total Expenditures	37,524	40,431	29,221	11,210
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	14,504	14,504
Net Changes in Fund Balances	-	-	14,504	14,504
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	14,504	14,504
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 14,504	
Adjustments to Revenues			(7,523)	
NET CHANGE IN FUND BALANCE			\$ 6,981	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	7,158	530	(6,628)
Total Revenues	-	7,158	530	(6,628)
EXPENDITURES				
Current:				
Instruction	-	7,158	2,649	4,509
Total expenditures	-	7,158	2,649	4,509
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,119)	(2,119)
Net changes in Fund Balances	-	-	(2,119)	(2,119)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(2,119)	(2,119)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,119)	
Adjustments to Revenues			2,119	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I School Improvement 24162
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 15,000	15,000	5,650	(9,350)
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>5,650</u>	<u>(9,350)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	15,000	15,000	15,000	-
Total Expenditures	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(9,350)	(9,350)
Net Changes in Fund Balances	-	-	(9,350)	(9,350)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(9,350)</u>	<u>(9,350)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,350)	
Adjustments to revenues			<u>9,350</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Spaceport Dona Ana 26204
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ 5,566	10,491	10,491	-
Total Revenues	5,566	10,491	10,491	-
EXPENDITURES				
Current:				
Instruction	22,392	22,392	31,627	(9,235)
Support Services:				
Instruction	-	10,492	-	10,492
Total Expenditures	22,392	32,884	31,627	1,257
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(16,826)	(22,393)	(21,136)	1,257
Other financing sources (uses):				
Designated Cash	16,826	22,393	-	(22,393)
Total other financing sources (uses):	16,826	22,393	-	(22,393)
Net Changes in Fund Balances	-	-	(21,136)	(21,136)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(21,136)	(21,136)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (21,136)	
Adjustments to revenues			755	
NET CHANGE IN FUND BALANCE			\$ (20,381)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Las Montanas Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 Student Library 27107
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 4,532	4,532	-	(4,532)
Total Revenues	<u>4,532</u>	<u>4,532</u>	<u>-</u>	<u>(4,532)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	4,532	4,532	4,532	-
Total Expenditures	<u>4,532</u>	<u>4,532</u>	<u>4,532</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,532)</u>	<u>(4,532)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,532)</u>	<u>(4,532)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,532)</u>	<u>(4,532)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,532)	
Adjustments to revenues			<u>4,532</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	134,734	101,050	(33,684)
Total Revenues	-	134,734	101,050	(33,684)
EXPENDITURES				
Current:				
Capital Outlay	-	134,734	134,734	-
Total Expenditures	-	134,734	134,734	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(33,684)	(33,684)
Net Changes in Fund Balances	-	-	(33,684)	(33,684)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(33,684)	(33,684)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (33,684)	
Adjustments to Revenues			33,684	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 64,621	64,621	49,356	(15,265)
Total Revenues	64,621	64,621	49,356	(15,265)
EXPENDITURES				
Current:				
Capital Outlay	109,966	109,966	109,966	-
Total Expenditures	109,966	109,966	109,966	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(45,345)</i>	<i>(45,345)</i>	<i>(60,610)</i>	<i>(15,265)</i>
Other financing sources (uses):				
Designated Cash	45,345	45,345	-	(45,345)
Total other financing sources (uses):	45,345	45,345	-	(45,345)
Net Changes in Fund Balances	-	-	(60,610)	(60,610)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(60,610)	(60,610)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (60,610)	
Adjustments to Revenues			60,610	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 21,845	29,926	-	(29,926)
Total Revenues	21,845	29,926	-	(29,926)
EXPENDITURES				
Current:				
Capital Outlay	21,845	29,926	-	29,926
Total Expenditures	21,845	29,926	-	29,926
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues				
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Las Montanas Charter High School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -
Total Cash per Schedule of Cash Accounts:				\$ 99,965
Less: FDIC coverage:				(99,965)
Uninsured Public Funds:				-
Collateral Requirement:				-
Pledged Collateral Held by Pledging Financial Institution:				-
Balance Over Collateralized:				\$ -
Balance Uninsured and Uncollateralized at June 30, 2016:				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Las Montanas Charter High School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 99,965
<i>Total on Deposit</i>	99,965
Reconciling Items	<u>(44,195)</u>
Reconciled Balance June 30, 2016	<u>55,770</u>
Less Agency Funds	<u>(4,955)</u>
<i>Total Cash</i>	<u><u>\$ 50,815</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Las Montanas Charter High School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 367,836	25,739	-	5,858
Add:				
2015 -16 revenues	1,718,752	11,360	38,310	4,430
Total Cash Available	2,086,588	37,099	38,310	10,288
Less:				
2015 -16 expenditures	(1,963,897)	(36,000)	(48,690)	(5,333)
Receivables/Payables	3,840	-	(10,380)	-
Outstanding Loans	(82,174)	-	10,380	-
Cash June 30, 2016	44,357	1,099	(10,380)	4,955
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	(3,840)	-	10,380	-
Cash Per Books	40,517	1,099	-	4,955
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	78,334	-	-	-
Fund Balance, Modified Accrual Basis	\$ 118,851	1,099	-	4,955

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

Federal Projects Account 24000	Local Grants Fund 26000	State Account 27000	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
(28,940)	3,555	-	-	69,809	-	443,857
109,553	10,491	-	101,050	49,356	-	2,043,302
80,613	14,046	-	101,050	119,165	-	2,487,159
(96,610)	(31,627)	(4,532)	(134,734)	(109,966)	-	(2,431,389)
(37,911)	(755)	(4,532)	(33,684)	-	-	(83,422)
32,823	755	4,532	33,684	-	-	-
(21,085)	(17,581)	(4,532)	(33,684)	9,199	-	(27,652)
21,085	17,581	4,532	33,684	-	-	83,422
-	-	-	-	9,199	-	55,770
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities - Agency Fund:						(4,955)
						<u>\$ 50,815</u>
5,088	-	-	-	(9,199)	-	74,223
5,088	-	-	-	-	-	129,993

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 623,022
Receivables	
Due from Other Governments	41,317
Total Current Assets	<u>664,339</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	179,149
Building Improvements	30,557
Less: Accumulated Depreciation	<u>(145,191)</u>
Total Noncurrent Assets	<u>64,515</u>

Total Assets 728,854

Deferred Outflows - Pension Related 366,972

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	4,792
Accrued Liabilities	<u>164,969</u>
Total Current Liabilities	<u>169,761</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,110,941</u>
Total Noncurrent Liabilities	<u>2,110,941</u>

Total Liabilities 2,280,702

Deferred Inflows - Pension Related 48,637

NET POSITION

Investment in Capital Assets	64,515
Restricted	112,514
Unrestricted (Deficit)	<u>(1,410,542)</u>
Total Net Position	<u>\$ (1,233,513)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,191,235	-	58,423	-	(1,132,812)
Support Services:					
Students	452,708	-	-	-	(452,708)
Instruction	110,347	-	-	-	(110,347)
General Administration	51,476	-	-	-	(51,476)
School Administration	172,403	-	-	-	(172,403)
Central Services	199,924	-	-	-	(199,924)
Operation & Maintenance of Plant	94,377	-	-	-	(94,377)
Facilities Materials, Supplies & Other Services	83,628	-	-	207,449	123,821
Total Governmental Activities	\$ 2,356,098	-	58,423	207,449	(2,090,226)
General Revenues:					
State Equalization Guarantee					\$ 1,902,021
Total General Revenues					1,902,021
Change in Net Position					(188,205)
Net Position (Deficit), Beginning of Year					(1,045,308)
Net Position (Deficit), Ending					\$ (1,233,513)

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	Teacher Principal Training 24154
ASSETS				
Cash and Cash Equivalents	\$ 510,508	25,299	-	-
Accounts Receivable				
Due from Government	-	-	12,680	-
Due from Other Funds	41,317	-	-	-
Total Assets	\$ 551,825	25,299	12,680	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 4,792	-	-	-
Accrued Expenditures	164,969	-	-	-
Due to Other Funds	-	-	12,680	-
Total Liabilities	169,761	-	12,680	-
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	25,299	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	382,064	-	-	-
Total Fund Balance	382,064	25,299	-	-
Total Liabilities and Fund Balances	\$ 551,825	25,299	12,680	-

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

Dual Credit Instructional Materials 27103	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
-	-	87,215	-	623,022
-	23,886	-	4,751	41,317
-	-	-	-	41,317
-	23,886	87,215	4,751	705,656
-	-	-	-	4,792
-	-	-	-	164,969
-	23,886	-	4,751	41,317
-	23,886	-	4,751	211,078
-	-	-	-	25,299
-	-	87,215	-	87,215
-	-	-	-	382,064
-	-	87,215	-	494,578
-	23,886	87,215	4,751	705,656

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds **\$ 494,578**

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

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

Capital Assets	209,706	
Accumulated Depreciation	<u>(145,191)</u>	
		64,515

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		366,972
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		(2,110,941)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(48,637)
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Net Position (Deficit) - Total Governmental Activities		<u><u>\$ (1,233,513)</u></u>
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	Teacher Principal Training 24154
REVENUES				
State Grant	\$ 1,902,021	14,297	-	-
Federal Grant	-	-	24,292	1,887
Total Revenues	<u>1,902,021</u>	<u>14,297</u>	<u>24,292</u>	<u>1,887</u>
EXPENDITURES				
Current:				
Instruction	1,076,698	14,466	-	-
Support Services:				
Students	413,792	-	24,292	-
Instruction	104,542	-	-	-
General Administration	51,476	-	-	-
School Administration	160,625	-	-	1,887
Central Services	190,017	-	-	-
Operation & Maintenance of Plant	88,775	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,085,925</u>	<u>14,466</u>	<u>24,292</u>	<u>1,887</u>
Net Changes in Fund Balances	<u>(183,904)</u>	<u>(169)</u>	<u>-</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>565,968</u>	<u>25,468</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 382,064</u>	<u>25,299</u>	<u>-</u>	<u>-</u>

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

Dual Credit Instructional Materials 27103	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
17,947	95,546	107,152	4,751	2,141,714
-	-	-	-	26,179
<u>17,947</u>	<u>95,546</u>	<u>107,152</u>	<u>4,751</u>	<u>2,167,893</u>
15,426	-	-	-	1,106,590
-	-	-	-	438,084
-	-	-	-	104,542
-	-	-	-	51,476
-	-	-	-	162,512
-	-	-	-	190,017
-	-	-	-	88,775
-	95,546	19,937	4,751	120,234
<u>15,426</u>	<u>95,546</u>	<u>19,937</u>	<u>4,751</u>	<u>2,262,230</u>
<u>2,521</u>	-	<u>87,215</u>	-	<u>(94,337)</u>
<u>(2,521)</u>	-	-	-	<u>588,915</u>
<u>-</u>	<u>-</u>	<u>87,215</u>	<u>-</u>	<u>494,578</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balance - Total Governmental Funds **\$ (94,337)**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	36,606	
Depreciation Expense	<u>(41,331)</u>	(4,725)

Changes in deferred outflows resources-pension related, deferred inflows of resources-pension related and the net pension liability		<u>(89,143)</u>
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Change in Net Position - Total Governmental Activities **\$ (188,205)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 14,489
Total Assets	<u>\$ 14,489</u>
LIABILITIES	
Deposits Held for Others	\$ 14,489
Total Liabilities	<u>\$ 14,489</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Masters Program
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 13,999	47,526	(47,036)	14,489
Total Assets	<u>\$ 13,999</u>	<u>47,526</u>	<u>(47,036)</u>	<u>14,489</u>
LIABILITIES				
Deposits Held for Others	\$ 13,999	47,526	(47,036)	14,489
Total Liabilities	<u>\$ 13,999</u>	<u>47,526</u>	<u>(47,036)</u>	<u>14,489</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for The Masters Program are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Building Improvements	\$ -	30,557	-	30,557
Furniture, Fixtures and Equipment	173,100	6,049	-	179,149
<i>Total</i>	<u>173,100</u>	<u>36,606</u>	<u>-</u>	<u>209,706</u>
<i>Less: Accumulated Depreciation</i>				
Building Improvements	-	(5,602)	-	(5,602)
Furniture, fixtures and equipment	(103,860)	(35,729)	-	(139,589)
<i>Total</i>	<u>(103,860)</u>	<u>(41,331)</u>	<u>-</u>	<u>(145,191)</u>
Capital Assets, Net	<u>\$ 69,240</u>	<u>(4,725)</u>	<u>-</u>	<u>64,515</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 35,729
Operation and Maintenance Plant	<u>5,602</u>
Total	<u>\$ 41,331</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The Masters Program leased equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2016 was \$117,941. The Masters Program's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 117,363
2018	117,363
2019	117,363
2020	<u>117,363</u>
Total	<u>\$ 469,452</u>

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Contributions. The contribution requirements of defined benefit plan members and The Masters Program are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2016 and 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from The Masters Program were \$144,819 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June year ending June 30, 2015, using generally accepted actuarial principles. At June 30, 2016, The Masters Program reported a liability of \$2,110,941. The Masters Program's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, The Masters Program's proportion was 0.03259% percent, which was an increase of 0.0029401% from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, The Masters Program recognized pension expense of \$233,952. At the June 30, 2016, The Masters Program reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (39,135)
Changes in assumptions	72,607	-
Net difference between projected and actual earnings on pension plan investments	-	(9,502)
Changes in proportion	149,566	-
Fiscal year 2016 employer contributions	<u>144,819</u>	<u>-</u>
Ending balance	<u>\$ 366,992</u>	<u>\$ (48,637)</u>

The amount of \$144,819 reported as deferred outflows of resources related to pensions resulting from The Masters Program contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (68,558)
2018	(62,219)
2019	(13,440)
2020	<u>(29,319)</u>
Total	<u><u>\$ (173,536)</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of The Masters Program’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The Masters Program’s proportionate share of the net pension liability	<u>\$2,840,412</u>	<u>2,110,941</u>	<u>1,498,109</u>

Payables to the pension plan. For the year ending June 30, 2016, The Masters Program’s accrued liability due to ERB was \$23,750 for payroll which was paid in July 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
THE MASTERS PROGRAM
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,693	2,111	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 879	\$ 890	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	192.65%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the prior year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
THE MASTERS PROGRAM
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 149	144	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	128	144	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 21	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (13)	5		\$ 12	12	4	(41)	-				
2015	(173)	5			(69)	(62)	(13)	(29)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ (186)			\$ 12	(57)	(58)	(54)	(29)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 1,893,387	1,902,021	1,902,021	-
Total Revenues	<u>1,893,387</u>	<u>1,902,021</u>	<u>1,902,021</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	1,184,387	1,208,015	1,076,698	131,317
Support Services:				
Students	422,794	449,794	413,792	36,002
Instruction	136,332	134,332	104,542	29,790
General Administration	108,900	114,900	51,476	63,424
School Administration	189,852	177,170	160,625	16,545
Central Services	153,822	208,360	190,017	18,343
Operation & Maintenance of Plant	188,007	175,692	88,775	86,917
Total Expenditures	<u>2,384,094</u>	<u>2,468,263</u>	<u>2,085,925</u>	<u>382,338</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(490,707)</u>	<u>(566,242)</u>	<u>(183,904)</u>	<u>382,338</u>
Other Financing Sources (Uses):				
Designated Cash	490,707	566,242	-	(566,242)
Total Other Financing Sources (Uses):	<u>490,707</u>	<u>566,242</u>	<u>-</u>	<u>(566,242)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(183,904)</u>	<u>(183,904)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>565,968</u>	<u>565,968</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>382,064</u>	<u>382,064</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (183,904)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (183,904)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 11,008	14,297	14,297	-
Total Revenues	<u>11,008</u>	<u>14,297</u>	<u>14,297</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	36,490	39,779	14,466	25,313
Total Expenditures	<u>36,490</u>	<u>39,779</u>	<u>14,466</u>	<u>25,313</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(25,482)</u>	<u>(25,482)</u>	<u>(169)</u>	<u>25,313</u>
Other Financing Sources (Uses):				
Designated Cash	25,482	25,482	-	(25,482)
Total Other Financing Sources (Uses):	<u>25,482</u>	<u>25,482</u>	<u>-</u>	<u>(25,482)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(169)</u>	<u>(169)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>25,468</u>	<u>25,468</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>25,299</u>	<u>25,299</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (169)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (169)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 31,513	72,751	24,292	(48,459)
Total Revenues	<u>31,513</u>	<u>72,751</u>	<u>24,292</u>	<u>(48,459)</u>
EXPENDITURES				
Current:				
Instruction	8,500	-	-	-
Support Services:				
Students	23,013	72,751	24,292	48,459
Total Expenditures	<u>31,513</u>	<u>72,751</u>	<u>24,292</u>	<u>48,459</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	14,353	1,887	(12,466)
Total Revenues	<u>-</u>	<u>14,353</u>	<u>1,887</u>	<u>(12,466)</u>
EXPENDITURES				
Current:				
Instruction	-	9,568	-	9,568
Support Services:				
School Administration	-	4,785	1,887	2,898
Total expenditures	<u>-</u>	<u>14,353</u>	<u>1,887</u>	<u>12,466</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	15,426	17,947	2,521
Total Revenues	<u>-</u>	<u>15,426</u>	<u>17,947</u>	<u>2,521</u>
EXPENDITURES				
Current:				
Instruction	-	15,426	15,426	-
Total Expenditures	<u>-</u>	<u>15,426</u>	<u>15,426</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>2,521</u>	<u>2,521</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>2,521</u>	<u>2,521</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(2,521)</u>	<u>(2,521)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,521	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2,521</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	95,546	95,546	-
Total Revenues	<u>-</u>	<u>95,546</u>	<u>95,546</u>	<u>-</u>
EXPENDITURES				
Current:				
Capital Outlay	-	95,546	95,546	-
Total Expenditures	<u>-</u>	<u>95,546</u>	<u>95,546</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 113,000	113,000	107,152	(5,848)
Total Revenues	<u>113,000</u>	<u>113,000</u>	<u>107,152</u>	<u>(5,848)</u>
EXPENDITURES				
Capital Outlay	113,000	113,000	19,937	93,063
Total Expenditures	<u>113,000</u>	<u>113,000</u>	<u>19,937</u>	<u>93,063</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	87,215	87,215
Net Changes in Fund Balances	-	-	87,215	87,215
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>87,215</u>	<u>87,215</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 87,215	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 87,215</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	4,751	4,751	-
Total Revenues	<u>-</u>	<u>4,751</u>	<u>4,751</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	4,751	4,751	-
Total Expenditures	<u>-</u>	<u>4,751</u>	<u>4,751</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Wells Fargo	FNMA FNRMS	3136A6C44	10/25/2030	\$ 169,898
Wells Fargo	FNMA FNRMS	31374CNU6	3/1/2041	33,081
Wells Fargo	FNMA FNRMS	3138WXSS7	7/1/2043	7,533
Wells Fargo	FNMA FNRMS	31416WFW7	5/1/2040	56,273
Wells Fargo	FNMA FNRMS	31418AAMO	10/1/2026	410
				<u>\$ 267,195</u>

Total Cash per Schedule of Cash Accounts:	\$ 641,233
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	391,233
Collateral Requirement:	195,617
Pledged Collateral Held by Pledging Financial Institution:	<u>267,195</u>
Balance Over Collateralized:	<u>\$ 71,578</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ 124,038</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Masters Program
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 641,233
<i>Total on Deposit</i>	641,233
Reconciling Items	<u>(3,722)</u>
Reconciled Balance June 30, 2016	<u>637,511</u>
Less Agency Funds	<u>(14,489)</u>
<i>Total Cash</i>	<u><u>\$ 623,022</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2015	\$ 667,864	25,468	13,999	-
Add:				
2015-16 revenues	<u>1,902,021</u>	<u>14,297</u>	<u>47,526</u>	<u>26,179</u>
Total Cash Available	2,569,885	39,765	61,525	26,179
Less:				
2015-16 expenditures	(2,085,925)	(14,466)	(47,036)	(26,179)
Receivables/Payables	10,364	-	-	12,680
Outstanding Loans	<u>16,184</u>	<u>-</u>	<u>-</u>	<u>(12,680)</u>
Cash June 30, 2016	<u>510,508</u>	<u>25,299</u>	<u>14,489</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>510,508</u>	<u>25,299</u>	<u>14,489</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(128,444)</u>	<u>-</u>	<u>(14,489)</u>	<u>-</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 382,064</u>	<u>25,299</u>	<u>-</u>	<u>-</u>

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

State Account <u>27000</u>	Public School Capital Outlay <u>31200</u>	HB-33 Capital Improvements <u>31600</u>	SB-9 Capital Improvements <u>31700</u>	<u>Total</u>
-	-	-	-	707,331
<u>17,947</u>	<u>95,546</u>	<u>107,152</u>	<u>4,751</u>	<u>2,215,419</u>
17,947	95,546	107,152	4,751	2,922,750
(15,426)	(95,546)	(19,937)	(4,751)	(2,309,266)
(5,042)	1,274	-	4,751	24,027
<u>2,521</u>	<u>(1,274)</u>	<u>-</u>	<u>(4,751)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>87,215</u>	<u>-</u>	<u>637,511</u>
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>87,215</u>	<u>-</u>	<u>637,511</u>
			Less: Agency Fund	<u>(14,489)</u>
				<u>\$ 623,022</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(142,933)</u>
<u>-</u>	<u>-</u>	<u>87,215</u>	<u>-</u>	<u>494,578</u>
			Balance Sheets - Governmental Funds:	<u>\$ 494,578</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 130,104
Receivables	
Due from Other Governments	698,816
Taxes Receivable	1,600
Other Accounts Receivable	8,078
Total Current Assets	<u>838,598</u>

Noncurrent Assets:

Capital Assets	
Vehicles	119,321
Less: Accumulated Depreciation	<u>(20,864)</u>
Total Noncurrent Assets	<u>98,457</u>
Total Assets	<u>937,055</u>

Deferred Outflows - Pension Related	<u>597,159</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	14,913
Accrued Liabilities	292,338
Total Current Liabilities	<u>307,251</u>

Noncurrent Liabilities:

Net Pension Liability	4,594,973
Total Noncurrent Liabilities	<u>4,594,973</u>
Total Liabilities	<u>4,902,224</u>

Deferred Inflows - Pension Related	<u>188,761</u>
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NET POSITION

Net Investment in Capital Assets	98,457
Restricted	355,563
Unrestricted (Deficit)	<u>(4,010,791)</u>
Total Net Position	<u>\$ (3,556,771)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,469,216	46,959	594,716	-	(1,827,541)
Support Services:					
Students	228,436	-	-	-	(228,436)
Instruction	6,170	-	-	-	(6,170)
General Administration	64,189	-	-	-	(64,189)
School Administration	424,249	-	-	-	(424,249)
Central Services	205,437	-	-	-	(205,437)
Operation & Maintenance of Plant	344,619	-	-	-	(344,619)
Student Transportation	25,788	-	-	-	(25,788)
Food Services	137,223	38,953	144,123	-	45,853
Facilities Materials, Supplies & Other Services	396,928	-	-	468,021	71,093
Total Governmental Activities	\$ 4,302,255	85,912	738,839	468,021	(3,009,483)
General Revenues:					
Property Taxes					\$ 125,988
State Equalization Guarantee					3,083,690
Miscellaneous					34,554
Total General Revenues					<u>3,244,232</u>
Change in Net Position					<u>234,749</u>
Net Position- Beginning					(3,791,520)
Net position, Ending					<u>\$ (3,556,771)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Athletics 22000
ASSETS				
Cash and Cash Equivalents	\$ -	15,762	25,404	-
Accounts Receivable				
Due from Governments	-	-	-	-
Taxes Receivable	-	-	-	-
Other Accounts Receivable	3,270	-	-	4,808
Due from Other Funds	490,611	-	-	-
Total Assets	<u>493,881</u>	<u>15,762</u>	<u>25,404</u>	<u>4,808</u>
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 14,913	-	-	-
Accrued Expenditures	268,866	-	-	51
Due to Other Funds	-	-	-	64,547
Total Liabilities	<u>283,779</u>	<u>-</u>	<u>-</u>	<u>64,598</u>
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Restricted for:				
Instruction	\$ -	15,762	-	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Unassigned (Deficit)	210,102	-	25,404	(59,790)
Total Fund Balance (Deficit)	<u>210,102</u>	<u>15,762</u>	<u>25,404</u>	<u>(59,790)</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 493,881</u>	<u>15,762</u>	<u>25,404</u>	<u>4,808</u>

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Charter Schools 24146	Teacher Principal Training 24154	Title XIX Medicaid 3/21 Years 25153
-	-	-	68	-	14,598
127,433	75,276	-	-	22,285	2,142
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>127,433</u>	<u>75,276</u>	<u>-</u>	<u>68</u>	<u>22,285</u>	<u>16,740</u>
-	-	-	-	-	-
12,676	3,405	-	-	658	32
110,219	71,871	-	-	21,625	-
<u>122,895</u>	<u>75,276</u>	<u>-</u>	<u>-</u>	<u>22,283</u>	<u>32</u>
4,538	-	-	-	2	16,708
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	68	-	-
<u>4,538</u>	<u>-</u>	<u>-</u>	<u>68</u>	<u>2</u>	<u>16,708</u>
<u>127,433</u>	<u>75,276</u>	<u>-</u>	<u>68</u>	<u>22,285</u>	<u>16,740</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	LANL Foundation 26113	Dual Credits Instructional Materials 27103	Literacy for Children at Risk PED 27107	NM Reads to Lead K-3 27114
ASSETS				
Cash and Cash Equivalents	\$ 920	-	-	-
Accounts Receivable				
Due from Governments	-	-	2,888	50,000
Taxes Receivable	-	-	-	-
Other Accounts Receivable	-	-	-	-
Due from Other Funds	-	-	-	-
Total Assets	\$ 920	-	2,888	50,000
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	-	6,083
Due to Other Funds	-	-	2,888	43,917
Total Liabilities	-	-	2,888	50,000
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Restricted for:				
Instruction	920	-	-	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Unassigned (Deficit)	-	-	-	-
Total Fund Balance (Deficit)	920	-	-	-
Total Liabilities and Fund Balances (Deficit)	\$ 920	-	2,888	50,000

The accompanying notes are an integral part of these financial statements

STEM Teacher Initiative 27181	STEM and Hard to Staff Teacher Initiative 27195	Private Direct Grants 29102	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	3,882	-	69,470	130,104
-	48,600	-	293,488	76,704	698,816
-	-	-	-	1,600	1,600
-	-	-	-	-	8,078
-	-	-	-	166,104	656,715
<u>-</u>	<u>48,600</u>	<u>3,882</u>	<u>293,488</u>	<u>313,878</u>	<u>1,495,313</u>
-	-	-	-	-	14,913
-	440	127	-	-	292,338
-	48,160	-	293,488	-	656,715
<u>-</u>	<u>48,600</u>	<u>127</u>	<u>293,488</u>	<u>-</u>	<u>963,966</u>
-	-	3,755	-	-	41,685
-	-	-	-	-	-
-	-	-	-	313,878	313,878
-	-	-	-	-	175,784
<u>-</u>	<u>-</u>	<u>3,755</u>	<u>-</u>	<u>313,878</u>	<u>531,347</u>
<u>-</u>	<u>48,600</u>	<u>3,882</u>	<u>293,488</u>	<u>313,878</u>	<u>1,495,313</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 McCurdy Charter School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balances - Total Governmental Funds **\$ 531,347**

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

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

Capital Assets	119,321	
Accumulated Depreciation	<u>(20,864)</u>	98,457

Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		597,159
--	--	---------

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability	<u>(4,594,973)</u>	(4,594,973)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds

		<u>(188,761)</u>
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Net Position-Total Governmental Activities **\$ (3,556,771)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Athletics 22000
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	3,083,690	37,244	-	-
Federal Grant	164,839	-	144,123	-
Charges for Services	3,882	79	38,953	42,998
Miscellaneous Income	8,344	-	-	5,253
Total Revenues	<u>3,260,755</u>	<u>37,323</u>	<u>183,076</u>	<u>48,251</u>
EXPENDITURES				
Current:				
Instruction	1,852,406	41,121	-	35,803
Support Services:				
Students	172,829	-	-	-
Instruction	3,282	-	-	-
General Administration	64,189	-	-	-
School Administration	424,249	-	-	-
Central Services	205,437	-	-	-
Operation & Maintenance of Plant	344,619	-	-	-
Student Transportation	13,866	-	-	-
Food Services Operations	-	-	137,223	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>3,080,877</u>	<u>41,121</u>	<u>137,223</u>	<u>35,803</u>
Cash Transfers In (Out)	(66,790)	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>113,088</u>	<u>(3,798)</u>	<u>45,853</u>	<u>12,448</u>
Net Changes in Fund Balances	<u>113,088</u>	<u>(3,798)</u>	<u>45,853</u>	<u>12,448</u>
Fund Balances(Deficit) - Beginning of Year	<u>97,014</u>	<u>19,560</u>	<u>(20,449)</u>	<u>(72,238)</u>
Fund Balances (Deficit) - End of Year	<u>\$ 210,102</u>	<u>15,762</u>	<u>25,404</u>	<u>(59,790)</u>

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Charter Schools 24146	Teacher Principal Training 24154	Title XIX Medicaid 3/21 Years 25153
-	-	-	-	-	-
-	-	-	-	-	18,138
168,060	75,276	-	-	29,081	-
-	-	-	-	-	-
2,040	-	-	-	-	-
<u>170,100</u>	<u>75,276</u>	<u>-</u>	<u>-</u>	<u>29,081</u>	<u>18,138</u>
166,502	26,248	-	(68)	29,080	-
-	47,973	-	-	-	7,634
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>166,502</u>	<u>74,221</u>	<u>-</u>	<u>(68)</u>	<u>29,080</u>	<u>7,634</u>
-	-	-	65,387	-	-
3,598	1,055	-	65,455	1	10,504
<u>3,598</u>	<u>1,055</u>	<u>-</u>	<u>65,455</u>	<u>1</u>	<u>10,504</u>
940	(1,055)	-	(65,387)	1	6,204
<u>4,538</u>	<u>-</u>	<u>-</u>	<u>68</u>	<u>2</u>	<u>16,708</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016

	LANL Foundation 26113	Dual Credits Instructional Materials 27103	Literacy for Children at Risk PED 27107	NM Reads to Lead K-3 27114
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	-	590	2,888	50,000
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	3,000	-	-	-
Total Revenues	3,000	590	2,888	50,000
EXPENDITURES				
Current:				
Instruction	2,080	590	-	50,000
Support Services:				
Students	-	-	-	-
Instruction	-	-	2,888	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	2,080	590	2,888	50,000
Cash Transfers In (Out)	-	540	863	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>920</u>	<u>540</u>	<u>863</u>	<u>-</u>
Net Changes in Fund Balances	920	540	863	-
Fund Balances(Deficit) - Beginning of Year	<u>-</u>	<u>(540)</u>	<u>(863)</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 920</u>	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

STEM Teacher Initiative 27181	STEM and Hard to Staff Teacher Initiative 27195	Private Direct Grants 29102	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	125,988	125,988
-	48,600	-	391,317	76,704	3,709,171
-	-	-	-	-	581,379
-	-	-	-	-	85,912
-	-	15,917	-	-	34,554
-	48,600	15,917	391,317	202,692	4,537,004
-	48,600	17,088	-	75,313	2,344,763
-	-	-	-	-	228,436
-	-	-	-	-	6,170
-	-	-	-	-	64,189
-	-	-	-	-	424,249
-	-	-	-	-	205,437
-	-	-	-	-	344,619
-	-	-	-	-	13,866
-	-	-	-	-	137,223
-	-	-	391,317	5,611	396,928
-	48,600	17,088	391,317	80,924	4,165,880
-	-	-	-	-	-
-	-	(1,171)	-	121,768	371,124
-	-	(1,171)	-	121,768	371,124
-	-	4,926	-	192,110	160,223
-	-	3,755	-	313,878	531,347

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 McCurdy Charter School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 371,124**

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

Change in net pension liability (124,453)

Expenditures to purchase or build capital assets, pay for interest on debt,
 and amortization on long term assets are reported in governmental funds
 as expenditures. However, for governmental activities those costs are
 shown in the Statement of Net Position and allocated over their estimated
 useful lives as annual depreciation expenses in the Statement of Activities.
 This is the amount by which capital outlay exceeds depreciation for the
 period

Depreciation Expense	(11,922)	
		(11,922)

Change in Net Position-Total Governmental Activities **\$ 234,749**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 McCurdy Charter School
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2016

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 86,796
Total Assets	<u>\$ 86,796</u>
LIABILITIES	
Deposits Held for Others	\$ 86,796
Total Liabilities	<u>\$ 86,796</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 11,799	136,445	(61,448)	86,796
Due from Governmental Funds	<u>62,346</u>		<u>(62,346)</u>	<u>-</u>
Total Assets	<u>\$ 74,145</u>	<u>136,445</u>	<u>(123,794)</u>	<u>86,796</u>
LIABILITIES				
Deposits Held for Others	<u>\$ 74,145</u>	<u>74,099</u>	<u>(61,448)</u>	<u>86,796</u>
Total Liabilities	<u>\$ 74,145</u>	<u>74,099</u>	<u>(61,448)</u>	<u>86,796</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Vehicles	10 years
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Capital assets for McCurdy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 2. RECEIVABLES

Receivables as of June 30, 2016 are as follows:

Due from Other Governments:			
Title I		\$	127,433
IDEA-B Entitlement			75,276
Teacher / Principal Training			22,285
Title XIX Medicaid 3/21 Years			2,142
Literacy for Children at Risk PED			2,888
NM Reads to Lead K-3			50,000
STEM and Hard to Staff Teacher Incentives			48,600
Public School Capital Outlay			293,488
SB-9 Capital Improvements			<u>76,704</u>
Total Due from Other Governments		\$	<u><u>698,816</u></u>
Taxes Receivable:			
SB-9 Capital Improvements		\$	<u><u>1,600</u></u>
Other Accounts Receivable:			
Operational		\$	3,270
Athletics			<u>4,808</u>
Total Due from Other Governments		\$	<u><u>8,078</u></u>

NOTE 3. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	June 30, 2015	Additions	Deletions	June 30, 2016
<i>Capital Assets being Depreciated:</i>				
Vehicles	\$ 119,321	-	-	119,321
<i>Total</i>	<u>119,321</u>	<u>-</u>	<u>-</u>	<u>119,321</u>
<i>Less: Accumulated Depreciation</i>				
Vehicles	(8,942)	(11,922)	-	(20,864)
<i>Total</i>	<u>(8,942)</u>	<u>(11,922)</u>	<u>-</u>	<u>(20,864)</u>
Capital Assets, Net	<u>\$ 110,379</u>	<u>(11,922)</u>	<u>-</u>	<u>98,457</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 3. CAPITAL ASSETS (Continued)

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Transportation	\$ 11,922
Total	<u>\$ 11,922</u>

NOTE 4. COMMITMENTS AND LIABILITIES

McCurdy Charter School leases the building in which it conducts school operations. The lease is considered to be an operating lease. Terms of the lease are such that the landlord accepts as payment the annual PSCOC appropriation through the New Mexico Public Education Department. The amount of the current year appropriation which was classified as lease expense for fiscal year 2016 was \$391,317. Future amounts are undetermined at year end and thus cannot be projected on a go-forward basis and are not disclosed.

NOTE 5. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2016:

22000 Athletics	\$ 59,790
Total funds with deficit balances	<u>\$ 59,790</u>

McCurdy is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 McCurdy Charter School
 Notes to the Financial Statements
 June 30, 2016

NOTE 6. OVERSPENT BUDGET LINE ITEMS

McCurdy had the following funds with expenditures in excess of the budget during the year ended June 30, 2016:

IDEA-B Entitlement		
Support Services: Students	\$	60
Title XIX Medicaid 3/21 Years		
Support Services: Students		7,634
LANL Foundation		
Instruction		580
Private Direct Grants		
Instruction		17,088
SB-9 Capital Improvements		
Instruction		<u>75,313</u>
Total	\$	<u>100,675</u>

NOTE 7. RELATED PARTY TRANSACTIONS

The Business Manager is also the Business Manager of La Tierra School of the Arts and Sciences, Taos Integrated School of Arts, Taos Academy, Vista Grande High School and Dream Dine' Charter School.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to McCurdy Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Contributions. The contribution requirements of defined benefit plan members and McCurdy Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal years ended June 30, 2015 and June 30, 2016 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from McCurdy Charter School were \$279,746 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, McCurdy Charter School reported a liability of \$4,594,973 for its proportionate share of the net pension liability. McCurdy Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, McCurdy Charter School's proportion was 0.07094% percent, which was a decrease of 0.00173% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, McCurdy Charter School recognized pension expense of \$404,199. As of June 30, 2016, McCurdy Charter School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	85,187
Changes in assumptions	158,046	-
Net difference between projected and actual earnings on pension plan investments	-	20,683
Changes in proportion and differences between McCurdy Charter School's contributions and proportionate share of contributions	159,367	82,891
McCurdy Charter School's contributions subsequent to the measurement date	<u>279,746</u>	<u>-</u>
Total	<u>\$ 597,159</u>	<u>188,761</u>

\$279,746 reported as deferred outflows of resources related to pensions resulting from McCurdy Charter School's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ 45,710
2018	38,050
2019	(18,927)
2020	<u>63,819</u>
Total	<u>\$ 128,652</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Sensitivity of McCurdy Charter School's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
McCurdy Charter School's proportionate share of the net pension liability	\$ 6,182,843	4,594,973	3,260,997

Payables to the pension plan. McCurdy Charter School accrued \$83,601 in ERB benefits at June 30, 2016 for teachers with ten month contracts.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.07%	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 4,146	4,595	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 2,003	1,937	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	237.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*These amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 263	320	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	263	280	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	40	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 195	5		\$ 31	31	39	94	-						
2015	\$ 129	5			46	38	(19)	64	-					
2016	-	5				-	-	-	-	-				
2017	-	5				-	-	-	-	-				
2018	-	5				-	-	-	-	-				
2019	-	5				-	-	-	-	-				
2020	-	5				-	-	-	-	-				
2021	-	5				-	-	-	-	-				
2022	-	5				-	-	-	-	-				
2023	-	5				-	-	-	-	-				
	<u>\$ 324</u>			<u>\$ 31</u>	<u>77</u>	<u>77</u>	<u>75</u>	<u>64</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	159,565	164,839	5,274
State Grant	3,076,053	3,083,690	3,083,690	-
Charges for Services	-	-	3,882	3,882
Miscellaneous Income	-	-	5,074	5,074
Total Revenues	<u>3,076,053</u>	<u>3,243,255</u>	<u>3,257,485</u>	<u>14,230</u>
EXPENDITURES				
Current:				
Instruction	1,839,597	1,975,151	1,851,211	123,940
Support Services:				
Students	246,679	263,652	172,829	90,823
Instruction	14,420	14,420	3,282	11,138
General Administration	25,710	63,910	62,434	1,476
School Administration	424,997	431,957	424,249	7,708
Central Services	188,400	214,001	201,125	12,876
Operation & Maintenance of Plant	336,250	365,243	336,968	28,275
Student Transportation	-	14,615	13,866	749
Other Support Services Operations	-	-	-	-
Total Expenditures	<u>3,076,053</u>	<u>3,342,949</u>	<u>3,065,964</u>	<u>276,985</u>
<i>Cash Transfers In (Out)</i>	-	-	(66,790)	(66,790)
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(99,694)	124,731	224,425
Net Changes in Fund Balances	-	(99,694)	124,731	224,425
Cash or Fund Balances - Beginning of Year	-	-	97,014	97,014
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>(99,694)</u>	<u>221,745</u>	<u>321,439</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ 124,731	
Adjustments to Expenditures			3,270	
			(14,913)	
NET CHANGE IN FUND BALANCE			<u>\$ 113,088</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 29,227	37,244	37,244	-
Charges for Services	-	-	79	79
Total Revenues	<u>29,227</u>	<u>37,244</u>	<u>37,323</u>	<u>79</u>
EXPENDITURES				
Current:				
Instruction	29,227	56,804	41,121	15,683
Total Expenditures	<u>29,227</u>	<u>56,804</u>	<u>41,121</u>	<u>15,683</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(19,560)	(3,798)	15,762
Net Changes in Fund Balances	-	(19,560)	(3,798)	15,762
Cash or Fund Balances - Beginning of Year	-	-	19,560	19,560
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>(19,560)</u>	<u>15,762</u>	<u>35,322</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,798)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (3,798)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 120,000	120,000	186,174	66,174
Charges for Services	37,500	37,500	38,953	1,453
Total Revenues	<u>157,500</u>	<u>157,500</u>	<u>225,127</u>	<u>67,627</u>
EXPENDITURES				
Current:				
Food Services Operations	157,500	157,500	137,223	20,277
Total Expenditures	<u>157,500</u>	<u>157,500</u>	<u>137,223</u>	<u>20,277</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	87,904	87,904
Net Changes in Fund Balances	-	-	87,904	87,904
Cash or Fund Balances - Beginning of Year	-	-	(62,500)	(62,500)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>25,404</u>	<u>25,404</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 87,904	
Adjustments to Revenues			(42,051)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 45,853</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Athletics 22000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Charges for Services	\$ 62,000	62,000	42,998	(19,002)
Miscellaneous Income	-	-	9,332	9,332
Total Revenues	<u>62,000</u>	<u>62,000</u>	<u>52,330</u>	<u>(9,670)</u>
EXPENDITURES				
Current:				
Instruction	62,000	62,000	35,803	26,197
Total Expenditures	<u>62,000</u>	<u>62,000</u>	<u>35,803</u>	<u>26,197</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	16,527	16,527
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>16,527</u>	<u>16,527</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(81,125)</u>	<u>(81,125)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(64,598)</u>	<u>(64,598)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 16,527	
Adjustments to Revenues			(4,079)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 12,448</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 99,269	196,817	91,432	(105,385)
Miscellaneous Income	-	-	2,040	2,040
Total Revenues	<u>99,269</u>	<u>196,817</u>	<u>93,472</u>	<u>(103,345)</u>
EXPENDITURES				
Current:				
Instruction	99,269	196,817	168,061	28,756
Total Expenditures	<u>99,269</u>	<u>196,817</u>	<u>168,061</u>	<u>28,756</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(74,589)	(74,589)
Net Changes in Fund Balances	-	-	(74,589)	(74,589)
Cash or Fund Balances - Beginning of Year	-	-	(48,306)	(48,306)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(122,895)</u>	<u>(122,895)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (74,589)	
Adjustments to Revenues			76,628	
Adjustments to Expenditures			<u>1,559</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 3,598</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 87,797	98,333	94,908	(3,425)
Total Revenues	<u>87,797</u>	<u>98,333</u>	<u>94,908</u>	<u>(3,425)</u>
EXPENDITURES				
Current:				
Instruction	49,365	49,365	26,248	23,117
Support Services:				
Students	38,432	48,968	49,028	(60)
Total Expenditures	<u>87,797</u>	<u>98,333</u>	<u>75,276</u>	<u>23,057</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	19,632	19,632
Net Changes in Fund Balances	-	-	19,632	19,632
Cash or Fund Balances - Beginning of Year	-	-	(94,908)	(94,908)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(75,276)</u>	<u>(75,276)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 19,632	
Adjustments to Revenues			(19,632)	
Adjustments to Expenditures			1,055	
NET CHANGE IN FUND BALANCE			<u>\$ 1,055</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B "Risk Pool" 24120
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	107	114	7
Total Revenues	<u>-</u>	<u>107</u>	<u>114</u>	<u>7</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	107	-	107
Total Expenditures	<u>-</u>	<u>107</u>	<u>-</u>	<u>107</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>114</u>	<u>114</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>114</u>	<u>114</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(114)</u>	<u>(114)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 114	
Adjustments to Revenues			(114)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Charter Schools 24146
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash Transfers In (Out)</i>	-	-	65,387	65,387
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	65,387	65,387
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>65,387</u>	<u>65,387</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(65,319)</u>	<u>(65,319)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>68</u>	<u>68</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 65,387	
Adjustments to Revenues			-	
Adjustments to Expenditures			68	
NET CHANGE IN FUND BALANCE			<u>\$ 65,455</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher / Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 23,552	60,777	16,756	(44,021)
Total Revenues	<u>23,552</u>	<u>60,777</u>	<u>16,756</u>	<u>(44,021)</u>
EXPENDITURES				
Current:				
Instruction	23,552	60,777	29,080	31,697
Total Expenditures	<u>23,552</u>	<u>60,777</u>	<u>29,080</u>	<u>31,697</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(12,324)	(12,324)
Net Changes in Fund Balances	-	-	(12,324)	(12,324)
Cash or Fund Balances - Beginning of Year	-	-	(9,959)	(9,959)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(22,283)</u>	<u>(22,283)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (12,324)	
Adjustments to Revenues			12,325	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 3/21 Years 25153
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	15,996	15,996
Total Revenues	<u>-</u>	<u>-</u>	<u>15,996</u>	<u>15,996</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	-	7,634	(7,634)
Total Expenditures	<u>-</u>	<u>-</u>	<u>7,634</u>	<u>(7,634)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>8,362</u>	<u>8,362</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>8,362</u>	<u>8,362</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>6,204</u>	<u>6,204</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>14,566</u>	<u>14,566</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,362	
Adjustments to Revenues			2,142	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 10,504</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
LANL Foundation 26113
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Miscellaneous Income	\$ -	1,500	3,000	1,500
Total Revenues	<u>-</u>	<u>1,500</u>	<u>3,000</u>	<u>1,500</u>
EXPENDITURES				
Current:				
Instruction	-	1,500	2,080	(580)
Total Expenditures	<u>-</u>	<u>1,500</u>	<u>2,080</u>	<u>(580)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>920</u>	<u>920</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>920</u>	<u>920</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>920</u>	<u>920</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 920	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 920</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credits Instructional Materials 27103
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	694	590	(104)
Total Revenues	<u>-</u>	<u>694</u>	<u>590</u>	<u>(104)</u>
EXPENDITURES				
Current:				
Instruction	-	694	590	104
Total Expenditures	<u>-</u>	<u>694</u>	<u>590</u>	<u>104</u>
<i>Cash Transfers In (Out)</i>	-	-	540	540
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	540	644
Net Changes in Fund Balances	-	-	540	644
Cash or Fund Balances - Beginning of Year	-	-	(540)	(540)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>104</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 540	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 540</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children at Risk PED 27107
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 8,136	8,136	-	(8,136)
Total Revenues	<u>8,136</u>	<u>8,136</u>	<u>-</u>	<u>(8,136)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	8,136	8,136	2,888	5,248
Total Expenditures	<u>8,136</u>	<u>8,136</u>	<u>2,888</u>	<u>5,248</u>
<i>Cash Transfers In (Out)</i>	-	-	863	863
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,025)	6,111
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,025)</u>	<u>6,111</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(863)</u>	<u>(863)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,888)</u>	<u>5,248</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,025)	
Adjustments to Revenues			2,888	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 863</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
NM Reads to Lead K-3 27114
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 50,000	50,000	49,906	(94)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>49,906</u>	<u>(94)</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	50,000	-
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(94)	(94)
Net Changes in Fund Balances	-	-	(94)	(94)
Cash or Fund Balances - Beginning of Year	-	-	(49,906)	(49,906)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (94)	
Adjustments to Revenues			94	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
STEM Teacher Initiative 27181
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	18,225	18,225
Total Revenues	<u>-</u>	<u>-</u>	<u>18,225</u>	<u>18,225</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
	-	-	18,225	18,225
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>18,225</u>	<u>18,225</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(18,225)</u>	<u>(18,225)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 18,225	
Adjustments to Revenues			(18,225)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
STEM and Hard to Staff Teacher Initiative 27195
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	48,600	-	(48,600)
Total Revenues	<u>-</u>	<u>48,600</u>	<u>-</u>	<u>(48,600)</u>
EXPENDITURES				
Current:				
Instruction	-	48,600	48,600	-
Total Expenditures	<u>-</u>	<u>48,600</u>	<u>48,600</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(48,600)</u>	<u>(48,600)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(48,600)</u>	<u>(48,600)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(48,600)</u>	<u>(48,600)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (48,600)	
Adjustments to Revenues			48,600	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Miscellaneous Income	\$ -	-	19,935	19,935
Total Revenues	<u>-</u>	<u>-</u>	<u>19,935</u>	<u>19,935</u>
EXPENDITURES				
Current:				
Instruction	-	-	17,088	(17,088)
Total Expenditures	<u>-</u>	<u>-</u>	<u>17,088</u>	<u>(17,088)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>2,847</u>	<u>2,847</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>2,847</u>	<u>2,847</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>908</u>	<u>908</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,755</u>	<u>3,755</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,847	
Adjustments to Revenues			(4,018)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (1,171)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	391,317	290,565	(100,752)
Total Revenues	<u>-</u>	<u>391,317</u>	<u>290,565</u>	<u>(100,752)</u>
EXPENDITURES				
Capital Outlay	-	391,317	391,317	-
Total Expenditures	<u>-</u>	<u>391,317</u>	<u>391,317</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(100,752)	(100,752)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(100,752)</u>	<u>(100,752)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(192,736)</u>	<u>(192,736)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(293,488)</u>	<u>(293,488)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (100,752)	
Adjustments to Revenues			100,752	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 134,150	134,150	124,388	(9,762)
State Grant	23,274	55,925	-	(55,925)
Total Revenues	<u>157,424</u>	<u>190,075</u>	<u>124,388</u>	<u>(65,687)</u>
EXPENDITURES				
Current:				
Instruction	-	-	75,313	(75,313)
Capital Outlay	560,442	593,093	5,611	587,482
Total Expenditures	<u>560,442</u>	<u>593,093</u>	<u>80,924</u>	<u>512,169</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(403,018)</u>	<u>(403,018)</u>	<u>43,464</u>	<u>446,482</u>
Net Changes in Fund Balances	<u>(403,018)</u>	<u>(403,018)</u>	<u>43,464</u>	<u>446,482</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>192,110</u>	<u>192,110</u>
Cash or Fund Balances - End of Year	<u>\$ (403,018)</u>	<u>(403,018)</u>	<u>235,574</u>	<u>638,592</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 43,464	
Adjustments to Revenues			78,304	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 121,768</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 McCurdy Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
FHLB - Dallas	NM Fin Auth	64711NDV4	6/1/2024	\$ 270,930
				<u>\$ 270,930</u>

Total Cash per Schedule of Cash Accounts:	\$ 422,105
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	172,105
Collateral Requirement:	86,053
Pledged Collateral Held by Pledging Financial Institution:	<u>270,930</u>
Balance Over Collateralized:	<u>\$ 184,877</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 McCurdy Charter School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Century Bank</u>
Checking - Operational Account	\$ 422,105
<i>Total on Deposit</i>	422,105
Reconciling Items	<u>(205,305)</u>
Reconciled Balance June 30, 2016	<u>216,800</u>
Plus Petty Cash	100
Less Agency Funds	<u>(86,796)</u>
<i>Total Cash</i>	<u><u>\$ 130,104</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2015	\$ 320,356	19,560	(62,500)
Add:			
2015-16 Transfers	-	-	-
2015-16 Revenues	3,034,143	37,323	225,127
Total cash available	3,354,499	56,883	162,627
Less:			
2015-16 Transfers	(66,790)	-	-
2015-16 Expenditures	(3,065,964)	(41,121)	(137,223)
Receivables/Payables	268,866	-	-
Prepaid Expenses	-	-	-
Cash June 30, 2016	490,611	15,762	25,404
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	(490,611)	-	-
Cash per Books	-	15,762	25,404
Fund Balance (Deficit) Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	(280,509)	-	-
Fund Balance (Deficit), Modified Accrual Basis	\$ 210,102	15,762	25,404

The accompanying notes are an integral part of these financial statements

Athletics 22000	Federal Flowthrough 24000	State Direct 25000	Local Grants 26000	State Flowthrough 27000	Local or State Fund 29000
(81,125)	(201,375)	6,204	-	(63,375)	1,035
-	65,387	-	-	1,403	-
52,330	188,019	15,996	3,000	62,562	19,808
(28,795)	52,031	22,200	3,000	590	20,843
-	-	-	-	-	-
(35,803)	(272,417)	(7,634)	(2,080)	(102,078)	(17,088)
51	16,739	32	-	6,523	127
-	-	-	-	-	-
(64,547)	(203,647)	14,598	920	(94,965)	3,882
64,547	203,715	-	-	94,965	-
-	68	14,598	920	-	3,882
4,757	208,255	2,110	-	94,965	(127)
(59,790)	4,608	16,708	920	-	3,755

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Cash Reconciliation (Continued)
June 30, 2016

	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	Total
Cash, June 30, 2015	(192,736)	192,110	(61,846)
Add:			
2015-16 Transfers	-	-	66,790
2015-16 Revenues	290,565	124,388	4,053,261
Total cash available	97,829	316,498	4,058,205
Less:			
2015-16 Transfers	-	-	(66,790)
2015-16 Expenditures	(391,317)	(80,924)	(4,153,649)
Receivables/Payables	-	-	292,338
Prepaid Expenses	-	-	-
Cash June 30, 2016	(293,488)	235,574	130,104
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	293,488	(166,104)	-
Cash per Books	-	69,470	130,104
Fund Balance (Deficit) Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	293,488	78,304	401,243
Fund Balance (Deficit), Modified Accrual Basis	-	313,878	531,347

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets

Cash and Cash Equivalents	\$ 426,337
Receivables	
Due from Other Governments	189,662
Total Current Assets	<u>615,999</u>

Noncurrent Assets

Capital Assets	
Land	410,000
Building and Improvements	1,581,533
Furniture, Fixtures, and Equipment	120,238
Less: Accumulated Depreciation	(388,734)
Total Noncurrent Assets	<u>1,723,037</u>

Total Assets	<u>2,339,036</u>
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Deferred Outflows - Pension Related	<u>826,942</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities

Accounts Payable	11,785
Accrued Liabilities	89,625
Current Portion of Long-Term Debt	75,955
Total Current Liabilities	<u>177,365</u>

Noncurrent Liabilities

Long-Term Debt	579,206
Net Pension Liability	3,040,429
Total Noncurrent Liabilities	<u>3,619,635</u>

Total Liabilities	<u>3,797,000</u>
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Deferred Inflows - Pension Related	<u>70,052</u>
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NET POSITION

Net Investment in Capital Assets	1,067,876
Restricted	81,225
Unrestricted (Deficit)	(1,850,175)
Total Net Position	<u>\$ (701,074)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges For Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,653,222	11,548	356,258	-	(1,285,416)
Support Services:					
Students	395,249	-	-	-	(395,249)
Instruction	16,932	-	-	-	(16,932)
General Administration	33,876	-	-	-	(33,876)
School Administration	330,003	-	-	-	(330,003)
Central Services	118,560	-	-	-	(118,560)
Operation & Maintenance of Plant	245,926	-	-	-	(245,926)
Community Services Operations	6,768	-	-	-	(6,768)
Food Services	71,878	7,133	41,573	-	(23,172)
Facilities Materials, Supplies & Other Services	163,015	-	-	211,049	48,034
Total Governmental Activities	\$ 3,035,429	18,681	397,831	211,049	(2,407,868)

General Revenues:

Property Taxes	\$ 68,852
State Equalization Guarantee	2,270,591
Total General Revenues	2,339,443

Change in Net Position (68,425)

Net Position (Deficit), Beginning (632,649)

Net Position (Deficit), Ending \$ (701,074)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 340,207	21,220	240	-
Accounts Receivable				
Due from Government	-	-	3,846	17,580
Due from Other Funds	184,728	-	-	-
Total Assets	\$ 524,935	21,220	4,086	17,580
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 1,946	-	-	-
Accrued Expenses	89,625	-	-	-
Due to Other Funds	-	-	-	17,580
Total Liabilities	91,571	-	-	17,580
<i>Fund Balances</i>				
Fund Balance:				
Restricted for:				
Instruction	-	21,220	-	-
Food Service Operations	-	-	4,086	-
Capital Improvements	-	-	-	-
Unassigned:	433,364	-	-	-
Total Fund Balance	433,364	21,220	4,086	-
<i>Total Liabilities and Fund Balance</i>	\$ 524,935	21,220	4,086	17,580

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Carl D Perkins HSTW 24180	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I School Improvement 24162	PNM Foundation 26123
-	-	-	-	-	-
23,668	40,524	44	2,148	4,465	-
-	-	-	-	-	-
<u>23,668</u>	<u>40,524</u>	<u>44</u>	<u>2,148</u>	<u>4,465</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
23,668	40,524	44	2,148	4,465	-
<u>23,668</u>	<u>40,524</u>	<u>44</u>	<u>2,148</u>	<u>4,465</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>23,668</u>	<u>40,524</u>	<u>44</u>	<u>2,148</u>	<u>4,465</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Balance Sheets - Governmental Funds - (Continued)
June 30, 2016

	Qwest Foundation for Education 26175	Dual Credit Instructional Materials 27103	2012 SB-66 Student Library 27107	Truancy Initiative 27141
ASSETS				
Cash and Cash Equivalents	\$ 6,256	-	-	-
Accounts Receivable				
Due from Government	-	-	-	8,644
Due from Other Funds	-	-	-	-
Total Assets	\$ 6,256	-	-	8,644
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenses	-	-	-	-
Due to Other Funds	-	-	-	8,644
Total Liabilities	-	-	-	8,644
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	6,256	-	-	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	-
Unassigned:	-	-	-	-
Total Fund Balance	6,256	-	-	-
Total Liabilities and Fund Balance	\$ 6,256	-	-	8,644

The accompanying notes are an integral part of these financial statements

Charter School Planning 27112	Beginning Teacher Mentoring 27154	McCune Charitable Foundation 29114	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	SB-9 Capital Improvements 31700	Total
50	792	20,000	-	-	37,572	426,337
-	-	-	37,566	50,089	1,088	189,662
-	-	-	-	-	-	184,728
50	792	20,000	37,566	50,089	38,660	800,727
-	-	-	-	-	9,839	11,785
-	-	-	-	-	-	89,625
-	-	-	37,566	50,089	-	184,728
-	-	-	37,566	50,089	9,839	286,138
50	792	20,000	-	-	-	48,318
-	-	-	-	-	-	4,086
-	-	-	-	-	28,821	28,821
-	-	-	-	-	-	433,364
50	792	20,000	-	-	28,821	514,589
50	792	20,000	37,566	50,089	38,660	800,727

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Media Arts Collaborative Charter School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund balances - Total Governmental Funds **\$ 514,589**

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

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

Capital Assets	2,111,771	
Accumulated Depreciation	(388,734)	
	1,723,037	1,723,037

Defined benefit pension plan deferred outflows are not
 financial resources and, therefore, are not reported in the
 funds. 826,942

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Capital Lease (655,161)

Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, are not reported
 in the funds. (70,052)

The net pension liability is not due and payable in the current
 period and, therefore, is not reported in the funds. (3,040,429)

Net Position (Deficit)-Total Governmental Activities **\$ (701,074)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Statement of Revenues, Expenditures, And Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	3,109	-	-	-
State Grant	2,270,591	18,515	-	-
Federal Grant	-	-	41,573	48,900
Charges for Services	11,548	-	7,133	-
Total Revenues	<u>2,285,248</u>	<u>18,515</u>	<u>48,706</u>	<u>48,900</u>
Expenditures:				
Current:				
Instruction	1,290,656	4,035	-	48,900
Support Services:				
Students	295,554	-	-	-
Instruction	10,086	-	-	-
General Administration	33,876	-	-	-
School Administration	279,852	-	-	-
Central Services	106,622	-	-	-
Operation & Maintenance of Plant	185,446	-	-	-
Food Services Operations	20,715	-	51,798	-
Community Services Operations	-	-	-	-
Capital Outlay	2,686	-	-	-
Total Expenditures	<u>2,225,493</u>	<u>4,035</u>	<u>51,798</u>	<u>48,900</u>
Net Changes in Fund Balances	<u>59,755</u>	<u>14,480</u>	<u>(3,092)</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>373,609</u>	<u>6,740</u>	<u>7,178</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 433,364</u>	<u>21,220</u>	<u>4,086</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Carl D Perkins HSTW 24180	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I School Improvement 24162	PNM Foundation 26123
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
37,265	121,403	44	8,653	25,000	-
-	-	-	-	-	-
<u>37,265</u>	<u>121,403</u>	<u>44</u>	<u>8,653</u>	<u>25,000</u>	<u>-</u>
37,265	86,304	44	8,653	25,000	-
-	21,901	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	13,198	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	6,768
-	-	-	-	-	-
<u>37,265</u>	<u>121,403</u>	<u>44</u>	<u>8,653</u>	<u>25,000</u>	<u>6,768</u>
-	-	-	-	-	(6,768)
-	-	-	-	-	6,768
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Statement of Revenues, Expenditures, And Changes In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	Qwest Foundation for Education 26175	Dual Credit Instructional Materials 27103	2012 SB-66 Student Library 27107	Truancy Initiative 27141
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	6,256	-	-	-
State Grant	-	2,289	6,846	57,978
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	6,256	2,289	6,846	57,978
Expenditures:				
Current:				
Instruction	312	2,289	-	-
Support Services:				
Students	-	-	-	57,978
Instruction	-	-	6,846	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Food Services Operations	-	-	-	-
Community Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	312	2,289	6,846	57,978
Net Changes in Fund Balances	5,944	-	-	-
Fund Balances - Beginning of Year	312	-	-	-
Fund Balances - End of Year	\$ 6,256	-	-	-

The accompanying notes are an integral part of these financial statements

Charter School Planning 27112	Beginning Teacher Mentoring 27154	McCune Charitable Foundation 29114	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	68,852	68,852
-	-	20,000	-	-	-	29,365
-	-	-	154,504	56,545	-	2,567,268
-	-	-	-	-	-	282,838
-	-	-	-	-	-	18,681
-	-	20,000	154,504	56,545	68,852	2,967,004
-	-	-	-	-	-	1,503,458
-	-	-	-	-	-	375,433
-	-	-	-	-	-	16,932
-	-	-	-	-	-	33,876
-	-	-	-	-	-	293,050
-	-	-	-	-	-	106,622
-	-	-	-	-	-	185,446
-	-	-	-	-	-	72,513
-	-	-	-	-	-	6,768
-	-	-	154,504	56,545	59,171	272,906
-	-	-	154,504	56,545	59,171	2,867,004
-	-	20,000	-	-	9,681	100,000
50	792	-	-	-	19,140	414,589
50	792	20,000	-	-	28,821	514,589

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
June 30, 2016

Net change in fund balances-total governmental funds **\$ 100,000**

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

Capital Outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the statement of net position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 statement of activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	41,584	
Depreciation Expense	(59,442)	
	(17,858)	(17,858)

Principal payment of the capital lease obligation		72,568
---	--	--------

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability.		(223,135)
---	--	-----------

Change in net position-total governmental activities		<u><u>\$ (68,425)</u></u>
---	--	----------------------------------

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Statement of Fiduciary Assets and Liabilities-Agency Funds
June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 4,519
Total Assets	<u>\$ 4,519</u>
LIABILITIES	
Deposits Held for Others	\$ 4,519
Total Liabilities	<u>\$ 4,519</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Media Arts Collaborative Charter School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 5,516	4,142	5,139	4,519
Total assets	<u>\$ 5,516</u>	<u>4,142</u>	<u>5,139</u>	<u>4,519</u>
LIABILITIES				
Deposits Held for Others	\$ 5,516	4,142	5,139	4,519
Total liabilities	<u>\$ 5,516</u>	<u>4,142</u>	<u>5,139</u>	<u>4,519</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, fixtures and equipment	5 years
Buildings and Improvements	40 years

Capital assets for the Media Arts Collaborative Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets not being Depreciated:</i>				
Land	\$ 410,000	-	-	410,000
<i>Total</i>	<u>410,000</u>	-	-	<u>410,000</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 78,654	41,584	-	120,238
Buildings and Improvements	1,581,533	-	-	1,581,533
<i>Total</i>	<u>1,660,187</u>	<u>41,584</u>	-	<u>1,701,771</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	\$ (49,595)	(9,762)	-	(59,357)
Buildings and Improvements	(279,697)	(49,680)	-	(329,377)
<i>Total</i>	<u>(329,292)</u>	<u>(59,442)</u>	-	<u>(388,734)</u>
Capital Assets, Net	<u>\$ 1,740,895</u>	<u>(17,858)</u>	-	<u>1,723,037</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 1,383
Instructional Support	2,077
Operations/Plant Maintenance	51,721
Facilities Materials, Supplies And Other Services	4,261
Total	<u>\$ 59,442</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Media Arts Collaborative School leased equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2016, was \$58,333. The school's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 57,707
2018	57,707
2019	54,384
Total lease payments	<u>\$ 169,798</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

The following is an analysis of the leased property under capital leases by major classes included in the summary of capital assets.

<u>Classes of Property</u>	<u>Asset Balance</u>
Building	\$ 1,458,773
Less: Accumulated Depreciation	(249,584)
	<u>\$ 1,209,189</u>

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 2016.

Year Ending June 30:	Principal	Interest	Total
2017	\$ 75,955	28,359	104,314
2018	79,499	24,815	104,314
2019	83,209	21,105	104,314
2020	87,092	17,222	104,314
2021	91,157	13,157	104,314
2022-2024	238,249	13,843	252,092
Total	<u>\$ 655,161</u>	<u>118,501</u>	<u>773,662</u>

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Media Arts Collaborative Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Contributions. The contribution requirements of defined benefit plan members and Media Arts Collaborative Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2016 and 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Media Arts Collaborative Charter School were \$191,694 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, and the net pension liability was measured as of that date. At June 30, 2016, Media Arts Collaborative Charter School reported a liability of \$3,040,429 for its proportionate share of the net pension liability. The Media Arts Collaborative Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Media Arts Collaborative Charter School's proportion was 0.04694%, which was an increase of 0.0111 from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Media Arts Collaborative Charter School recognized pension expense of \$414,829. At June 30, 2016, Media Arts Collaborative Charter School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (56,367)
Changes in assumptions	104,577	-
Net difference between projected and actual earnings on pension plan investments	-	(13,685)
Changes in proportion	530,671	-
Media Arts Collaborative Charter School contributions subsequent to the measurement date	<u>191,694</u>	<u>-</u>
Total	<u>\$ 826,942</u>	<u>\$ (70,052)</u>

The amount of \$191,694 reported as deferred outflows of resources related to pensions resulting from Media Arts Collaborative Charter School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (176,575)
2018	(177,597)
2019	(168,794)
2020	<u>(42,230)</u>
Total	<u>\$ (565,196)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Media Arts Collaborative Charter School
 Notes to the Financial Statements
 June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Media Arts Collaborative Charter School's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Media Arts Collaborative Charter School's proportionate share of the net pension liability	\$ 4,091,100	3,040,429	2,157,756

NOTE 6. BUDGETARY INFORMATION

A budget was not adopted for Charter School Planning Fund 27112 and Beginning Teacher Mentoring Fund 27154. Therefore, budgetary schedules are not provided for these funds.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MEDIA ARTS COLLABORATIVE CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,045	3,040	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 988	1,282	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.03%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MEDIA ARTS COLLABORATIVE CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 185	192	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	185	192	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 201	5		\$ 52	52	51	46	-				
2015	(565)	5			(177)	(177)	(169)	(42)				
2016	-	5				-	-	-				
2017	-	5				-	-	-				
2018	-	5				-	-	-				
2019	-	5				-	-	-				
2020	-	5				-	-	-				
2021	-	5				-	-	-				
2022	-	5				-	-	-				
2023	-	5				-	-	-				
	\$ (364)			\$ 52	(125)	(126)	(123)	(42)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Local & County Grant	\$ -	20,181	3,109	(17,072)
State Grant	2,051,365	2,270,591	2,270,591	-
Charges for Services	2,000	2,000	11,548	9,548
Total Revenues	2,053,365	2,292,772	2,285,248	(7,524)
EXPENDITURES				
Current:				
Instruction	1,285,759	1,319,745	1,269,468	50,277
Support Services:				
Students	260,971	312,438	295,554	16,884
Instruction	-	15,500	10,086	5,414
General Administration	38,340	47,340	35,804	11,536
School Administration	266,266	295,067	280,083	14,984
Central Services	106,314	109,534	106,622	2,912
Operation & Maintenance of Plant	400,304	489,834	191,847	297,987
Food Services Operations	50	29,771	20,715	9,056
Capital outlay	-	20,000	2,686	17,314
Total Expenditures	2,358,004	2,639,229	2,212,865	426,364
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(304,639)</i>	<i>(346,457)</i>	<i>72,383</i>	<i>418,840</i>
Other Financing Sources (Uses):				
Designated Cash	304,639	346,457	-	(346,457)
Total other Financing Sources (Uses):	304,639	346,457	-	(346,457)
Net Changes in Fund Balances	-	-	72,383	72,383
Cash or Fund Balances - Beginning of Year	-	-	373,609	373,609
Cash or Fund Balances - End of Year	\$ -	-	445,992	445,992
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 72,383	
Adjustments to Revenues			-	
Adjustments to Expenditures			(12,628)	
NET CHANGE IN FUND BALANCE			\$ 59,755	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 12,723	18,515	18,515	-
Total Revenues	12,723	18,515	18,515	-
EXPENDITURES				
Current:				
Instruction	19,742	25,255	4,035	21,220
Total Expenditures	19,742	25,255	4,035	21,220
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(7,019)</i>	<i>(6,740)</i>	<i>14,480</i>	<i>21,220</i>
Other Financing Sources (Uses):				
Designated Cash	7,019	6,740	-	(6,740)
Total other Financing Sources (Uses):	7,019	6,740	-	(6,740)
Net Changes in Fund Balances	-	-	14,480	14,480
Cash or Fund Balances - Beginning of Year	-	-	6,740	6,740
Cash or Fund Balances - End of Year	\$ -	-	21,220	21,220
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 14,480	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 14,480	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 49,000	41,572	37,727	(3,845)
Charges for Services	4,000	7,133	7,133	-
Total Revenues	53,000	48,705	44,860	(3,845)
EXPENDITURES				
Current:				
Food Services Operations	65,000	55,883	51,798	4,085
Total Expenditures	65,000	55,883	51,798	4,085
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(12,000)</i>	<i>(7,178)</i>	<i>(6,938)</i>	<i>240</i>
Other Financing Sources (Uses):				
Designated Cash	12,000	7,178	-	(7,178)
Total Other Financing Sources (Uses):	12,000	7,178	-	(7,178)
Net Changes in Fund Balances	-	-	(6,938)	(6,938)
Cash or Fund Balances - Beginning of Year	-	-	7,178	7,178
Cash or Fund Balances - End of Year	\$ -	-	240	240
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,938)	
Adjustments to Revenues			3,846	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (3,092)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I - IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 39,517	48,900	31,320	(17,580)
Total Revenues	<u>39,517</u>	<u>48,900</u>	<u>31,320</u>	<u>(17,580)</u>
EXPENDITURES				
Current:				
Instruction	-	48,900	48,900	-
Support Services:				
Students	39,517	-	-	-
Total Expenditures	<u>39,517</u>	<u>48,900</u>	<u>48,900</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(17,580)	(17,580)
Net Changes in Fund Balances	-	-	(17,580)	(17,580)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(17,580)</u>	<u>(17,580)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (17,580)	
Adjustments to Revenues			17,580	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 32,448	37,265	13,597	(23,668)
Total Revenues	32,448	37,265	13,597	(23,668)
EXPENDITURES				
Current:				
Instruction	32,448	37,265	37,265	-
Total Expenditures	32,448	37,265	37,265	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(23,668)	(23,668)
Net Changes in Fund Balances	-	-	(23,668)	(23,668)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(23,668)	(23,668)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (23,668)	
Adjustments to Revenues			23,668	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Carl D. Perkins HSTW 24180
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 121,881	121,881	80,879	(41,002)
Total Revenues	<u>121,881</u>	<u>121,881</u>	<u>80,879</u>	<u>(41,002)</u>
EXPENDITURES				
Current:				
Instruction	82,992	86,328	86,304	24
Support Services:				
Students	22,460	21,993	21,901	92
School Administration	16,429	13,560	13,198	362
Total Expenditures	<u>121,881</u>	<u>121,881</u>	<u>121,403</u>	<u>478</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(40,524)</u>	<u>(40,524)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(40,524)</u>	<u>(40,524)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(40,524)</u>	<u>(40,524)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (40,524)	
Adjustments to Revenues			40,524	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ -	44	-	(44)
Total Revenues	<u>-</u>	<u>44</u>	<u>-</u>	<u>(44)</u>
EXPENDITURES				
Current:				
Instruction	-	44	44	-
Total Expenditures	<u>-</u>	<u>44</u>	<u>44</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(44)</u>	<u>(44)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(44)</u>	<u>(44)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(44)</u>	<u>(44)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (44)	
Adjustments to Revenues			44	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 7,425	8,653	6,505	(2,148)
Total Revenues	<u>7,425</u>	<u>8,653</u>	<u>6,505</u>	<u>(2,148)</u>
EXPENDITURES				
Current:				
Instruction	7,425	8,653	8,653	-
Total Expenditures	<u>7,425</u>	<u>8,653</u>	<u>8,653</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,148)</u>	<u>(2,148)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,148)</u>	<u>(2,148)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,148)</u>	<u>(2,148)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,148)	
Adjustments to Revenues			2,148	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I School Improvement 24162
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Federal Grant	\$ -	25,000	20,535	(4,465)
<i>Total Revenues</i>	<u>-</u>	<u>25,000</u>	<u>20,535</u>	<u>(4,465)</u>
EXPENDITURES				
Current:				
Instruction	-	25,000	25,000	-
<i>Total Expenditures</i>	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,465)</u>	<u>(4,465)</u>
<i>Net Changes in Fund Balances</i>	<u>-</u>	<u>-</u>	<u>(4,465)</u>	<u>(4,465)</u>
<i>Cash or Fund Balances - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or Fund Balances - End of Year</i>	<u>\$ -</u>	<u>-</u>	<u>(4,465)</u>	<u>(4,465)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,465)	
Adjustments to Revenues			4,465	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
PNM Foundation 26123
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Local & County Grant	\$ -	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Current:				
Community Service Operations	-	6,768	6,768	-
Total Expenditures	-	6,768	6,768	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(6,768)	(6,768)	-
Other Financing Sources (Uses):				
Designated Cash	-	6,768	-	(6,768)
Total other Financing Sources (Uses):	-	6,768	-	(6,768)
Net Changes in Fund Balances	-	-	(6,768)	(6,768)
Cash or Fund Balances - Beginning of Year	-	-	6,768	6,768
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,768)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (6,768)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
QWEST Foundation for Education 26175
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Local & County Grant	\$ -	6,256	6,256	-
Total Revenues	-	6,256	6,256	-
EXPENDITURES				
Current:				
Instruction	-	6,568	312	6,256
Total Expenditures	-	6,568	312	6,256
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(312)	5,944	6,256
Other Financing Sources (Uses):				
Designated Cash	-	312	-	(312)
Total other Financing Sources (Uses):	-	312	-	(312)
Net Changes in Fund Balances	-	-	5,944	5,944
Cash or Fund Balances - Beginning of Year	-	-	312	312
Cash or Fund Balances - End of Year	\$ -	-	6,256	6,256
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,944	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 5,944	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ -	2,289	2,289	-
Total Revenues	-	2,289	2,289	-
EXPENDITURES				
Current:				
Instruction	-	2,289	2,289	-
Total Expenditures	-	2,289	2,289	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Media Arts Collaborative Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 Student Library 27107
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 6,846	6,846	6,846	-
Total Revenues	<u>6,846</u>	<u>6,846</u>	<u>6,846</u>	<u>-</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	6,846	6,846	6,846	-
Total Expenditures	<u>6,846</u>	<u>6,846</u>	<u>6,846</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Truancy Initiative 27141
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ -	60,000	49,334	(10,666)
Total Revenues	<u>-</u>	<u>60,000</u>	<u>49,334</u>	<u>(10,666)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	60,000	57,978	2,022
Total Expenditures	<u>-</u>	<u>60,000</u>	<u>57,978</u>	<u>2,022</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,644)</u>	<u>(8,644)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(8,644)</u>	<u>(8,644)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(8,644)</u>	<u>(8,644)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (8,644)	
Adjustments to Revenues			8,644	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
McCune Charitable Foundation 29114
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Local & County Grant	\$ -	20,000	20,000	-
Total Revenues	<u>-</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Support Services:				
Community Service Operations	-	20,000	-	20,000
Total Expenditures	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 20,000	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 20,000</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ -	155,917	116,938	(38,979)
Total Revenues	<u>-</u>	<u>155,917</u>	<u>116,938</u>	<u>(38,979)</u>
EXPENDITURES				
Capital outlay	-	155,917	154,504	1,413
Total Expenditures	<u>-</u>	<u>155,917</u>	<u>154,504</u>	<u>1,413</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(37,566)</u>	<u>(37,566)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(37,566)</u>	<u>(37,566)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(37,566)</u>	<u>(37,566)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (37,566)	
Adjustments to Revenues			37,566	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay - State 31400
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 222,366	222,366	6,456	(215,910)
Total Revenues	<u>222,366</u>	<u>222,366</u>	<u>6,456</u>	<u>(215,910)</u>
EXPENDITURES				
Capital outlay	222,366	222,366	56,545	165,821
Total Expenditures	<u>222,366</u>	<u>222,366</u>	<u>56,545</u>	<u>165,821</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(50,089)	(50,089)
Net Changes in Fund Balances	-	-	(50,089)	(50,089)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(50,089)</u>	<u>(50,089)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (50,089)	
Adjustments to Revenues			50,089	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Property Taxes	\$ 60,000	60,000	67,764	7,764
State Grant	3,620	11,549	-	(11,549)
Total Revenues	63,620	71,549	67,764	(3,785)
EXPENDITURES				
Current:				
Support Services:				
Capital outlay	107,151	89,823	49,332	40,491
Total Expenditures	107,151	89,823	49,332	40,491
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(43,531)	(18,274)	18,432	36,706
Other Financing Sources (Uses):				
Designated Cash	43,531	18,274	-	(18,274)
Total other Financing Sources (Uses):	43,531	18,274	-	(18,274)
Net Changes in Fund Balances	-	-	18,432	18,432
Cash or Fund Balances - Beginning of Year	-	-	19,140	19,140
Cash or Fund Balances - End of Year	\$ -	-	37,572	37,572
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 18,432	
Adjustments to Revenues			1,088	
Adjustments to Expenditures			(9,839)	
NET CHANGE IN FUND BALANCE			\$ 9,681	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
US Bank	FHLMC FGLMC G01511	31283HVC6	2/1/2033	\$ 104,978
US Bank	FHLMC FGLMC G01554	31283HWP6	5/1/2033	261,486
				<u>\$ 366,464</u>
Total Cash per Schedule of Cash Accounts				\$ 520,272
Less: FDIC coverage:				<u>(371,165)</u>
Uninsured Public Funds:				149,107
Collateral Requirement:				74,554
Pledged Collateral Held by Pledging Financial Institution:				<u>366,464</u>
Balance Over Collateralized:				<u>\$ (291,911)</u>
Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Cash Accounts
June 30, 2016

Bank Account Type	US Bank	NM Educators	Bank of the West	Total
Checking - Operational Account	\$ 399,107	71,165	50,000	520,272
Total on Deposit	399,107	71,165	50,000	520,272
Reconciling Items	(89,416)	-	-	(89,416)
Reconciled Balance June 30, 2016	\$ 309,691	71,165	50,000	430,856
Less Agency Funds				(4,519)
Total Cash				\$ 426,337

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Agency Funds 23000
Cash, June 30, 2015	\$ 287,568	6,740	7,178	5,516
Add:				
2015-16 Revenues	2,285,248	18,515	44,860	4,142
Total Cash Available	2,572,816	25,255	52,038	9,658
Less:				
2015-16 Expenditures	(2,212,865)	(4,035)	(51,798)	(5,139)
Receivables/Payables	75,359	-	-	-
Outstanding Loans	(184,728)	-	-	-
Cash June 30, 2016	250,582	21,220	240	4,519
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	89,625	-	-	-
Cash per Books	340,207	21,220	240	4,519
Fund Balance Reconciliation to GAAP Basis:	-			
Modified Accrual Adjustments	93,157	-	3,846	(4,519)
Fund Balance, Modified Accrual Basis	\$ 433,364	21,220	4,086	-

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	Local Grants Fund 26000	State Flow Through Fund 27000	Local or State Fund 29000	Public School Capital Outlay 31200	Special Capital Outlay - State 31400
-	7,080	842	-	-	-
152,836	6,256	58,469	20,000	116,938	6,456
152,836	13,336	59,311	20,000	116,938	6,456
(241,265)	(7,080)	(67,113)	-	(154,504)	(56,545)
-	-	-	-	-	-
88,429	-	8,644	-	37,566	50,089
-	6,256	842	20,000	-	-
-	-	-	-	-	-
-	6,256	842	20,000	-	-
-	-	-	-	-	-
-	6,256	842	20,000	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Cash Reconciliation
June 30, 2016

	SB-9 Capital Improvements 31700	Total Government
	<u> </u>	<u> </u>
Cash, June 30, 2015	\$ 18,274	\$ 333,198
Add:		
2015-2016 Revenues	<u>67,764</u>	<u>2,781,484</u>
Total Cash Available	86,038	3,114,682
Less:		
2015-2016 Expenditures	(49,332)	(2,849,676)
Receivables/Payables	866	76,225
Outstanding Loans	<u>-</u>	<u>-</u>
Cash, June 30, 2016	<u>37,572</u>	<u>341,231</u>
Fund Balance Reconciliations to GAAP Basis		
Audit reclassification to cash		<u>89,625</u>
Cash per Books	<u>37,572</u>	<u>430,856</u>
	Less: Agency Funds:	<u>(4,519)</u>
		<u>\$ 426,337</u>
Fund Balance Reconciliations to GAAP Basis:		
Modified Accrual Adjustments	<u>(8,751)</u>	<u>83,733</u>
Fund Balance, Modified Accrual Basis	<u>28,821</u>	<u>514,589</u>
	Balance Sheets-Governmental Funds:	<u>\$ 514,589</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Statement of Net Position
 June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 406,059
Receivables	
Due from Other Governments	205,681
Total Current Assets	<u>611,740</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	305,868
Less: Accumulated Depreciation	<u>(69,073)</u>
Total Noncurrent Assets	<u>236,795</u>
Total Assets	<u>848,535</u>

Deferred Outflows - Pension Related	<u>2,163,206</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	111,845
Accrued Liabilities	268,945
Compensated Absences	<u>10,902</u>
Total Current Liabilities	<u>391,692</u>

Noncurrent Liabilities:

Net Pension Liability	<u>4,164,882</u>
Total Noncurrent Liabilities	<u>4,164,882</u>
Total Liabilities	<u>4,556,574</u>

Deferred Inflows - Pension Related	<u>95,960</u>
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NET POSITION

Investment in Capital Assets	236,795
Restricted	75,398
Unrestricted (Deficit)	<u>(1,952,986)</u>
Total Net Position	<u>\$ (1,640,793)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 4,504,172	1,750	588,023	-	(3,914,399)
Support Services:					
Students	337,268	-	-	-	(337,268)
Instruction	8,103	-	-	-	(8,103)
General Administration	79,882	-	-	-	(79,882)
School Administration	415,286	-	-	-	(415,286)
Central Services	318,965	-	-	-	(318,965)
Operation & Maintenance of Plant	754,102	-	-	-	(754,102)
Other Support Services Operations	6,385	-	-	-	(6,385)
Student Transportation	132,887	-	114,721	-	(18,166)
Food Services	584,374	-	580,493	-	(3,881)
Facilities Materials, Supplies & Other Services	219,730	-	-	268,363	48,633
Total Governmental Activities	\$ 7,361,154	1,750	1,283,237	268,363	(5,807,804)
General Revenues:					
State Equalization Guarantee					\$ 5,051,336
Total General Revenues					5,051,336
Change in Net Position					(756,468)
Net Position (Deficit), Beginning of year					(884,325)
Net Position (Deficit), Ending					\$ (1,640,793)

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 264,248	-	22,053	111,625
Accounts Receivable				
Due from Government	-	-	-	9,076
Due from Other Funds	185,586	-	-	-
Total Assets	\$ 449,834	-	22,053	120,701
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 44,489	-	-	67,356
Accrued Expenditures	257,926	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	302,415	-	-	67,356
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	22,053	-
Food Service Operations	-	-	-	53,345
Assigned to:				
Subsequent Years Expenditures and Other Programs	147,419	-	-	-
Total Fund Balance	147,419	-	22,053	53,345
Total Liabilities and Fund Balances	\$ 449,834	-	22,053	120,701

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

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Federal Charter School Planning 24146	Teacher Principal Training 24154	USDA 2010 Equipment Assistance 24183
-	-	-	-	-	-
34,410	8,033	81	-	21,952	12,500
-	-	-	-	-	-
<u>34,410</u>	<u>8,033</u>	<u>81</u>	<u>-</u>	<u>21,952</u>	<u>12,500</u>
-	-	-	-	-	-
534	12	-	-	-	-
<u>33,876</u>	<u>8,021</u>	<u>81</u>	<u>-</u>	<u>21,952</u>	<u>12,500</u>
<u>34,410</u>	<u>8,033</u>	<u>81</u>	<u>-</u>	<u>21,952</u>	<u>12,500</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>34,410</u>	<u>8,033</u>	<u>81</u>	<u>-</u>	<u>21,952</u>	<u>12,500</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Medicaid 3/21 Years 25153	Dual Credit Instructional Materials 27103	New Mexico Reads to Lead K-3 27114	Truancy Initiative PED 27141
ASSETS				
Cash and Cash Equivalents	\$ 8,133	-	-	-
Accounts Receivable				
Due from Government	-	30	-	4,284
Due from Other Funds	-	-	-	-
Total Assets	\$ 8,133	30	-	4,284
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	-	4,071
Due to Other Funds	-	30	-	213
Total Liabilities	-	30	-	4,284
<i>Fund Balances</i>				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	-
Food Service Operations	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	8,133	-	-	-
Total Fund Balance	8,133	-	-	-
Total Liabilities and Fund Balances	\$ 8,133	30	-	4,284

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

Social Workers for Middle Schools 27194	Teachers Hard to Staff Stipend 27195	Public School Capital Outlay 31200	Total
-	-	-	406,059
5,313	42,911	67,091	205,681
-	-	-	185,586
<u>5,313</u>	<u>42,911</u>	<u>67,091</u>	<u>797,326</u>
-	-	-	111,845
4,791	1,611	-	268,945
522	41,300	67,091	185,586
<u>5,313</u>	<u>42,911</u>	<u>67,091</u>	<u>566,376</u>
-	-	-	22,053
-	-	-	53,345
-	-	-	-
-	-	-	-
-	-	-	155,552
-	-	-	230,950
<u>5,313</u>	<u>42,911</u>	<u>67,091</u>	<u>797,326</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds **\$ 230,950**

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

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

Capital Assets	305,868	
Accumulated Depreciation	(69,073)	
	236,795	236,795

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds. 2,163,206

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

Compensated Absences		(10,902)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds. (4,164,882)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(95,960)
		(95,960)

Net Position (Deficit) -Total Governmental Activities **\$ (1,640,793)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
State Grant	\$ 5,051,336	114,721	43,964	-
Federal Grant	-	-	-	567,993
Charges for Services	1,750	-	-	-
Total Revenues	<u>5,053,086</u>	<u>114,721</u>	<u>43,964</u>	<u>567,993</u>
EXPENDITURES				
Current:				
Instruction	3,506,136	-	54,508	-
Support Services:				
Students	190,328	-	-	-
Instruction	8,103	-	-	-
General Administration	79,882	-	-	-
School Administration	352,773	-	-	-
Central Services	300,413	-	-	-
Operation & Maintenance of Plant	811,394	-	-	-
Student Transportation	8,466	124,421	-	-
Other Support Services Operations	6,385	-	-	-
Food Services Operations	2,792	-	-	568,303
Capital Outlay	-	-	-	-
Total Expenditures	<u>5,266,672</u>	<u>124,421</u>	<u>54,508</u>	<u>568,303</u>
Net Changes in Fund Balances	<u>(213,586)</u>	<u>(9,700)</u>	<u>(10,544)</u>	<u>(310)</u>
Fund Balances - Beginning of Year	<u>361,005</u>	<u>9,700</u>	<u>32,597</u>	<u>53,655</u>
Fund Balances - End of Year	<u>\$ 147,419</u>	<u>-</u>	<u>22,053</u>	<u>53,345</u>

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

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Federal Charter School Planning 24146	Teacher Principal Training 24154	USDA 2010 Equipment Assistance 24183
-	-	-	-	-	-
141,661	71,402	81	-	21,952	12,500
-	-	-	-	-	-
<u>141,661</u>	<u>71,402</u>	<u>81</u>	<u>-</u>	<u>21,952</u>	<u>12,500</u>
141,662	48,619	-	3,605	21,952	-
-	22,783	81	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	12,500
-	-	-	-	-	-
<u>141,662</u>	<u>71,402</u>	<u>81</u>	<u>3,605</u>	<u>21,952</u>	<u>12,500</u>
<u>(1)</u>	<u>-</u>	<u>-</u>	<u>(3,605)</u>	<u>-</u>	<u>-</u>
<u>1</u>	<u>-</u>	<u>-</u>	<u>3,605</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Statement of Revenues, Expenditures, and Changes In Fund Balances -(Continued)
Governmental Funds
For The Year Ended June 30, 2016

	Medicaid 3/21 Years 25153	Dual Credit Instructional Materials 27103	New Mexico Reads to Lead K-3 27114	Truancy Initiative PED 27141
REVENUES				
State Grant	\$ -	201	50,000	43,041
Federal Grant	14,985	-	-	-
Charges for Services	-	-	-	-
Total Revenues	14,985	201	50,000	43,041
EXPENDITURES				
Current:				
Instruction	-	201	50,000	-
Support Services:				
Students	12,213	-	-	43,041
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	12,213	201	50,000	43,041
Net Changes in Fund Balances	2,772	-	-	-
Fund Balances - Beginning of Year	5,361	-	-	-
Fund Balances - End of Year	\$ 8,133	-	-	-

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

Social Workers for Middle Schools 27194	Teachers Hard to Staff Stipend 27195	Public School Capital Outlay 31200	Total
39,318	161,418	268,363	5,772,362
-	-	-	830,574
-	-	-	1,750
<u>39,318</u>	<u>161,418</u>	<u>268,363</u>	<u>6,604,686</u>
-	161,418	-	3,988,101
39,318	-	-	-
-	-	-	307,764
-	-	-	8,103
-	-	-	79,882
-	-	-	352,773
-	-	-	300,413
-	-	-	811,394
-	-	-	132,887
-	-	-	6,385
-	-	-	583,595
-	-	268,363	268,363
<u>39,318</u>	<u>161,418</u>	<u>268,363</u>	<u>6,839,660</u>
-	-	-	(234,974)
-	-	-	465,924
-	-	-	230,950

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balance-Total Governmental Funds **\$ (234,974)**

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

Change in Compensated Absences (4,420)

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlays	160,782	
Depreciation Expense	(47,164)	
	113,618	113,618

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability (630,692)

Change in Net Position-Total Governmental Activities **\$ (756,468)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 2,850
Total Assets	<u>\$ 2,850</u>
LIABILITIES	
Deposits Held for Others	\$ 2,850
Total Liabilities	<u>\$ 2,850</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 1,495	7,337	(5,982)	2,850
Total Assets	<u>\$ 1,495</u>	<u>7,337</u>	<u>(5,982)</u>	<u>2,850</u>
LIABILITIES				
Deposits Held for Others	\$ 1,495	7,337	(5,982)	2,850
Total Liabilities	<u>\$ 1,495</u>	<u>7,337</u>	<u>(5,982)</u>	<u>2,850</u>

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment 5-15 years

Capital assets for Mission Achievement and Success are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Notes to the Financial Statements
June 30, 2016**

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	June 30, 2015	Additions	Deletions	June 30, 2016
Capital Assets being Depreciated:				
Furniture, Fixtures and Equipment	\$ 145,086	160,782	-	305,868
Total	<u>145,086</u>	<u>160,782</u>	<u>-</u>	<u>305,868</u>
Less: Accumulated Depreciation				
Furniture, Fixtures and Equipment	(21,909)	(47,164)	-	(69,073)
Total	<u>(21,909)</u>	<u>(47,164)</u>	<u>-</u>	<u>(69,073)</u>
Capital Assets, Net	<u>\$ 123,177</u>	<u>113,618</u>	<u>-</u>	<u>236,795</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Operation and Maintenance of Plant	\$ 27,623
Capital Outlay	18,762
Food Service	779
	<u>\$ 47,164</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Mission Achievement and Success leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$581,092. Mission Achievement and Success minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ 728,887
2018	718,076
2019	734,210
2020	750,827
2021	703,792
Total	<u>\$ 3,635,792</u>

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

Mission Achievement and Success had a compensated absences balance of \$6,482 at the beginning of the fiscal year. Increases to the balance were \$4,420 which resulted in an ending balance of \$10,902. All of this balance is considered to be current.

NOTE 4. RELATED PARTY TRANSACTIONS

The Principal's spouse is the Dean of Students for the school. The Nepotism Act was waived by the governing council in FY 2012. This contract is reviewed and approved annually by the governing council. The business manager services are performed by the Vigil Group, which performs services for multiple state charter schools.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Mission Achievement and Success and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions The contribution requirements of defined benefit plan members and Mission Achievement and Success are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2016 and 2015, employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Mission Achievement and Success were \$378,618 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, and the net pension liability was measured as of that date. At June 30, 2016, Mission Achievement and Success reported a liability of \$4,164,882 for its proportionate share of the net pension liability. Mission Achievement and Success' proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Mission Achievement and Success' proportion was 0.06430%, which was an increase of 0.02029% from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Mission Achievement and Success recognized pension expense of \$1,009,310. At the June 30, 2016, Mission Achievement and Success reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(77,213)
Changes in assumptions	143,252	-
Net difference between projected and actual earnings on pension plan investments	-	(18,747)
Changes in proportion	1,641,336	-
Mission Achievement and Success contributions subsequent to the measurement date	<u>378,618</u>	<u>-</u>
Total	<u>\$ 2,163,206</u>	<u>(95,960)</u>

The amount of \$378,618 reported as deferred outflows of resources related to pensions resulting from Mission Achievement and Success contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	
2017	\$ (682,990)
2018	(641,278)
2019	(306,514)
2020	<u>(57,846)</u>
Total	<u>\$ (1,688,628)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Mission Achievement and Success' proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents Mission Achievement and Success' net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Mission Achievement and Success proportionate share of the net pension liability	<u>\$5,604,127</u>	<u>4,164,882</u>	<u>2,955,767</u>

Payables to the pension plan. For the year ending June 30, 2016, Mission Achievement and Success' accrued liability due to ERB was \$94,087 for June 2016 payroll paid in July 2016.

NOTE 6. SUBSEQUENT EVENTS

Mission Achievement and Success is facing possible litigation with two former employees. Mission Achievement and Success intends to contest both cases vigorously. An evaluation of the likelihood of an unfavorable outcome or a range of potential loss cannot be estimated at the current time.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MISSION ACHIEVEMENT AND SUCCESS
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,511	4,165	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,213	1,756	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the prior year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MISSION ACHIEVEMENT AND SUCCESS
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 289	379	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	254	379	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 35	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 790	5		\$ 297	297	254	(58)	-				
2015	(1,689)	5			(683)	(641)	(307)	(58)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (899)			\$ 297	(386)	(387)	(365)	(58)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 4,552,825	5,042,403	5,051,336	8,933
Charges for Services	-	2,250	1,750	(500)
Total Revenues	<u>4,552,825</u>	<u>5,044,653</u>	<u>5,053,086</u>	<u>8,433</u>
EXPENDITURES				
Current:				
Instruction	3,162,567	3,585,138	3,476,986	108,152
Support Services:				
Students	289,496	201,682	186,019	15,663
Instruction	20,000	20,000	8,103	11,897
General Administration	42,529	83,345	77,126	6,219
School Administration	304,219	356,603	344,885	11,718
Central Services	255,230	308,659	299,475	9,184
Operation & Maintenance of Plant	678,784	839,982	813,788	26,194
Student Transportation	-	10,891	8,466	2,425
Other Support Services Operations	-	6,385	6,385	-
Food Services Operations	-	3,500	2,792	708
Total Expenditures	<u>4,752,825</u>	<u>5,416,185</u>	<u>5,224,025</u>	<u>192,160</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(200,000)</u>	<u>(371,532)</u>	<u>(170,939)</u>	<u>200,593</u>
Other Financing Sources (Uses):				
Designated Cash	200,000	371,532	-	(371,532)
Total Other Financing Sources (Uses):	<u>200,000</u>	<u>371,532</u>	<u>-</u>	<u>(371,532)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(170,939)</u>	<u>(170,939)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>361,005</u>	<u>361,005</u>
Cash or Fund Balances - End of Year	<u>-</u>	<u>-</u>	<u>190,066</u>	<u>190,066</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$	(170,939)
Adjustments to Revenues				-
Adjustments to Expenditures				(42,647)
NET CHANGE IN FUND BALANCE			<u>\$</u>	<u>(213,586)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ -	114,721	114,721	-
Total Revenues	<u>-</u>	<u>114,721</u>	<u>114,721</u>	<u>-</u>
EXPENDITURES				
Current:				
Student Transportation	-	119,571	119,571	-
Total Expenditures	<u>-</u>	<u>119,571</u>	<u>119,571</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(4,850)</u>	<u>(4,850)</u>	<u>-</u>
Other Financing Sources (Uses):				
Designated Cash	-	4,850	-	(4,850)
Total Other Financing Sources (Uses):	<u>-</u>	<u>4,850</u>	<u>-</u>	<u>(4,850)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,850)</u>	<u>(4,850)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>9,700</u>	<u>9,700</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,850</u>	<u>4,850</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,850)	
Adjustments to Revenues			-	
Adjustments to Expenditures			(4,850)	
NET CHANGE IN FUND BALANCE			<u>\$ (9,700)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	66,243	43,964	(22,279)
Total Revenues	<u>-</u>	<u>66,243</u>	<u>43,964</u>	<u>(22,279)</u>
EXPENDITURES				
Current:				
Instruction	-	98,840	54,508	44,332
Total Expenditures	<u>-</u>	<u>98,840</u>	<u>54,508</u>	<u>44,332</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(32,597)</u>	<u>(10,544)</u>	<u>22,053</u>
Other Financing Sources (Uses):				
Designated Cash	-	32,597	-	(32,597)
Total Other Financing Sources (Uses):	<u>-</u>	<u>32,597</u>	<u>-</u>	<u>(32,597)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(10,544)</u>	<u>(10,544)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>32,597</u>	<u>32,597</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>22,053</u>	<u>22,053</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (10,544)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (10,544)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 452,000	452,000	558,917	106,917
Total Revenues	<u>452,000</u>	<u>452,000</u>	<u>558,917</u>	<u>106,917</u>
EXPENDITURES				
Current:				
Food Services Operations	452,000	505,665	500,947	4,718
Total Expenditures	<u>452,000</u>	<u>505,665</u>	<u>500,947</u>	<u>4,718</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(53,665)</u>	<u>57,970</u>	<u>111,635</u>
Other Financing Sources (Uses):				
Designated Cash	-	53,665	-	(53,665)
Total Other Financing Sources (Uses):	<u>-</u>	<u>53,665</u>	<u>-</u>	<u>(53,665)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>57,970</u>	<u>57,970</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>53,655</u>	<u>53,655</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>111,625</u>	<u>111,625</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 57,970	
Adjustments to Revenues			9,076	
Adjustments to Expenditures			<u>(67,356)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (310)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 107,252	141,662	191,997	50,335
Total Revenues	<u>107,252</u>	<u>141,662</u>	<u>191,997</u>	<u>50,335</u>
EXPENDITURES				
Current:				
Instruction	107,252	141,662	141,662	-
Total Expenditures	<u>107,252</u>	<u>141,662</u>	<u>141,662</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	50,335	50,335
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>50,335</u>	<u>50,335</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>50,336</u>	<u>50,336</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 50,335	
Adjustments to Revenues			(50,336)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (1)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	74,150	81,162	7,012
Total Revenues	<u>-</u>	<u>74,150</u>	<u>81,162</u>	<u>7,012</u>
EXPENDITURES				
Current:				
Instruction	-	46,560	48,619	(2,059)
Support Services:				
Students	-	27,590	22,783	4,807
Total Expenditures	<u>-</u>	<u>74,150</u>	<u>71,402</u>	<u>2,748</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>9,760</u>	<u>9,760</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>9,760</u>	<u>9,760</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>9,760</u>	<u>9,760</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 9,760	
Adjustments to Revenues			(9,760)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	81	-	(81)
Total Revenues	<u>-</u>	<u>81</u>	<u>-</u>	<u>(81)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	81	81	-
Total Expenditures	<u>-</u>	<u>81</u>	<u>81</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(81)	(81)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(81)</u>	<u>(81)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(81)</u>	<u>(81)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (81)	
Adjustments to Revenues			81	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
Federal Charter School Planning 24146
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(3,605)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (3,605)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	21,952	6,763	(15,189)
Total Revenues	<u>-</u>	<u>21,952</u>	<u>6,763</u>	<u>(15,189)</u>
EXPENDITURES				
Current:				
Instruction	-	21,952	21,952	-
Total expenditures	<u>-</u>	<u>21,952</u>	<u>21,952</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(15,189)</u>	<u>(15,189)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(15,189)</u>	<u>(15,189)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(15,189)</u>	<u>(15,189)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (15,189)	
Adjustments to Revenues			15,189	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Budgetary Comparisons - Budgetary Basis
 USDA 2010 Equipment Assistance 24183
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	12,500	-	(12,500)
Total Revenues	<u>-</u>	<u>12,500</u>	<u>-</u>	<u>(12,500)</u>
EXPENDITURES				
Current:				
Food Services Operations	-	12,500	12,500	-
Total expenditures	<u>-</u>	<u>12,500</u>	<u>12,500</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(12,500)</u>	<u>(12,500)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(12,500)</u>	<u>(12,500)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(12,500)</u>	<u>(12,500)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (12,500)	
Adjustments to Revenues			12,500	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
Medicaid 3/21 Years 25153
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Federal Grant	\$ -	12,106	14,985	2,879
Total Revenues	<u>-</u>	<u>12,106</u>	<u>14,985</u>	<u>2,879</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	17,635	12,381	5,254
Total Expenditures	<u>-</u>	<u>17,635</u>	<u>12,381</u>	<u>5,254</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(5,529)</u>	<u>2,604</u>	<u>8,133</u>
Other financing sources (uses):				
Designated Cash	-	5,529	-	(5,529)
Total other financing sources (uses):	<u>-</u>	<u>5,529</u>	<u>-</u>	<u>(5,529)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>2,604</u>	<u>2,604</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>5,529</u>	<u>5,529</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>8,133</u>	<u>8,133</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,604	
Adjustments to revenues			-	
Adjustments to expenditures			168	
NET CHANGE IN FUND BALANCE			<u>\$ 2,772</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Budgetary Comparisons - Budgetary Basis
 Dual Credit Instructional Materials 27103
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	201	171	(30)
Total Revenues	<u>-</u>	<u>201</u>	<u>171</u>	<u>(30)</u>
EXPENDITURES				
Current:				
Instruction	-	201	201	-
Total Expenditures	<u>-</u>	<u>201</u>	<u>201</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(30)	(30)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(30)</u>	<u>(30)</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(30)</u>	<u>(30)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (30)	
Adjustments to revenues			30	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Budgetary Comparisons - Budgetary Basis
 New Mexico Reads to Lead K-3 27114
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ 50,000	50,000	50,000	-
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	50,000	-
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Budgetary Comparisons - Budgetary Basis
 Truancy Initiative PED 27141
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	60,000	38,757	(21,243)
Total Revenues	<u>-</u>	<u>60,000</u>	<u>38,757</u>	<u>(21,243)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	60,000	43,041	16,959
Total Expenditures	<u>-</u>	<u>60,000</u>	<u>43,041</u>	<u>16,959</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,284)</u>	<u>(4,284)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,284)</u>	<u>(4,284)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,284)</u>	<u>(4,284)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,284)	
Adjustments to revenues			4,284	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Budgetary Comparisons - Budgetary Basis
 Social Workers for Middle Schools 27194
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	65,000	34,005	(30,995)
Total Revenues	<u>-</u>	<u>65,000</u>	<u>34,005</u>	<u>(30,995)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	65,000	39,318	25,682
Total Expenditures	<u>-</u>	<u>65,000</u>	<u>39,318</u>	<u>25,682</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(5,313)</u>	<u>(5,313)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5,313)</u>	<u>(5,313)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,313)</u>	<u>(5,313)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,313)	
Adjustments to Revenues			5,313	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
Teachers Hard to Staff Stipend 27195
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	182,250	118,507	(63,743)
Total Revenues	<u>-</u>	<u>182,250</u>	<u>118,507</u>	<u>(63,743)</u>
EXPENDITURES				
Current:				
Instruction	-	182,250	161,418	20,832
Total Expenditures	<u>-</u>	<u>182,250</u>	<u>161,418</u>	<u>20,832</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(42,911)</u>	<u>(42,911)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(42,911)</u>	<u>(42,911)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(42,911)</u>	<u>(42,911)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (42,911)	
Adjustments to Revenues			42,911	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	268,363	251,126	(17,237)
Total Revenues	<u>-</u>	<u>268,363</u>	<u>251,126</u>	<u>(17,237)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	268,363	268,363	-
Total Expenditures	<u>-</u>	<u>268,363</u>	<u>268,363</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(17,237)</u>	<u>(17,237)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(17,237)</u>	<u>(17,237)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(17,237)</u>	<u>(17,237)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (17,237)	
Adjustments to Revenues			17,237	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Wells Fargo	FNMA FNMS	3138W7GG3	3/1/2043	\$ 190,887
Wells Fargo	FNMA FNMS	31418AAM0	10/1/2026	10,508
				<u>\$ 201,395</u>

Total Cash per Schedule of Cash Accounts:	\$ 502,902
Less: FDIC coverage:	(250,000)
Uninsured Public Funds:	<u>252,902</u>

Collateral Requirement:	126,451
Pledged Collateral Held by Pledging Financial Institution:	<u>201,395</u>

Balance Over Collateralized: \$ 74,944

Balance Uninsured and Uncollateralized at June 30, 2016: \$ 51,507

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Cash Accounts
 June 30, 2016

Bank Account Type	Wells Fargo
Checking - Operational Account	\$ 502,902
<i>Total on Deposit</i>	502,902
Reconciling Items	<u>(93,993)</u>
Reconciled Balance June 30, 2016	<u>408,909</u>
Less Agency Funds	<u>(2,850)</u>
<i>Total Cash</i>	<u><u>\$ 406,059</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Cash Reconciliation
June 30, 2016

	Operational 11000	Transportation 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2015	\$ 424,651	9,700	32,597	53,655
Add:				
2015-16 revenues	<u>5,053,086</u>	<u>114,721</u>	<u>43,963</u>	<u>558,917</u>
Total Cash Available	5,477,737	124,421	76,560	612,572
Less:				
2015-16 expenditures	(5,224,023)	(119,571)	(54,507)	(500,947)
Receivables/Payables	257,923	-	-	-
Outstanding Loans	<u>(185,586)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>326,051</u>	<u>4,850</u>	<u>22,053</u>	<u>111,625</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>(61,803)</u>	<u>(4,850)</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>264,248</u>	<u>-</u>	<u>22,053</u>	<u>111,625</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(116,829)</u>	<u>-</u>	<u>-</u>	<u>(58,280)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 147,419</u>	<u>-</u>	<u>22,053</u>	<u>53,345</u>

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

Non-Instruct. Fund 23000	Federal Projects Account 24000	Federal Direct 25000	State Account 27000	Public School Capital Outlay 31200	Total
1,495	-	5,529	-	-	527,627
<u>7,337</u>	<u>279,924</u>	<u>14,985</u>	<u>241,441</u>	<u>251,126</u>	<u>6,565,500</u>
8,832	279,924	20,514	241,441	251,126	7,093,127
(5,982)	(247,597)	(12,381)	(293,979)	(268,363)	(6,727,350)
-	545	-	10,473	-	268,941
-	76,430	-	42,065	67,091	-
<u>2,850</u>	<u>109,302</u>	<u>8,133</u>	<u>-</u>	<u>49,854</u>	<u>634,718</u>
-	(109,302)	-	-	(49,854)	(225,809)
<u>2,850</u>	<u>-</u>	<u>8,133</u>	<u>-</u>	<u>-</u>	<u>408,909</u>
				Less: Agency Fund:	(2,850)
					<u>\$ 406,059</u>
<u>(2,850)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(177,959)</u>
<u>-</u>	<u>-</u>	<u>8,133</u>	<u>-</u>	<u>-</u>	<u>230,950</u>
					<u>\$ 230,950</u>

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2016

VOLUME VIII



**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$	923,199
Receivables		
Taxes Receivable		6,717
Other Receivables		340
Due from Other Governments		120,014
Total Current Assets		<u>1,050,270</u>

Noncurrent Assets:

Capital Assets		
Land & Land Improvements		435,125
Buildings and Building Improvements		3,722,125
Furniture, Fixtures, and Equipment		229,264
Less: Accumulated Depreciation		(1,273,252)
Total Noncurrent Assets		<u>3,113,262</u>
Total Assets		<u>4,163,532</u>

Deferred Outflows - Pension Related		<u>552,749</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable		8,500
Accrued Liabilities		327,327
Compensated absences		11,302
Current portion due to authorizer		5,000
Held for others		15,702
Current portion of mortgage payable		76,433
Total Current Liabilities		<u>444,264</u>

Noncurrent Liabilities:

Due to authorizer		10,000
Mortgage payable		2,172,520
Net Pension Liability		4,480,325
Total Noncurrent Liabilities		<u>6,662,845</u>
Total Liabilities		<u>7,107,109</u>

Deferred Inflows - Pension Related		<u>399,923</u>
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NET POSITION

Net Investment in Capital Assets		864,309
Restricted		451,517
Unrestricted (Deficit)		(4,106,577)
Total Net Position	\$	<u>(2,790,751)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,231,879	28,476	170,518	-	(2,032,885)
Support Services:					
Students	240,321	-	-	-	(240,321)
Instruction	109,760	-	-	-	(109,760)
General Administration	130,081	-	-	-	(130,081)
School Administration	357,452	-	-	-	(357,452)
Central Services	196,485	-	-	-	(196,485)
Operation & Maintenance of Plant	161,036	-	-	-	(161,036)
Student Transportation	217,153	-	231,844	-	14,691
Food Services Operation	112,972	12,450	61,148	-	(39,374)
Community Services Operations	-	-	-	-	-
Other Support Services	-	-	-	-	-
Facilities Materials, Supplies & Other Services	554,746	-	-	354,555	(200,191)
Total Governmental Activities	\$ 4,311,885	40,926	463,510	354,555	(3,452,894)
General Revenues:					
Property Taxes					\$ 469,533
State Equalization Guarantee					3,151,932
Miscellaneous					306,568
Total General Revenues					<u>3,928,033</u>
Change in Net Position					<u>475,139</u>
Net Position- Beginning					(3,265,890)
Net position, Ending					<u>\$ (2,790,751)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 465,326	14,691	16,269	7,257
Accounts Receivable				
Taxes Receivable	-	-	-	-
Other Receivables	-	-	-	-
Due from Governments	6,084	-	-	-
Due from Other Funds	103,756	-	-	-
Other Assets	-	-	-	-
Total Assets	\$ 575,166	14,691	16,269	7,257
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 8,500	-	-	-
Accrued Expenditures	323,733	-	-	-
Due to Authorizer	15,000	-	-	-
Held for Others	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	347,233	-	-	-
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	14,691	16,269	7,257
Capital Improvements	-	-	-	-
Unassigned (Deficit)	227,933	-	-	-
Total Fund Balance (Deficit)	227,933	14,691	16,269	7,257
Total Liabilities and Fund Balances (Deficit)	\$ 575,166	14,691	16,269	7,257

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	English Language Acquisition 24153	Teacher Principal Training 24154	Medicaid 25153
-	-	-	-	-	4,291
-	-	-	-	-	-
-	-	-	-	-	-
9,420	26,639	66	2,275	3,051	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>9,420</u>	<u>26,639</u>	<u>66</u>	<u>2,275</u>	<u>3,051</u>	<u>4,291</u>
-	-	-	-	-	-
3,583	-	-	11	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,837	26,639	66	2,264	3,051	-
<u>9,420</u>	<u>26,639</u>	<u>66</u>	<u>2,275</u>	<u>3,051</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	4,291
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,291</u>
<u>9,420</u>	<u>26,639</u>	<u>66</u>	<u>2,275</u>	<u>3,051</u>	<u>4,291</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Dual Credit Instructional Materials 27103	Literacy for Children at Risk PED 27107	NM Grown Fresh Fruits & Vegetables 27183	Parent Advocacy Project 27193
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Taxes Receivable	-	-	-	-
Other Receivables	-	-	-	-
Due from Government	188	2,944	-	-
Due from Other Funds	-	-	-	-
Other Assets	-	-	-	-
Total Assets	\$ 188	2,944	-	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	-	-
Due to Authorizer	-	-	-	-
Held for Others	-	-	-	-
Due to Other Funds	188	2,944	-	-
Total Liabilities	188	2,944	-	-
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balance (Deficit)	-	-	-	-
Total Liabilities and Fund Balances (Deficit)	\$ 188	2,944	-	-

The accompanying notes are an integral part of these financial statements

Private Direct Grants 29102	Public School Capital Outlay 31200	Capital Improvements HB-33 31600	SB-9 Capital Improvements 31700	Educational Technology Equipment Act 31900	Foundation	Total
-	-	193,176	119,370	70,160	32,659	923,199
-	-	2,687	4,030	-	-	6,717
-	-	-	-	-	340	340
-	62,767	-	6,580	-	-	120,014
-	-	-	-	-	-	103,756
-	-	-	-	-	-	-
-	62,767	195,863	129,980	70,160	32,999	1,154,026
-	-	-	-	-	-	8,500
-	-	-	-	-	-	327,327
-	-	-	-	-	-	15,000
-	-	-	-	-	15,702	15,702
-	62,767	-	-	-	-	103,756
-	62,767	-	-	-	15,702	470,285
-	-	-	-	-	-	38,217
-	-	195,863	129,980	70,160	17,297	413,300
-	-	-	-	-	-	232,224
-	-	195,863	129,980	70,160	17,297	683,741
-	62,767	195,863	129,980	70,160	32,999	1,154,026

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 683,741**

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

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

Capital Assets	4,386,514	
Accumulated Depreciation	<u>(1,273,252)</u>	3,113,262

Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		552,749
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Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Compensated Absences	(11,302)	
Mortgage Payable	(2,248,953)	
Net Pension Liability	<u>(4,480,325)</u>	(6,740,580)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		<u>(399,923)</u>
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Net Position-Total Governmental Activities **\$ (2,790,751)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	3,151,932	231,844	25,663	-
Federal Grant	6,084	-	-	61,148
Charges for Services	28,476	-	-	12,450
Miscellaneous Income	42,602	-	-	-
Total Revenues	3,229,094	231,844	25,663	73,598
EXPENDITURES				
Current:				
Instruction	2,121,778	-	29,505	-
Support Services:				
Students	163,010	-	-	-
Instruction	106,816	-	-	-
General Administration	58,936	-	-	-
School Administration	357,302	-	-	-
Central Services	196,485	-	-	-
Operation & Maintenance of Plant	161,036	-	-	-
Student Transportation	-	217,153	-	-
Other Support Services Operations	-	-	-	-
Food Services Operation	40,225	-	-	72,411
Community Services Operation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	3,205,588	217,153	29,505	72,411
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>23,506</u>	<u>14,691</u>	<u>(3,842)</u>	<u>1,187</u>
Net Changes in Fund Balances	23,506	14,691	(3,842)	1,187
Fund Balances(Deficit) - Beginning of Year	204,427	-	20,111	6,070
Fund Balances (Deficit) - End of Year	\$ 227,933	14,691	16,269	7,257

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	English Language Acquisition 24153	Teacher Principal Training 24154	Medicaid 25153
-	-	-	-	-	-
-	-	-	-	-	4,291
36,735	77,610	66	12,485	3,051	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>36,735</u>	<u>77,610</u>	<u>66</u>	<u>12,485</u>	<u>3,051</u>	<u>4,291</u>
35,041	444	-	12,393	2,901	-
-	77,245	66	-	-	-
-	-	-	-	-	-
1,694	-	-	92	-	-
-	-	-	-	150	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>36,735</u>	<u>77,689</u>	<u>66</u>	<u>12,485</u>	<u>3,051</u>	<u>-</u>
-	(79)	-	-	-	4,291
-	(79)	-	-	-	4,291
-	79	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,291</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL

Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016

	Dual Credit Instructional Materials 27103	Literacy for Children at Risk PED 27107	NM Grown Fresh Fruits & Vegetables 27183	Parent Advocacy Project 27193
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	1,253	2,944	336	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	1,253	2,944	336	-
EXPENDITURES				
Current:				
Instruction	1,253	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	2,944	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operation	-	-	336	-
Community Services Operation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	1,253	2,944	336	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Fund Balances(Deficit) - Beginning of Year	-	-	-	-
Fund Balances (Deficit) - End of Year	\$ -	-	-	-

The accompanying notes are an integral part of these financial statements

Private Direct Grants 29102	Public School Capital Outlay 31200	Capital Improvements HB-33 31600	SB-9 Capital Improvements 31700	Educational Technology Equipment Act 31900	Foundation	Total
-	-	197,732	271,801	-	-	469,533
-	251,067	-	15,488	88,000	-	3,772,818
-	-	-	-	-	-	197,179
-	-	-	-	-	-	40,926
-	-	108	196	-	263,662	306,568
-	251,067	197,840	287,485	88,000	263,662	4,787,024
212	-	-	-	-	-	2,203,527
-	-	-	-	-	-	240,321
-	-	-	-	-	-	109,760
-	-	1,977	2,801	-	64,581	130,081
-	-	-	-	-	-	357,452
-	-	-	-	-	-	196,485
-	-	-	-	-	-	161,036
-	-	-	-	-	-	217,153
-	-	-	-	-	-	-
-	-	-	-	-	-	112,972
-	-	-	-	-	-	-
-	251,067	-	297,669	17,840	-	566,576
-	-	-	-	-	79,056	79,056
-	-	-	-	-	119,163	119,163
212	251,067	1,977	300,470	17,840	262,800	4,493,582
(212)	-	195,863	(12,985)	70,160	862	293,442
(212)	-	195,863	(12,985)	70,160	862	293,442
212	-	-	142,965	-	16,435	390,299
-	-	195,863	129,980	70,160	17,297	683,741

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 293,442**

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

Change in compensated absences (1,139)

Change in net pension liability (27,213)

Capital Outlays to purchase or build capital assets are reported in governmental funds as
 expenditures. However, for governmental activities, those costs are shown in the statement
 of net position and allocated over their estimated useful lives as annual depreciation
 expenses in the statement of activities.

Additions to capital outlay 240,130

Depreciation and amortization expense (109,137)

The issuance of long-term debt provides current financial resources to governmental funds,
 while the repayment of the principal of long-term debt consumes the current financial
 resources of governmental funds. Neither transaction, however, has any effect on net
 position.

Payments on mortgage payable 79,056

Change in Net Position-Total Governmental Activities **\$ 475,139**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 MONTE DEL SOL CHARTER SCHOOL
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2016

	<u>Agency</u>
ASSETS	
Cash in Bank	<u>\$ 27,119</u>
Total Assets	<u><u>\$ 27,119</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 27,119</u>
Total Liabilities	<u><u>\$ 27,119</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 27,164	35,985	(36,030)	27,119
Total Assets	<u>\$ 27,164</u>	<u>35,985</u>	<u>(36,030)</u>	<u>27,119</u>
LIABILITIES				
Deposits Held for Others	\$ 27,164	35,985	(36,030)	27,119
Total Liabilities	<u>\$ 27,164</u>	<u>35,985</u>	<u>(36,030)</u>	<u>27,119</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Monte Del Sol Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5-10 years
Land and Land Improvements	15 years
Buildings and Improvements	5-40 years

Capital assets for MDS are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Monte Del Sol Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 2. RECEIVABLES

Receivables as of June 30, 2016 are as follows:

Due from Other Governments:

Operational	\$ 6,084
Title I IASA	9,420
IDEA-B Entitlement	26,639
IDEA-B Risk Pool	66
English Language Acquisition	2,275
Teacher / Principal Training	3,051
Dual Credit Instructional Materials	188
Literacy for Children at Risk PED	2,944
Public School Capital Outlay	62,767
SB-9 Capital Improvements	<u>6,580</u>
Total Due from Other Governments	<u>\$ 120,014</u>

Taxes Receivable:

Capital Improvements HB-33	\$ 2,687
SB-9 Capital Improvements	<u>4,030</u>
Total Taxes Receivable	<u>\$ 6,717</u>

Other Receivables:

Foundation	<u>\$ 340</u>
Total Other Receivables	<u>\$ 340</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Monte Del Sol Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 3. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets not being Depreciated</i>				
Land	\$ 425,000	-	-	425,000
<i>Total</i>	<u>425,000</u>	<u>-</u>	<u>-</u>	<u>425,000</u>
<i>Capital Assets being Depreciated:</i>				
Land Improvements	10,125	-	-	10,125
Furniture, Fixtures and Equipment	173,285	55,979	-	229,264
Building and Improvements	3,537,974	184,151	-	3,722,125
<i>Total</i>	<u>3,721,384</u>	<u>240,130</u>	<u>-</u>	<u>3,961,514</u>
<i>Less: Accumulated Depreciation</i>				
Land Improvements	(2,784)	(253)	-	(3,037)
Furniture, Fixtures and Equipment	(146,590)	(6,080)	-	(152,670)
Building and Improvements	(1,014,741)	(102,804)	-	(1,117,545)
<i>Total</i>	<u>(1,164,115)</u>	<u>(109,137)</u>	<u>-</u>	<u>(1,273,252)</u>
Capital Assets, Net	<u>\$ 2,982,269</u>	<u>130,993</u>	<u>-</u>	<u>3,113,262</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Facilities, Materials, Supplies & Other Services \$ 109,137

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Monte Del Sol Charter School
 Notes to the Financial Statements
 June 30, 2016

NOTE 4. COMMITMENTS AND LIABILITIES

Monte Del Sol Charter School leases various equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$271,386. The School had a compensated absences balance of \$10,163 at the beginning of the fiscal year. Net increases to the balance were \$1,139 which resulted in an ending balance of \$11,302. The entire balance is considered to be current.

Monte Del Sol's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ 253,752
2018	253,752
2019	253,752
2020	253,752
2021	253,752
2022-2026	1,268,760
2027-2031	1,268,760
2032-2036	1,268,760
2037-2041	1,268,760
2042	<u>253,752</u>
Total minimum lease payments	<u>\$ 6,597,552</u>

The Foundation for Monte del Sol Charter School maintains two mortgages against the school property. As of June 30, 2016, the balances on each respective mortgage is as follows:

LANB loan, 5.50% interest	\$ 327,339
LANB mortgage, 5.50% interest	<u>1,921,614</u>
Total	<u>\$ 2,248,953</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Monte Del Sol Charter School
 Notes to the Financial Statements
 June 30, 2016

NOTE 4. COMMITMENTS AND LIABILITIES (Continued)

The aggregate amounts of principal maturities and interest of bonds payable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 76,433	121,785	198,218
2018	80,744	117,474	198,218
2019	85,299	112,919	198,218
2020	90,111	108,107	198,218
2021	95,194	103,024	198,218
2022-2026	562,833	428,256	991,089
2027-2031	740,521	250,568	991,089
2032-2036	517,818	44,602	562,420
Total	<u>\$ 2,248,953</u>	<u>1,286,735</u>	<u>3,535,688</u>

NOTE 5. DEFICIT FUND BALANCE

There were no funds that had a deficit fund balance at June 30, 2016.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

Monte Del Sol Charter School had the following funds with expenditures in excess of the budget during the year ended June 30, 2016:

Food Services	
Food Services Operations	<u>\$ 3,541</u>

NOTE 7. RELATED PARTY TRANSACTIONS

Monte Del Sol Charter School has created a Foundation which donates various funds to the school and entered into a mortgage and a loan to purchase and remodel a building for the school. The Foundation is considered a component unit of the School and is presented as a blended component unit.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Monte Del Sol Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Monte Del Sol Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal years ended June 30, 2015 and June 30, 2016 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Monte Del Sol Charter School were \$276,688 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Monte Del Sol Charter School reported a liability of \$4,480,325 for its proportionate share of the net pension liability. Monte Del Sol Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Monte Del Sol Charter School's proportion was 0.06917% percent, which was a decrease of 0.00628% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Monte Del Sol Charter School recognized pension expense of \$303,901. As of June 30, 2016, Monte Del Sol Charter School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Monte Del Sol Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	83,061
Changes in assumptions	154,102	-
Net difference between projected and actual earnings on pension plan investments	-	20,167
Changes in proportion and differences between Monte Del Sol Charter School's contributions and proportionate share of contributions	121,959	296,695
Monte Del Sol Charter School's contributions subsequent to the measurement date	<u>276,688</u>	<u>-</u>
Total	<u>\$ 552,749</u>	<u>399,923</u>

\$276,688 reported as deferred outflows of resources related to pensions resulting from Monte Del Sol Charter School's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (47,142)
2018	(52,477)
2019	(86,470)
2020	<u>62,227</u>
Total	<u>\$ (123,862)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Monte Del Sol Charter School
 Notes to the Financial Statements
 June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Sensitivity of Monte Del Sol Charter School's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Monte Del Sol Charter School's proportionate share of the net pension liability	<u>\$ 6,028,577</u>	<u>4,480,325</u>	<u>3,179,633</u>

Payables to the pension plan. Monte Del Sol Charter School accrued \$84,548 in ERB benefits at June 30, 2016 for teachers with ten month contracts.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Monte Del Sol Charter School
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.08%	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 4,305	4,480	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 2,080	1,889	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.97%	237.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*These amounts presented for each fiscal year were determined as of June 30, 2015

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Monte Del Sol Charter School
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 273	312	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	273	273	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	39	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 268	5		\$ 55	55	60	98	-						
2015	(123)	5			(47)	(52)	(86)	62	-					
2016	-	5				-	-	-	-	-				
2017	-	5					-	-	-	-				
2018	-	5						-	-	-				
2019	-	5							-	-				
2020	-	5								-				
2021	-	5									-			
2022	-	5										-		
2023	-	5											-	
	<u>\$ 145</u>			<u>\$ 55</u>	<u>8</u>	<u>8</u>	<u>12</u>	<u>62</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,135,573	3,143,358	3,151,932	8,574
Federal Grant	-	-	-	-
Charges for Services	16,000	16,000	28,476	12,476
Miscellaneous Income	51,566	51,566	42,602	(8,964)
Total Revenues	3,203,139	3,210,924	3,223,010	12,086
EXPENDITURES				
Current:				
Instruction	2,082,422	2,165,944	2,121,778	44,166
Support Services:				
Students	210,880	204,746	154,510	50,236
Instruction	68,649	113,674	106,816	6,858
General Administration	16,500	59,049	58,936	113
School Administration	455,210	363,498	357,302	6,196
Central Services	177,530	203,193	196,485	6,708
Operation & Maintenance of Plant	185,143	190,024	161,036	28,988
Student Transportation	-	-	-	-
Other Support Services Operations	75,000	75,000	-	75,000
Food Services Operations	40,225	40,225	40,225	-
Community Services Operations	-	-	-	-
Total Expenditures	3,311,559	3,415,353	3,197,088	218,265
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(108,420)</u>	<u>(204,429)</u>	<u>25,922</u>	<u>230,351</u>
Net Changes in Fund Balances	(108,420)	(204,429)	25,922	230,351
Cash or Fund Balances - Beginning of Year	-	-	204,427	204,427
Cash or Fund Balances - End of Year	\$ (108,420)	(204,429)	230,349	434,778
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 25,922	
Adjustments to Revenues			6,084	
Adjustments to Expenditures			(8,500)	
NET CHANGE IN FUND BALANCE			\$ 23,506	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Student Transportation 13000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 152,681	231,844	231,844	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>152,681</u>	<u>231,844</u>	<u>231,844</u>	<u>-</u>
EXPENDITURES				
Current:				
Student Transportation	152,681	231,844	217,153	14,691
Total Expenditures	<u>152,681</u>	<u>231,844</u>	<u>217,153</u>	<u>14,691</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	14,691	14,691
Net Changes in Fund Balances	-	-	14,691	14,691
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>14,691</u>	<u>14,691</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 14,691	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 14,691</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 19,756	25,663	25,663	-
Total Revenues	<u>19,756</u>	<u>25,663</u>	<u>25,663</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	36,756	45,774	29,505	16,269
Total Expenditures	<u>36,756</u>	<u>45,774</u>	<u>29,505</u>	<u>16,269</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(17,000)</u>	<u>(20,111)</u>	<u>(3,842)</u>	<u>16,269</u>
Net Changes in Fund Balances	<u>(17,000)</u>	<u>(20,111)</u>	<u>(3,842)</u>	<u>16,269</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>20,111</u>	<u>20,111</u>
Cash or Fund Balances - End of Year	<u>\$ (17,000)</u>	<u>(20,111)</u>	<u>16,269</u>	<u>36,380</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,842)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (3,842)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	-	-
Federal Grant	50,000	50,000	61,148	11,148
Charges for Services	12,800	12,800	12,450	(350)
Miscellaneous Income	-	-	-	-
Total Revenues	<u>62,800</u>	<u>62,800</u>	<u>73,598</u>	<u>10,798</u>
EXPENDITURES				
Current:				
Food Services Operations	62,800	68,870	72,411	(3,541)
Total Expenditures	<u>62,800</u>	<u>68,870</u>	<u>72,411</u>	<u>(3,541)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(6,070)	1,187	7,257
Net Changes in Fund Balances	-	(6,070)	1,187	7,257
Cash or Fund Balances - Beginning of Year	-	-	6,070	6,070
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>(6,070)</u>	<u>7,257</u>	<u>13,327</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,187	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1,187</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 45,000	55,195	27,315	(27,880)
Total Revenues	<u>45,000</u>	<u>55,195</u>	<u>27,315</u>	<u>(27,880)</u>
EXPENDITURES				
Current:				
Instruction	42,123	52,318	35,041	17,277
Support Services:				
Students	800	800	-	800
General Administration	2,077	2,077	1,694	383
Total Expenditures	<u>45,000</u>	<u>55,195</u>	<u>36,735</u>	<u>18,460</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(9,420)</u>	<u>(9,420)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(9,420)</u>	<u>(9,420)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(9,420)</u>	<u>(9,420)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,420)	
Adjustments to Revenues			9,420	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 74,580	79,050	50,971	(28,079)
Total Revenues	<u>74,580</u>	<u>79,050</u>	<u>50,971</u>	<u>(28,079)</u>
EXPENDITURES				
Current:				
Instruction	-	1,804	444	1,360
Support Services:				
Students	74,580	77,246	77,245	1
Total Expenditures	<u>74,580</u>	<u>79,050</u>	<u>77,689</u>	<u>1,361</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(26,718)</u>	<u>(26,718)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(26,718)</u>	<u>(26,718)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>79</u>	<u>79</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(26,639)</u>	<u>(26,639)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (26,718)	
Adjustments to Revenues			26,639	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (79)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B "Risk Pool" 24120
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	66	-	(66)
Total Revenues	<u>-</u>	<u>66</u>	<u>-</u>	<u>(66)</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	66	66	-
Total Expenditures	<u>-</u>	<u>66</u>	<u>66</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(66)</u>	<u>(66)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(66)</u>	<u>(66)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(66)</u>	<u>(66)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (66)	
Adjustments to Revenues			66	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
English Language Acquisition 24153
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	14,096	10,210	(3,886)
Total Revenues	<u>-</u>	<u>14,096</u>	<u>10,210</u>	<u>(3,886)</u>
EXPENDITURES				
Current:				
Instruction	-	13,850	12,393	1,457
Support Services:				
General Administration	-	246	92	154
Total Expenditures	<u>-</u>	<u>14,096</u>	<u>12,485</u>	<u>1,611</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,275)</u>	<u>(2,275)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,275)</u>	<u>(2,275)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,275)</u>	<u>(2,275)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (2,275)	
Adjustments to Revenues			2,275	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher / Principal Training 24154
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	10,514	-	(10,514)
Total Revenues	<u>-</u>	<u>10,514</u>	<u>-</u>	<u>(10,514)</u>
EXPENDITURES				
Current:				
Instruction	-	6,514	2,901	3,613
Support Services:				
School Administration	-	4,000	150	3,850
Total Expenditures	<u>-</u>	<u>10,514</u>	<u>3,051</u>	<u>7,463</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,051)</u>	<u>(3,051)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,051)</u>	<u>(3,051)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,051)</u>	<u>(3,051)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,051)	
Adjustments to Revenues			3,051	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Medicaid 25153
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	2,628	4,291	1,663
Total Revenues	<u>-</u>	<u>2,628</u>	<u>4,291</u>	<u>1,663</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	2,628	-	2,628
Total Expenditures	<u>-</u>	<u>2,628</u>	<u>-</u>	<u>2,628</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>4,291</u>	<u>4,291</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>4,291</u>	<u>4,291</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,291</u>	<u>4,291</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 4,291	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 4,291</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	1,253	1,065	(188)
Total Revenues	<u>-</u>	<u>1,253</u>	<u>1,065</u>	<u>(188)</u>
EXPENDITURES				
Current:				
Instruction	-	1,253	1,253	-
Total Expenditures	<u>-</u>	<u>1,253</u>	<u>1,253</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(188)	(188)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(188)</u>	<u>(188)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(188)</u>	<u>(188)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (188)	
Adjustments to Revenues			188	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children at Risk PED 27107
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 4,683	4,683	2,714	(1,969)
Total Revenues	<u>4,683</u>	<u>4,683</u>	<u>2,714</u>	<u>(1,969)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	4,683	4,683	2,944	1,739
Total Expenditures	<u>4,683</u>	<u>4,683</u>	<u>2,944</u>	<u>1,739</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(230)	(230)
Net Changes in Fund Balances	-	-	(230)	(230)
Cash or Fund Balances - Beginning of Year	-	-	(2,714)	(2,714)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,944)</u>	<u>(2,944)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (230)	
Adjustments to Revenues			230	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
NM Grown Fresh Fruits & Vegetables 27183
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	382	336	(46)
Total Revenues	<u>-</u>	<u>382</u>	<u>336</u>	<u>(46)</u>
EXPENDITURES				
Current:				
Food Services Operations	-	382	336	46
Total Expenditures	<u>-</u>	<u>382</u>	<u>336</u>	<u>46</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Parent Advocacy Project 27193
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	999	999
Total Revenues	<u>-</u>	<u>-</u>	<u>999</u>	<u>999</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	999	999
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>999</u>	<u>999</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(999)</u>	<u>(999)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 999	
Adjustments to Revenues			(999)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	179	212	212	-
Total Expenditures	<u>179</u>	<u>212</u>	<u>212</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(179)</u>	<u>(212)</u>	<u>(212)</u>	<u>-</u>
Net Changes in Fund Balances	<u>(179)</u>	<u>(212)</u>	<u>(212)</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>212</u>	<u>212</u>
Cash or Fund Balances - End of Year	<u>\$ (179)</u>	<u>(212)</u>	<u>-</u>	<u>212</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (212)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (212)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	252,959	188,300	(64,659)
Total Revenues	<u>-</u>	<u>252,959</u>	<u>188,300</u>	<u>(64,659)</u>
EXPENDITURES				
Capital Outlay	-	252,959	251,067	1,892
Total Expenditures	<u>-</u>	<u>252,959</u>	<u>251,067</u>	<u>1,892</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(62,767)	(62,767)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(62,767)</u>	<u>(62,767)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(62,767)</u>	<u>(62,767)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (62,767)	
Adjustments to Revenues			62,767	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements HB-33 31600
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 203,583	203,583	195,018	(8,565)
Miscellaneous Income	-	-	108	108
Total Revenues	<u>203,583</u>	<u>203,583</u>	<u>195,126</u>	<u>(8,457)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	2,050	2,050	1,950	100
Capital Outlay	201,533	201,533	-	201,533
Total Expenditures	<u>203,583</u>	<u>203,583</u>	<u>1,950</u>	<u>201,633</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>193,176</u>	<u>193,176</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>193,176</u>	<u>193,176</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>193,176</u>	<u>193,176</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 193,176	
Adjustments to Revenues			2,714	
Adjustments to Expenditures			(27)	
NET CHANGE IN FUND BALANCE			<u>\$ 195,863</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements SB-9 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 300,000	300,000	276,031	(23,969)
State Grant	16,970	25,497	8,908	(16,589)
Miscellaneous Income	200	200	196	(4)
Total Revenues	317,170	325,697	285,135	(40,562)
EXPENDITURES				
Current:				
Support Services:				
General Administration	3,000	3,000	2,760	240
Capital Outlay	444,170	457,361	297,669	159,692
Total Expenditures	447,170	460,361	300,429	159,932
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(130,000)</i>	<i>(134,664)</i>	<i>(15,294)</i>	<i>119,370</i>
Net Changes in Fund Balances	(130,000)	(134,664)	(15,294)	119,370
Cash or Fund Balances - Beginning of Year	-	-	134,664	134,664
Cash or Fund Balances - End of Year	\$ (130,000)	(134,664)	119,370	254,034
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (15,294)	
Adjustments to Revenues			2,350	
Adjustments to Expenditures			(41)	
NET CHANGE IN FUND BALANCE			\$ (12,985)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Ed Technology Equipment Act 31900
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	-	88,000	88,000	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>88,000</u>	<u>88,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	-	-	-
Capital Outlay	-	88,000	17,840	70,160
Total Expenditures	<u>-</u>	<u>88,000</u>	<u>17,840</u>	<u>70,160</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	70,160	70,160
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>70,160</u>	<u>70,160</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>70,160</u>	<u>70,160</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 70,160	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 70,160</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Federal Home Loan Bank of Dallas	FHLMC Pool #849288	31300MJ95	1/1/2038	\$ 36,454
Federal Home Loan Bank of Dallas	FHLMC Pool #849288	31300MJ95	1/1/2038	91,134
Federal Home Loan Bank of Dallas	FHLMC Pool #849288	31300MJ95	1/1/2038	364,535
Federal Home Loan Bank of Dallas	FHLMC Bullet	3137EADV8	7/14/2017	500,858
Federal Home Loan Bank of Dallas	FHLMC Bullet	3137EADV8	7/14/2017	500,859
				<u>\$ 1,493,840</u>

Total Cash per Schedule of Cash Accounts (Excluding Foundation): \$ 950,978
Less: FDIC coverage: (250,000)
Uninsured Public Funds: 700,978

Collateral Requirement: 350,489
Pledged Collateral Held by Pledging Financial Institution: 1,493,840
Balance Over Collateralized: \$ 1,143,351

Balance Uninsured and Uncollateralized at June 30, 2016: \$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 MONTE DEL SOL CHARTER SCHOOL
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>LANB</u>
Checking - Operational Account	\$ 921,455
Checking - Activity Funds	29,523
Foundation	
Checking	12,043
Savings	20,608
LISTO	8
	<hr/>
Total on Deposit	983,637
Reconciling Items	<hr/> (33,319)
Reconciled Balance June 30, 2016	<hr/> 950,318
Less Agency Funds	<hr/> (27,119)
Total Cash	<hr/> <hr/> \$ 923,199

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Cash Reconciliation
June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000
Cash, June 30, 2015	\$ 457,866	-	20,111
Add:			
2015-16 revenues	<u>2,969,571</u>	<u>231,844</u>	<u>25,663</u>
Total cash available	3,427,437	231,844	45,774
Less:			
2015-16 expenditures	(3,197,088)	(217,153)	(29,505)
Receivables/Payables	338,733	-	-
Prepaid Expenses	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>569,082</u>	<u>14,691</u>	<u>16,269</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>(103,756)</u>	<u>-</u>	<u>-</u>
Cash per Books	<u>465,326</u>	<u>14,691</u>	<u>16,269</u>
Fund Balance (Deficit) Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>(341,149)</u>	<u>-</u>	<u>-</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 227,933</u>	<u>14,691</u>	<u>16,269</u>

The accompanying notes are an integral part of these financial statements

Food Services 21000	Federal Flowthrough 24000	Federal Direct Fund 25000	State Flowthrough 27000	Local or State Fund 29000	Public School Capital Outlay 31200
6,070	1,815	-	-	212	-
<u>73,598</u>	<u>86,760</u>	<u>4,291</u>	<u>1,401</u>	<u>-</u>	<u>188,300</u>
79,668	88,575	4,291	1,401	212	188,300
(72,411)	(130,026)	-	(4,533)	(212)	(251,067)
-	3,594	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>7,257</u>	<u>(37,857)</u>	<u>4,291</u>	<u>(3,132)</u>	<u>-</u>	<u>(62,767)</u>
-	37,857	-	3,132	-	62,767
<u>7,257</u>	<u>-</u>	<u>4,291</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	37,857	-	3,132	-	62,767
<u>7,257</u>	<u>-</u>	<u>4,291</u>	<u>-</u>	<u>-</u>	<u>-</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTE DEL SOL CHARTER SCHOOL
Cash Reconciliation
June 30, 2016

	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Ed Technology Equipment Act 31900	Total
Cash, June 30, 2015	-	134,664	-	620,738
Add:				
2015-16 revenues	<u>195,126</u>	<u>285,135</u>	<u>88,000</u>	<u>4,149,689</u>
Total cash available	195,126	419,799	88,000	4,770,427
Less:				
2015-16 expenditures	(1,950)	(300,429)	(17,840)	(4,222,214)
Receivables/Payables	-	-	-	342,327
Prepaid Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>193,176</u>	<u>119,370</u>	<u>70,160</u>	<u>890,540</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash per Books	<u>193,176</u>	<u>119,370</u>	<u>70,160</u>	<u>890,540</u>
			Foundation	<u>32,659</u>
			Total	<u><u>923,199</u></u>
Fund Balance (Deficit) Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>2,687</u>	<u>10,610</u>	-	(224,096)
Fund Balance (Deficit), Modified Accrual Basis	<u>195,863</u>	<u>129,980</u>	<u>70,160</u>	666,444
			Foundation	<u>17,297</u>
			Total	<u><u>683,741</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 625,074
Receivables	
Due from Other Governments	186,516
Prepaid Expenses	30,194
Total Current Assets	<u>841,784</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	531,687
Vehicles	101,747
Playground Equipment	12,974
Less: Accumulated Depreciation	<u>(113,389)</u>
Total Noncurrent Assets	<u>533,019</u>

Total Assets	<u>1,374,803</u>
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Deferred Outflows - Pension Related	<u>652,259</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	18,610
Accrued Liabilities	27,323
Total Current Liabilities	<u>45,933</u>

Noncurrent Liabilities:

Net Pension Liability	<u>3,127,224</u>
Total Noncurrent Liabilities	<u>3,127,224</u>
Total Liabilities	<u>3,173,157</u>

Deferred Inflows - Pension Related	<u>72,052</u>
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NET POSITION

Investment in Capital Assets	533,019
Restricted	784,051
Unrestricted (Deficit)	<u>(2,535,217)</u>
Total Net Position	<u>\$ (1,218,147)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,928,460	250,000	144,684	-	(1,533,776)
Support Services:					
Students	200,941	-	-	-	(200,941)
General Administration	32,536	-	-	-	(32,536)
School Administration	111,758	-	-	-	(111,758)
Central Services	104,760	-	-	-	(104,760)
Operation & Maintenance of Plant	472,431	-	-	-	(472,431)
Facilities Materials, Supplies & Other Services	396,312	-	-	447,546	51,234
Total Governmental Activities	\$ 3,247,198	250,000	144,684	447,546	(2,404,968)
General Revenues:					
Property Taxes					\$ 344,193
State Equalization Guarantee					2,340,404
Total General Revenues					<u>2,684,597</u>
Change in Net Position					279,629
Net Position (Deficit), Beginning of Year					<u>(1,497,776)</u>
Net position (Deficit), Ending					<u>\$ (1,218,147)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ -	69,048	-	-
Accounts Receivable				
Due from Government	-	-	-	-
Due from Other Funds	68,228	-	-	-
Prepaid Expenses	30,194	-	-	-
Total Assets	\$ 98,422	69,048	-	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 18,610	-	-	-
Accrued Expenditures	27,323	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	45,933	-	-	-
Fund Balances (Deficit)				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	30,194	-	-	-
Restricted for:				
Instruction	-	69,048	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	22,295	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balance (Deficit)	52,489	69,048	-	-
Total Liabilities and Fund Balances	98,422	69,048	-	-

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

Teacher Principal Training 24154	Public School Capital Outlay 31200	Special Capital Outlay State 31400	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
-	-	-	390,086	165,940	625,074
-	71,876	114,640	-	-	186,516
-	-	-	128,783	-	197,011
-	-	-	-	-	30,194
<u>-</u>	<u>71,876</u>	<u>114,640</u>	<u>518,869</u>	<u>165,940</u>	<u>1,038,795</u>
-	-	-	-	-	18,610
-	-	-	-	-	27,323
-	71,876	125,135	-	-	197,011
<u>-</u>	<u>71,876</u>	<u>125,135</u>	<u>-</u>	<u>-</u>	<u>242,944</u>
-	-	-	-	-	30,194
-	-	-	-	-	69,048
-	-	-	518,869	165,940	684,809
-	-	-	-	-	22,295
-	-	(10,495)	-	-	(10,495)
-	-	(10,495)	518,869	165,940	795,851
<u>-</u>	<u>71,876</u>	<u>114,640</u>	<u>518,869</u>	<u>165,940</u>	<u>1,038,795</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds **\$ 795,851**

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

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

Capital Assets	646,408	
Accumulated Depreciation	(113,389)	
	533,019	533,019

Defined benefit pension plan deferred outflows are not financial
 resources and, therefore, are not reported in the funds 652,259

The net pension liability is not due and payable in the current
 period and, therefore, is not reported in the funds. (3,127,224)

Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, are not reported
 in the funds. (72,052)

Net Position (Deficit) -Total Governmental Activities **\$ (1,218,147)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	2,340,404	29,237	-	-
Federal Grant	-	-	43,841	62,749
Charges for Services	250,000	-	-	-
Total Revenues	<u>2,590,404</u>	<u>29,237</u>	<u>43,841</u>	<u>62,749</u>
EXPENDITURES				
Current:				
Instruction	1,671,444	10,828	43,841	37,178
Support Services:				
Students	170,507	-	-	25,571
General Administration	32,536	-	-	-
School Administration	100,361	-	-	-
Central Services	96,472	-	-	-
Operation & Maintenance of Plant	465,304	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,536,624</u>	<u>10,828</u>	<u>43,841</u>	<u>62,749</u>
Net Changes in Fund Balances	<u>53,780</u>	<u>18,409</u>	<u>-</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>(1,291)</u>	<u>50,639</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 52,489</u>	<u>69,048</u>	<u>-</u>	<u>-</u>

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

Teacher Principal Training 24154	Public School Capital Outlay 31200	Special Capital Outlay State 31400	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
-	-	-	229,540	114,653	344,193
-	287,506	160,040	-	-	2,817,187
8,857	-	-	-	-	115,447
-	-	-	-	-	250,000
<u>8,857</u>	<u>287,506</u>	<u>160,040</u>	<u>229,540</u>	<u>114,653</u>	<u>3,526,827</u>
8,857	-	-	-	-	1,772,148
-	-	-	-	-	196,078
-	-	-	-	-	32,536
-	-	-	-	-	100,361
-	-	-	-	-	96,472
-	-	-	-	-	465,304
-	287,506	170,535	26,227	23,411	507,679
<u>8,857</u>	<u>287,506</u>	<u>170,535</u>	<u>26,227</u>	<u>23,411</u>	<u>3,170,578</u>
-	-	(10,495)	203,313	91,242	356,249
-	-	-	315,556	74,698	439,602
-	-	(10,495)	518,869	165,940	795,851

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balance -Total Governmental Funds **\$ 356,249**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	126,362	
Depreciation Expense	(20,699)	
		105,663

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		(182,283)

Change in Net Position-Total Governmental Activities **\$ 279,629**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Montessori Elementary
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 30,206
Total Assets	<u>\$ 30,206</u>
LIABILITIES	
Deposits Held for Others	\$ 30,206
Total Liabilities	<u>\$ 30,206</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2016

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 3,239	218,321	191,354	30,206
Total Assets	<u>\$ 3,239</u>	<u>218,321</u>	<u>191,354</u>	<u>30,206</u>
LIABILITIES				
Deposits Held for Others	\$ 3,239	218,321	191,354	30,206
Total Liabilities	<u>\$ 3,239</u>	<u>218,321</u>	<u>191,354</u>	<u>30,206</u>

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, fixtures, and equipment	5 years
Vehicles	8 years
Playground equipment	20 years
Improvements to land and buildings	20 years
Buildings	50 years

Capital assets for Montessori Elementary are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	June 30, 2015	Additions	Reclass	June 30, 2016
Capital Assets being Depreciated:				
Furniture, Fixtures and Equipment	\$ 22,353	-	(22,353)	-
Playground equipment	-	12,974	-	12,974
Vehicles	-	101,747	-	101,747
Building and Improvements	497,693	11,641	22,353	531,687
Total	<u>520,046</u>	<u>126,362</u>	<u>-</u>	<u>646,408</u>
Less: Accumulated Depreciation				
Furniture, Fixtures and Equipment	(22,353)	-	22,353	-
Playground equipment	-	(54)	-	(54)
Vehicles	-	(10,599)	-	(10,599)
Building and Improvements	(70,337)	(10,046)	(22,353)	(102,736)
Total	<u>(92,690)</u>	<u>(20,699)</u>	<u>-</u>	<u>(113,389)</u>
Capital Assets, Net	<u>\$ 427,356</u>	<u>105,663</u>	<u>-</u>	<u>533,019</u>

Depreciation expense for the year ended June 30, 2016 was expensed to the following functions:

Capital Outlay	\$ 14,995
Operation and Maintenance of Plant	3,774
Instruction	<u>1,930</u>
Total	<u>\$ 20,699</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Notes to the Financial Statements
June 30, 2016

NOTE 3. COMMITMENTS AND CONTINGENCIES

The Montessori Elementary leased equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$601,288. The Montessori Elementary's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ 624,000
2018	<u>648,000</u>
Total	<u><u>\$1,272,000</u></u>

NOTE 4. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2016:

Special Capital Outlay – 31400	\$ 10,495
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Montessori Elementary is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 5. RELATED PARTY TRANSACTIONS

The Principal's daughter is an employee of the school. The Nepotism Act was waived by governing council in FY 2008. This contract is reviewed and approved annually by the governing council.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Montessori Elementary and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Montessori Elementary are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal years ended June 30,

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Notes to the Financial Statements
June 30, 2016

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

2016 and 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Montessori Elementary were \$200,796 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, and the net pension liability was measured as of that date. At June 30, 2016, Montessori Elementary reported a liability of \$3,127,224 for its proportionate share of the net pension liability. Montessori Elementary's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Montessori Elementary's proportion was 0.04828%, which was an increase of 0.00426% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Montessori Elementary recognized pension expense of \$382,956. At June 30, 2016, Montessori Elementary reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(57,976)
Changes in assumptions	107,562	-
Net difference between projected and actual earnings on pension plan investments	-	(14,076)
Changes in proportion	343,901	-
Montessori Elementary contributions subsequent to the measurement date	200,796	-
Total	<u>\$ 652,259</u>	<u>(72,052)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Notes to the Financial Statements
June 30, 2016

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The amount of \$200,796 reported as deferred outflows of resources related to pensions resulting from Montessori Elementary contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (137,937)
2018	(130,405)
2019	(67,635)
2020	<u>(43,434)</u>
Total	<u>\$ (379,411)</u>

Sensitivity of Montessori Elementary's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Montessori Elementary's proportionate share of the net pension liability	<u>\$ 4,207,889</u>	<u>3,127,224</u>	<u>2,219,353</u>

NOTE 7. BUDGETARY OVERAGE

Montessori Elementary expended in excess of the budget in the following fund and function:

Fund 31400 Special Capital Outlay State – Instruction	\$ 10,135
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTESSORI ELEMENTARY
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,512	3,127	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,213	1,318	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.00%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the prior year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MONTESSORI ELEMENTARY
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 218	201	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	191	201	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 27	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 44	5		\$ (7)	(7)	1	57	-				
2015	(379)	5			(138)	(130)	(68)	(43)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ (335)			\$ (7)	(145)	(129)	(11)	(43)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 2,297,350	2,340,408	2,340,404	(4)
Charges for Services	250,000	250,000	250,000	-
Total Revenues	2,547,350	2,590,408	2,590,404	(4)
EXPENDITURES				
Current:				
Instruction	1,640,479	1,683,537	1,653,326	30,211
Support Services:				
Students	182,149	182,149	170,507	11,642
General Administration	27,000	27,000	26,540	460
School Administration	100,401	100,401	100,361	40
Central Services	99,519	99,519	96,472	3,047
Operation & Maintenance of Plant	497,802	497,802	467,184	30,618
Other Support Services Operations	27,000	27,000	-	27,000
Total Expenditures	2,574,350	2,617,408	2,514,390	103,018
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(27,000)</i>	<i>(27,000)</i>	<i>76,014</i>	<i>103,014</i>
Other Financing Sources (Uses):				
Designated Cash	27,000	27,000	-	(27,000)
Total Other Financing Sources (Uses):	27,000	27,000	-	(27,000)
Net Changes in Fund Balances	-	-	76,014	76,014
Cash or Fund Balances - Beginning of Year	-	-	(1,291)	(1,291)
Cash or Fund Balances - End of Year	\$ -	-	74,723	74,723
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 76,014	
Adjustments to Revenues			-	
Adjustments to Expenditures			(22,234)	
NET CHANGE IN FUND BALANCE			\$ 53,780	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 21,633	21,633	29,237	7,604
Total Revenues	21,633	21,633	29,237	7,604
EXPENDITURES				
Current:				
Instruction	63,330	63,330	10,828	52,502
Total Expenditures	63,330	63,330	10,828	52,502
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(41,697)</i>	<i>(41,697)</i>	<i>18,409</i>	<i>60,106</i>
Other Financing Sources (Uses):				
Designated Cash	41,697	41,697	-	(41,697)
Total Other Financing Sources (Uses):	41,697	41,697	-	(41,697)
Net Changes in Fund Balances	-	-	18,409	18,409
Cash or Fund Balances - Beginning of Year	-	-	50,639	50,639
Cash or Fund Balances - End of Year	\$ -	-	69,048	69,048
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 18,409	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 18,409	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 48,047	49,211	43,841	(5,370)
Total Revenues	<u>48,047</u>	<u>49,211</u>	<u>43,841</u>	<u>(5,370)</u>
EXPENDITURES				
Current:				
Instruction	48,047	49,211	43,841	5,370
Total Expenditures	<u>48,047</u>	<u>49,211</u>	<u>43,841</u>	<u>5,370</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 56,708	96,690	62,749	(33,941)
Total Revenues	<u>56,708</u>	<u>96,690</u>	<u>62,749</u>	<u>(33,941)</u>
EXPENDITURES				
Current:				
Instruction	40,000	66,982	37,178	29,804
Support Services:				
Students	16,708	29,708	25,571	4,137
Total Expenditures	<u>56,708</u>	<u>96,690</u>	<u>62,749</u>	<u>33,941</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 8,966	20,255	8,857	(11,398)
Total Revenues	<u>8,966</u>	<u>20,255</u>	<u>8,857</u>	<u>(11,398)</u>
EXPENDITURES				
Current:				
Instruction	8,966	20,255	8,857	11,398
Total Expenditures	<u>8,966</u>	<u>20,255</u>	<u>8,857</u>	<u>11,398</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ -	287,506	215,630	(71,876)
Total Revenues	<u>-</u>	<u>287,506</u>	<u>215,630</u>	<u>(71,876)</u>
EXPENDITURES				
Capital Outlay	-	287,506	287,506	-
Total Expenditures	<u>-</u>	<u>287,506</u>	<u>287,506</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(71,876)	(71,876)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(71,876)</u>	<u>(71,876)</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(71,876)</u>	<u>(71,876)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (71,876)	
Adjustments to Revenues			71,876	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 45,400	160,400	45,400	(115,000)
Total Revenues	<u>45,400</u>	<u>160,400</u>	<u>45,400</u>	<u>(115,000)</u>
EXPENDITURES				
Capital Outlay	45,400	160,400	170,535	(10,135)
Total Expenditures	<u>45,400</u>	<u>160,400</u>	<u>170,535</u>	<u>(10,135)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(125,135)	(125,135)
Net Changes in Fund Balances	-	-	(125,135)	(125,135)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(125,135)</u>	<u>(125,135)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (125,135)	
Adjustments to Revenues			114,640	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (10,495)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 233,674	233,674	233,392	(282)
Total Revenues	<u>233,674</u>	<u>233,674</u>	<u>233,392</u>	<u>(282)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	2,337	2,337	-	2,337
Capital Outlay	430,347	430,347	26,227	404,120
Total Expenditures	<u>432,684</u>	<u>432,684</u>	<u>26,227</u>	<u>406,457</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(199,010)</u>	<u>(199,010)</u>	<u>207,165</u>	<u>406,175</u>
Other financing sources (uses):				
Designated Cash	199,010	199,010	-	(199,010)
Total other financing sources (uses):	<u>199,010</u>	<u>199,010</u>	<u>-</u>	<u>(199,010)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>207,165</u>	<u>207,165</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>315,556</u>	<u>315,556</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>522,721</u>	<u>522,721</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 207,165	
Adjustments to Revenues			(3,852)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 203,313</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 116,999	116,999	116,336	(663)
State Grant	46,996	46,996	-	(46,996)
Total Revenues	163,995	163,995	116,336	(47,659)
EXPENDITURES				
Capital Outlay	238,198	238,198	23,411	214,787
Total Expenditures	238,198	238,198	23,411	214,787
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(74,203)</i>	<i>(74,203)</i>	<i>92,925</i>	<i>167,128</i>
Other Financing Sources (Uses):				
Designated Cash	74,203	74,203	-	74,203
Total Other Financing Sources (Uses):	74,203	74,203	-	74,203
Net Changes in Fund Balances	-	-	92,925	92,925
Cash or Fund Balances - Beginning of Year	-	-	74,698	74,698
Cash or Fund Balances - End of Year	\$ -	-	167,623	167,623
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 92,925	
Adjustments to Revenues			(1,683)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 91,242	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Montessori Elementary
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Wells Fargo	FNMA FNMS	3138AM6M2	10/1/2026	\$ 243,897
Wells Fargo	FNMA FNMS	31417FYS1	3/1/2043	148,077
				<u>\$ 391,974</u>

Total Cash per Schedule of Cash Accounts:	\$	816,699
Less: FDIC coverage:		<u>(250,000)</u>
Uninsured Public Funds:		566,699
Collateral Requirement:		283,350
Pledged Collateral Held by Pledging Financial Institution:		<u>391,974</u>
Balance Over Collateralized:	\$	<u>108,624</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>174,725</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Montessori Elementary
 Schedule of Cash Accounts
 June 30, 2016

Bank Account Type	Wells Fargo
Checking - Operational Account	\$ 816,699
Total on Deposit	816,699
Reconciling Items	<u>(161,419)</u>
Reconciled Balance June 30, 2016	<u>655,280</u>
Less Agency Funds	<u>(30,206)</u>
Total Cash	<u><u>\$ 625,074</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2015	\$ 23,891	50,639	3,239	-
Add:				
2015-16 revenues	<u>2,590,404</u>	<u>29,238</u>	<u>215,082</u>	<u>115,448</u>
Total Cash Available	2,614,295	79,877	218,321	115,448
Less:				
2015-16 expenditures	(2,514,389)	(10,829)	(199,115)	(115,448)
Receivables/Payables	27,323	-	-	-
Outstanding Loans	<u>(30,194)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>97,035</u>	<u>69,048</u>	<u>19,206</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>(97,035)</u>	<u>-</u>	<u>11,000</u>	<u>-</u>
Cash Per Books	<u>-</u>	<u>69,048</u>	<u>30,206</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	52,489	-	(30,206)	-
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 52,489</u>	<u>69,048</u>	<u>-</u>	<u>-</u>

Public School Capital Outlay 31200	Special Capital Outlay State 31400	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
-	-	311,704	73,015	462,488
<u>215,629</u>	<u>45,400</u>	<u>233,392</u>	<u>116,336</u>	<u>3,560,929</u>
215,629	45,400	545,096	189,351	4,023,417
(287,505)	(170,535)	(26,227)	(23,411)	(3,347,459)
-	-	-	-	27,323
<u>(71,876)</u>	<u>(125,135)</u>	<u>518,869</u>	<u>165,940</u>	<u>(30,194)</u>
71,876	125,135	(128,783)	-	(17,807)
<u>-</u>	<u>-</u>	<u>390,086</u>	<u>165,940</u>	<u>655,280</u>
				Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:
				<u>(30,206)</u>
				<u>\$ 625,074</u>
-	(10,495)	128,783	-	140,571
<u>-</u>	<u>(10,495)</u>	<u>518,869</u>	<u>165,940</u>	<u>795,851</u>
				Balance Sheets - Governmental Funds: <u>\$ 795,851</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,043,752
Receivables	
Due from Other Governments	157,675
Total Current Assets	<u>1,201,427</u>

Noncurrent Assets:

Capital Assets	
Building	2,636,589
Furniture, Fixtures, and Equipment	68,000
Building Improvements	85,055
Vehicles	39,507
Less: Accumulated Depreciation	<u>(809,508)</u>
Total Noncurrent Assets	<u>2,019,643</u>

Total Assets	<u>3,221,070</u>
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Deferred Outflows - Pension Related	<u>271,481</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	24,841
Accrued Liabilities	141,114
Current portion of capital lease obligation	183,426
Total Current Liabilities	<u>349,381</u>

Noncurrent Liabilities:

Noncurrent portion of capital lease obligation	1,843,585
Net Pension Liability	2,550,747
Total Noncurrent Liabilities	<u>4,394,332</u>

Total Liabilities	<u>4,743,713</u>
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Deferred Inflows - Pension Related	<u>174,793</u>
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NET POSITION

Net Investment in Capital Assets	(7,368)
Restricted	215,382
Unrestricted (deficit)	<u>(1,633,969)</u>
Total Net Position	<u>\$ (1,425,955)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,060,105	-	309,126	-	(750,979)
Support Services:					
Students	130,396	-	-	-	(130,396)
Instruction	24,166	-	-	-	(24,166)
General Administration	88,084	-	-	-	(88,084)
School Administration	329,862	-	-	-	(329,862)
Central Services	306,718	-	-	-	(306,718)
Operation & Maintenance of Plant	603,309	-	-	-	(603,309)
Student Transportation	-	-	-	-	-
Food Services	75,347	-	71,735	-	(3,612)
Facilities Materials, Supplies & Other Services	559,528	-	-	270,570	(288,958)
Total Governmental Activities	\$ 3,177,515	-	380,861	270,570	(2,526,084)
General Revenues:					
Property Taxes					\$ 120,406
State Equalization Guarantee					2,662,895
Miscellaneous					22,183
Total General Revenues					<u>2,805,484</u>
Change in Net Position					279,400
Net Position (deficit), Beginning					<u>(1,705,355)</u>
Net position (deficit), Ending					<u>\$ (1,425,955)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 829,139	28,899	10,251	-
Accounts Receivable				
Due from Government	8,297	-	-	16,566
Due from Other Funds	130,246	-	-	-
Total Assets	\$ 967,682	28,899	10,251	16,566
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 19,477	-	-	-
Accrued Expenditures	128,115	-	1,210	5,743
Due to Other Funds	-	-	-	10,823
Total Liabilities	147,592	-	1,210	16,566
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	28,899	-	-
Food Services	-	-	9,041	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	820,090	-	-	-
Total Fund Balance	820,090	28,899	9,041	-
Total Liabilities and Fund Balances	\$ 967,682	28,899	10,251	16,566

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	English Language Acquisition 24153	Teacher/ Principal Training 24154	CNM Foundation 26207	Dual Credit Instructional Materials 27103	2012 GO Bond Student Library SB-66 27107
-	-	-	750	-	-
24,410	5,314	22,871	-	-	-
-	-	-	-	-	-
<u>24,410</u>	<u>5,314</u>	<u>22,871</u>	<u>750</u>	<u>-</u>	<u>-</u>
-	-	5,364	-	-	-
1,288	1,618	-	-	-	-
<u>23,122</u>	<u>3,696</u>	<u>17,507</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>24,410</u>	<u>5,314</u>	<u>22,871</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	750	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	750	-	-
<u>24,410</u>	<u>5,314</u>	<u>22,871</u>	<u>750</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Balance Sheets - Governmental Funds - (Continued)
June 30, 2016

	College Advisor Initiative 27189	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
ASSETS				
Cash and Cash Equivalents	\$ -	-	174,713	1,043,752
Accounts Receivable				
Due from Government	10,595	67,643	1,979	157,675
Due from Other Funds	-	-	-	130,246
Total Assets	\$ 10,595	67,643	\$ 176,692	1,331,673
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	24,841
Accrued Expenditures	3,140	-	-	141,114
Due to Other Funds	7,455	67,643	-	130,246
Total Liabilities	10,595	67,643	-	296,201
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	29,649
Food Services	-	-	-	9,041
Capital Improvements	-	-	176,692	176,692
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	820,090
Total Fund Balance	-	-	176,692	1,035,472
Total Liabilities and Fund Balances	\$ 10,595	67,643	176,692	1,331,673

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds **\$ 1,035,472**

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

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

Capital Assets	2,829,151	
Accumulated Depreciation	<u>(809,508)</u>	
		2,019,643

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		271,481
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The capital lease obligation is not due in the current period and, therefore, is not reported in the funds.		(2,027,011)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(174,793)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(2,550,747)</u>
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Net Position (deficit)-Total Governmental Activities		<u><u>\$ (1,425,955)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	2,662,895	31,168	-	-
Federal Grant	-	-	71,735	91,728
Miscellaneous Income	22,183	-	-	-
Total Revenues	<u>2,685,078</u>	<u>31,168</u>	<u>71,735</u>	<u>91,728</u>
EXPENDITURES				
Current:				
Instruction	830,589	32,110	-	91,728
Support Services:				
Students	64,145	-	-	-
Instruction	20,114	-	-	-
General Administration	88,084	-	-	-
School Administration	324,209	-	-	-
Central Services	307,222	-	-	-
Operation & Maintenance of Plant	759,468	-	-	-
Food Services Operations	-	-	75,408	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,393,831</u>	<u>32,110</u>	<u>75,408</u>	<u>91,728</u>
Net Changes in Fund Balances	<u>291,247</u>	<u>(942)</u>	<u>(3,673)</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>528,843</u>	<u>29,841</u>	<u>12,714</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 820,090</u>	<u>28,899</u>	<u>9,041</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	English Language Acquisition 24153	Teacher/ Principal Training 24154	CNM Foundation 26207	Dual Credit Instructional Materials 27103	2012 GO Bond Student Library SB-66 27107
-	-	-	-	-	-
-	-	-	2,250	-	-
-	-	-	-	806	4,052
56,804	31,003	28,415	-	-	-
-	-	-	-	-	-
<u>56,804</u>	<u>31,003</u>	<u>28,415</u>	<u>2,250</u>	<u>806</u>	<u>4,052</u>
53,273	31,003	21,850	1,500	806	-
3,531	-	-	-	-	-
-	-	-	-	-	4,052
-	-	-	-	-	-
-	-	6,565	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>56,804</u>	<u>31,003</u>	<u>28,415</u>	<u>1,500</u>	<u>806</u>	<u>4,052</u>
-	-	-	750	-	-
-	-	-	-	-	-
-	-	-	750	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>750</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Statement of Revenues, Expenditures, and Changes In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	College Advisor Initiative 27189	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
REVENUES				
Property Taxes	\$ -	-	120,406	120,406
Local & County Grant	-	-	-	2,250
State Grant	62,900	270,570	-	3,032,391
Federal Grant	-	-	-	279,685
Miscellaneous Income	-	-	-	22,183
Total Revenues	<u>62,900</u>	<u>270,570</u>	<u>120,406</u>	<u>3,456,915</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	1,062,859
Support Services:				
Students	62,900	-	-	130,576
Instruction	-	-	-	24,166
General Administration	-	-	-	88,084
School Administration	-	-	-	330,774
Central Services	-	-	-	307,222
Operation & Maintenance of Plant	-	-	-	759,468
Food Services Operations	-	-	-	75,408
Capital Outlay	-	270,572	114,155	384,727
Total Expenditures	<u>62,900</u>	<u>270,572</u>	<u>114,155</u>	<u>3,163,284</u>
Net Changes in Fund Balances	<u>-</u>	<u>(2)</u>	<u>6,251</u>	<u>293,631</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>2</u>	<u>170,441</u>	<u>741,841</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>176,692</u>	<u>1,035,472</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 293,631**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	-	
Depreciation Expense	<u>(183,366)</u>	(183,366)

Principal payments of the capital lease obligation		164,320
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Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		<u>4,815</u>
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Change in Net Position-Total Governmental Activities		<u><u>\$ 279,400</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 1,231
Total Assets	<u>\$ 1,231</u>
LIABILITIES	
Deposits Held for Others	\$ 1,231
Total Liabilities	<u>\$ 1,231</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 2,444	5,370	(6,583)	1,231
Total Assets	<u>\$ 2,444</u>	<u>5,370</u>	<u>(6,583)</u>	<u>1,231</u>
LIABILITIES				
Deposits Held for Others	\$ 2,444	5,370	(6,583)	1,231
Total Liabilities	<u>\$ 2,444</u>	<u>5,370</u>	<u>(6,583)</u>	<u>1,231</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	3 years
Building	15 years
Buildings and Improvements	3-5 years
Vehicles	5 years

Capital assets for New America School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 68,000	-	-	68,000
Building	2,636,589	-	-	2,636,589
Building Improvements	85,055	-	-	85,055
Vehicles	39,507	-	-	39,507
<i>Total</i>	<u>2,829,151</u>	<u>-</u>	<u>-</u>	<u>2,829,151</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(68,000)	-	-	(68,000)
Building	(480,703)	(174,801)	-	(655,504)
Building Improvements	(44,816)	(7,182)	-	(51,998)
Vehicles	(32,623)	(1,383)	-	(34,006)
<i>Total</i>	<u>(626,142)</u>	<u>(183,366)</u>	<u>-</u>	<u>(809,508)</u>
Capital Assets, Net	<u>\$ 2,203,009</u>	<u>(183,366)</u>	<u>-</u>	<u>2,019,643</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Operation & Maintenance of Plant	\$ 8,565
Facilities, Materials, Supplies & Other Services	174,801
Total	<u>\$ 183,366</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Beginning September 2012, New America School converted the operating lease for the building to a capital lease with the landlord, CSDCPC NAS, LLC. The lease passes title to New America School at the end of the lease term and there is a bargain purchase option. The following is an analysis of the leased property under capital leases by major class:

<u>Classes of Property</u>	<u>Asset Balance</u>
Building	\$ 2,636,589
Less: Accumulated amortization	(655,504)
	<u>\$ 1,981,085</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Notes to the Financial Statements
June 30, 2016

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

The following is a schedule of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 2016:

	Principal	Interest	Total
2017	\$ 183,426	214,879	398,305
2018	133,245	195,825	329,070
2019	110,969	183,484	294,453
2020	123,872	170,581	294,453
2021	138,275	138,275	276,550
2022-2026	973,338	498,929	1,472,267
2027-2031	363,886	29,164	393,050
Total	<u>\$ 2,027,011</u>	<u>1,431,137</u>	<u>3,458,148</u>

The total outstanding principal balance under this capital lease is reflected on the statement of net position as current and noncurrent portions of long-term debt of \$183,426 and \$1,843,585, respectively.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to New America School and does not include general disclosure information pertaining to the New Mexico Educational Employees’ Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and New America School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal years ended June 30, 2016 and 2015, employers contributed 13.90% of employees’ gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from New America School were \$167,025 for the year ended June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015 using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date of June 30, 2015. At June 30, 2016, New America School reported a liability of \$2,550,747 for its proportionate share of the net pension liability. New America School’s proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, New America School’s proportion was 0.03938%, which was an increase of 0.00032% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, New America School recognized pension expense of \$163,088. At June 30, 2016, New America School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(47,288)
Changes in assumptions	87,734	-
Net difference between projected and actual earnings on pension plan investments	-	(11,481)
Changes in proportion	16,722	(116,024)
Fiscal year 2016 employer contributions	<u>167,025</u>	<u>-</u>
Ending balance	<u>\$ 271,481</u>	<u>(174,793)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The amount of \$167,025 reported as deferred outflows of resources related to pensions resulting from New America School contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$	36,764
2018		36,437
2019		32,564
2020		<u>(35,428)</u>
Total	\$	70,337

Sensitivity of New America School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 3,432,201</u>	<u>2,550,747</u>	<u>1,810,235</u>

Payables to the pension plan. At June 30, 2016, New America School owed \$45,467 to ERB for fiscal year 2016 contributions.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NEW AMERICA SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,387	2,551	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,153	1,075	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.03%	237.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NEW AMERICA SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 178	\$ 167	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	156	167	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 22	\$ -	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Deferred	Amortization Years										
2014	\$ 227	5		58	58	57	54	-				
2015	\$ 70	5			37	36	32	(35)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ 297			\$ 58	95	93	86	(35)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 2,429,495	2,662,895	2,662,895	-
Miscellaneous Income	-	13,984	22,183	8,199
Total Revenues	2,429,495	2,676,879	2,685,078	8,199
EXPENDITURES				
Current:				
Instruction	1,155,072	1,420,984	828,644	592,340
Support Services:				
Students	136,688	123,137	64,145	58,992
Instruction	25,000	46,497	20,114	26,383
General Administration	86,500	108,472	85,868	22,604
School Administration	328,394	360,522	324,209	36,313
Central Services	305,315	337,512	306,742	30,770
Operation & Maintenance of Plant	758,350	806,572	749,475	57,097
Food Services Operations	19,300	20,024	-	20,024
Total Expenditures	2,814,619	3,223,720	2,379,197	844,523
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(385,124)</i>	<i>(546,841)</i>	<i>305,881</i>	<i>852,722</i>
Other Financing Sources (Uses):				
Designated Cash	385,124	546,841	-	(546,841)
Total Other Financing Sources (Uses):	385,124	546,841	-	(546,841)
Net Changes in Fund Balances	-	-	305,881	305,881
Cash or Fund Balances - Beginning of Year	-	-	528,843	528,843
Cash or Fund Balances - End of Year	\$ -	-	834,724	834,724
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 305,881	
Adjustments to Revenues			-	
Adjustments to Expenditures			(14,634)	
NET CHANGE IN FUND BALANCE			\$ 291,247	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 22,318	31,168	31,168	-
Total Revenues	<u>22,318</u>	<u>31,168</u>	<u>31,168</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	43,589	52,439	32,110	20,329
Total Expenditures	<u>43,589</u>	<u>52,439</u>	<u>32,110</u>	<u>20,329</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(21,271)</u>	<u>(21,271)</u>	<u>(942)</u>	<u>20,329</u>
Other Financing Sources (Uses):				
Designated Cash	21,271	21,271	-	(21,271)
Total Other Financing Sources (Uses):	<u>21,271</u>	<u>21,271</u>	<u>-</u>	<u>(21,271)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(942)</u>	<u>(942)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>29,841</u>	<u>29,841</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>28,899</u>	<u>28,899</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (942)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (942)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 85,000	85,000	71,735	(13,265)
Total Revenues	<u>85,000</u>	<u>85,000</u>	<u>71,735</u>	<u>(13,265)</u>
EXPENDITURES				
Current:				
Food Services Operations	85,000	97,714	75,408	22,306
Total Expenditures	<u>85,000</u>	<u>97,714</u>	<u>75,408</u>	<u>22,306</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(12,714)</u>	<u>(3,673)</u>	<u>9,041</u>
Other Financing Sources (Uses):				
Designated Cash	-	12,714	-	(12,714)
Total Other Financing Sources (Uses):	<u>-</u>	<u>12,714</u>	<u>-</u>	<u>(12,714)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,673)</u>	<u>(3,673)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>12,714</u>	<u>12,714</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>9,041</u>	<u>9,041</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,673)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (3,673)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 83,318	125,158	75,162	(49,996)
Total Revenues	<u>83,318</u>	<u>125,158</u>	<u>75,162</u>	<u>(49,996)</u>
EXPENDITURES				
Current:				
Instruction	83,318	125,158	91,728	33,430
Total Expenditures	<u>83,318</u>	<u>125,158</u>	<u>91,728</u>	<u>33,430</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(16,566)	(16,566)
Net Changes in Fund Balances	-	-	(16,566)	(16,566)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(16,566)</u>	<u>(16,566)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (16,566)	
Adjustments to Revenues			16,566	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 62,608	147,054	32,394	(114,660)
Total Revenues	<u>62,608</u>	<u>147,054</u>	<u>32,394</u>	<u>(114,660)</u>
EXPENDITURES				
Current:				
Instruction	30,000	106,382	53,273	53,109
Support Services:				
Students	<u>32,608</u>	<u>40,672</u>	<u>3,531</u>	<u>37,141</u>
Total Expenditures	<u>62,608</u>	<u>147,054</u>	<u>56,804</u>	<u>90,250</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(24,410)</u>	<u>(24,410)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(24,410)</u>	<u>(24,410)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(24,410)</u>	<u>(24,410)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (24,410)	
Adjustments to Revenues			24,410	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
English Language Acquisition 24153
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 27,143	57,468	25,689	(31,779)
Total Revenues	<u>27,143</u>	<u>57,468</u>	<u>25,689</u>	<u>(31,779)</u>
EXPENDITURES				
Current:				
Instruction	27,143	57,468	31,003	26,465
Total expenditures	<u>27,143</u>	<u>57,468</u>	<u>31,003</u>	<u>26,465</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(5,314)	(5,314)
Net changes in Fund Balances	-	-	(5,314)	(5,314)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,314)</u>	<u>(5,314)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,314)	
Adjustments to Revenues			5,314	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher/Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 12,800	29,304	25,689	(3,615)
Total Revenues	<u>12,800</u>	<u>29,304</u>	<u>25,689</u>	<u>(3,615)</u>
EXPENDITURES				
Current:				
Instruction	12,800	17,800	17,115	685
Support Services:				
School Administration	-	11,504	5,935	5,569
Total expenditures	<u>12,800</u>	<u>29,304</u>	<u>23,050</u>	<u>6,254</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	2,639	2,639
Net changes in Fund Balances	-	-	2,639	2,639
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,639</u>	<u>2,639</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,639	
Adjustments to Revenues			2,726	
Adjustments to Expenditures			(5,365)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
CNM Foundation 26207
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	2,250	2,250	-
Total Revenues	<u>-</u>	<u>2,250</u>	<u>2,250</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	2,250	1,500	750
Total expenditures	<u>-</u>	<u>2,250</u>	<u>1,500</u>	<u>750</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>750</u>	<u>750</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>750</u>	<u>750</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>750</u>	<u>750</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 750	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 750</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	2,339	806	(1,533)
Total Revenues	<u>-</u>	<u>2,339</u>	<u>806</u>	<u>(1,533)</u>
EXPENDITURES				
Current:				
Instruction	-	2,339	806	1,533
Total Expenditures	<u>-</u>	<u>2,339</u>	<u>806</u>	<u>1,533</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America School
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 GO Bond Student Library SB-66 27107
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 4,089	4,089	4,052	(37)
Total Revenues	<u>4,089</u>	<u>4,089</u>	<u>4,052</u>	<u>(37)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	4,089	4,089	4,052	37
Total Expenditures	<u>4,089</u>	<u>4,089</u>	<u>4,052</u>	<u>37</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
College Advisor Initiative 27189
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	65,000	52,305	(12,695)
Total Revenues	<u>-</u>	<u>65,000</u>	<u>52,305</u>	<u>(12,695)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	65,000	62,900	2,100
Total Expenditures	<u>-</u>	<u>65,000</u>	<u>62,900</u>	<u>2,100</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(10,595)</u>	<u>(10,595)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(10,595)</u>	<u>(10,595)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(10,595)</u>	<u>(10,595)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (10,595)	
Adjustments to revenues			10,595	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	270,572	202,927	(67,645)
Total Revenues	<u>-</u>	<u>270,572</u>	<u>202,927</u>	<u>(67,645)</u>
EXPENDITURES				
Capital Outlay	-	270,572	270,572	-
Total Expenditures	<u>-</u>	<u>270,572</u>	<u>270,572</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(67,645)	(67,645)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(67,645)</u>	<u>(67,645)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(67,645)</u>	<u>(67,645)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (67,645)	
Adjustments to Revenues			67,643	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (2)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 119,999	119,999	120,210	211
State Grant	16,738	27,183	-	(27,183)
Total Revenues	<u>136,737</u>	<u>147,182</u>	<u>120,210</u>	<u>(26,972)</u>
EXPENDITURES				
Capital Outlay	324,520	317,623	114,155	203,468
Total Expenditures	<u>324,520</u>	<u>317,623</u>	<u>114,155</u>	<u>203,468</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(187,783)</u>	<u>(170,441)</u>	<u>6,055</u>	<u>176,496</u>
Other financing sources (uses):				
Designated Cash	170,441	170,441	-	(170,441)
Total other financing sources (uses):	<u>170,441</u>	<u>170,441</u>	<u>-</u>	<u>(170,441)</u>
Net Changes in Fund Balances	<u>(17,342)</u>	<u>-</u>	<u>6,055</u>	<u>6,055</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>170,441</u>	<u>170,441</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ (17,342)</u>	<u>-</u>	<u>176,496</u>	<u>176,496</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,055	
Adjustments to Revenues			196	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 6,251</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Wells Fargo Bank	FNMA FNMS	3138NXD87	1/1/2043	\$ 569,390
				<u>\$ 569,390</u>
Total Cash in Bank per Schedule of Cash Accounts:				\$ 1,084,895
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				834,895
Collateral Requirement:				417,448
Pledged Collateral Held by Pledging Financial Institution:				<u>569,390</u>
Balance Over Collateralized:				<u>\$ 151,942</u>
Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ 265,505</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 1,083,664
Checking - Activity Account	<u>1,231</u>
<i>Total on Deposit</i>	1,084,895
Reconciling Items	<u>(39,912)</u>
Reconciled Balance June 30, 2016	<u>1,044,983</u>
Less Agency Funds	<u>(1,231)</u>
<i>Total Cash</i>	<u><u>\$ 1,043,752</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 616,262	29,841	12,714	2,444
Add:				
2015-16 revenues	<u>2,685,078</u>	<u>31,168</u>	<u>71,735</u>	<u>5,370</u>
Total Cash Available	3,301,340	61,009	84,449	7,814
Less:				
2015-16 expenditures	(2,379,197)	(32,110)	(75,408)	(6,583)
Receivables/Payables	2,300	-	1,210	-
Outstanding Loans	<u>(95,304)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>829,139</u>	<u>28,899</u>	<u>10,251</u>	<u>1,231</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>829,139</u>	<u>28,899</u>	<u>10,251</u>	<u>1,231</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(9,049)</u>	<u>-</u>	<u>(1,210)</u>	<u>(1,231)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 820,090</u>	<u>28,899</u>	<u>9,041</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	Local Grants 26000	State Flow Through 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	2	168,658	829,921
<u>158,934</u>	<u>2,250</u>	<u>57,163</u>	<u>202,927</u>	<u>120,210</u>	<u>3,334,835</u>
158,934	2,250	57,163	202,929	288,868	4,164,756
(202,585)	(1,500)	(67,758)	(270,572)	(114,155)	(3,149,868)
19,987	-	6,598	-	-	30,095
<u>23,664</u>	<u>-</u>	<u>3,997</u>	<u>67,643</u>	<u>-</u>	<u>-</u>
-	<u>750</u>	-	-	<u>174,713</u>	<u>1,044,983</u>
-	-	-	-	-	-
-	<u>750</u>	-	-	<u>174,713</u>	<u>1,044,983</u>
				Less - Agency Fund:	<u>(1,231)</u>
					<u>\$ 1,043,752</u>
-	-	-	-	1,979	(9,511)
<u>-</u>	<u>750</u>	<u>-</u>	<u>-</u>	<u>176,692</u>	<u>1,035,472</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 880,380
Receivables	
Due from Other Governments	122,448
Total Current Assets	<u>1,002,828</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	45,716
Vehicles	39,604
Furniture, Fixtures, and Equipment	12,452
Less: Accumulated Depreciation	(41,072)
Total Noncurrent Assets	<u>56,700</u>
Total Assets	<u>1,059,528</u>

Deferred Outflow - Pension Related	<u>686,387</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	26,809
Accrued Liabilities	166,803
Total Current Liabilities	<u>193,612</u>

Noncurrent Liabilities

Net Pension Liability	2,445,168
Total Noncurrent Liabilities	<u>2,445,168</u>
Total Liabilities	<u>2,638,780</u>

Deferred Inflow - Pension Related	<u>56,337</u>
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NET POSITION

Investment in Capital Assets	56,700
Restricted	263,389
Unrestricted (Deficit)	(1,269,291)
Total Net Position	<u>\$ (949,202)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 1,109,399	-	204,636	-	(904,763)
Support Services:					
Students	196,713	-	45,454	-	(151,259)
Instruction	21,732	-	-	-	(21,732)
General Administration	100,560	-	-	-	(100,560)
School Administration	457,558	-	-	-	(457,558)
Central Services	328,878	-	-	-	(328,878)
Operation & Maintenance of Plant	604,686	-	-	-	(604,686)
Operation of Non-Instructional Serv	-	-	-	-	-
Community Services Operations	-	-	-	-	-
Other Support Services	-	-	-	-	-
Student Transportation	7,921	-	-	-	(7,921)
Food Services	51,540	13	49,127	-	(2,400)
Facilities Materials, Supplies & Other Services	179,277	-	-	179,277	-
Total governmental activities	<u>\$ 3,058,264</u>	<u>13</u>	<u>299,217</u>	<u>179,277</u>	<u>(2,579,757)</u>

General Revenues:

Property Taxes	\$ 119,658
State Equalization Guarantee	2,117,107
Total General Revenues	<u>2,236,765</u>

Change in Net Position (342,992)

Net Position (Deficit), Beginning (606,210)

Net Position (Deficit), Ending \$ (949,202)

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 647,003	6,913	5,828	-
Accounts Receivable				
Due from Government	-	-	-	3,520
Due from Other Funds	79,976	-	-	-
Total Assets	726,979	6,913	5,828	3,520
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 26,809	-	-	-
Accrued Expenses	154,343	-	160	846
Due to Other Funds	-	-	-	2,674
Total Liabilities	181,152	-	160	3,520
<i>Fund Balances</i>				
Fund Balance:				
Restricted for:				
Instruction	-	6,913	-	-
Food Service Operations	-	-	5,668	-
Capital Improvements	-	-	-	-
Unassigned	545,827	-	-	-
Total Fund Balance	545,827	6,913	5,668	-
Total Liabilities and Fund Balance	\$ 726,979	6,913	5,828	3,520

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

IDEA-B Entitlement 24106	English Language Acquisition 24153	Teacher Principal Training 24154	USDA Equipment Assistance 24183	Spaceport Grant 26204	Truancy Initiative 27141
-	-	-	-	22,085	-
10,387	1,472	1,563	7,261	-	8,802
-	-	-	-	-	-
10,387	1,472	1,563	7,261	22,085	8,802
-	-	-	-	-	-
2,451	-	-	-	-	5,024
7,936	1,472	1,563	7,261	-	3,778
10,387	1,472	1,563	7,261	-	8,802
-	-	-	-	22,085	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	22,085	-
10,387	1,472	1,563	7,261	22,085	8,802

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Balance Sheets - Governmental Funds -(Continued)
June 30, 2016

	College Advisor Initiative 27189	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	Total Government
ASSETS				
Cash and Cash Equivalents	\$ -	-	198,551	880,380
Accounts Receivable				
Due from Government	14,452	44,819	30,172	122,448
Due from Other Funds	-	-	-	79,976
Total Assets	14,452	44,819	228,723	1,082,804
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	26,809
Accrued Expenses	3,979	-	-	166,803
Due to Other Funds	10,473	44,819	-	79,976
Total Liabilities	14,452	44,819	-	273,588
<i>Fund Balances</i>				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	28,998
Food Service Operations	-	-	-	5,668
Capital Improvements	-	-	228,723	228,723
Unassigned	-	-	-	545,827
Total Fund Balance	-	-	228,723	809,216
Total Liabilities and Fund Balance	\$ 14,452	44,819	228,723	1,082,804

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America Schools - Las Cruces
 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balances - Total Governmental Funds **\$ 809,216**

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

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

Capital Assets	97,772	
Accumulated Depreciation	(41,072)	
	56,700	

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		686,387
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		(2,445,168)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(56,337)
		(56,337)

Net Position (Deficit)-Total Governmental Activities **\$ (949,202)**

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Statement of Revenues, Expenditures, And Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	45,602	-	-	-
State Grant	2,117,107	23,733	-	-
Federal Grant	-	-	49,127	23,029
Charges for Services	-	-	13	-
Total Revenues	2,162,709	23,733	49,140	23,029
EXPENDITURES				
Current:				
Instruction	901,378	30,748	-	10,075
Support Services:				
Students	85,521	-	-	12,954
Instruction	20,383	-	-	-
General Administration	100,560	-	-	-
School Administration	405,469	-	-	-
Central Services	298,220	-	-	-
Operation & Maintenance of Plant	571,295	-	-	-
Food Services Operations	8,364	-	43,472	-
Capital Outlay	-	-	-	-
Total Expenditures	2,391,190	30,748	43,472	23,029
Net Changes in Fund Balances	(228,481)	(7,015)	5,668	-
Fund Balances - Beginning of Year	774,308	13,928	-	-
Fund Balances - End of Year	\$ 545,827	6,913	5,668	-

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

IDEA-B Entitlement 24106	English Language Acquisition 24153	Teacher Principal Training 24154	USDA Equipment Assistance 24183	Spaceport Grant 26204	Truancy Initiative 27141
-	-	-	-	-	-
-	-	-	-	19,324	-
-	-	-	-	-	55,542
39,386	-	3,713	7,261	-	-
-	-	-	-	-	-
39,386	-	3,713	7,261	19,324	55,542
39,386	-	3,713	-	11,287	-
-	-	-	-	-	55,542
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	7,261	-	-
-	-	-	-	-	-
39,386	-	3,713	7,261	11,287	55,542
-	-	-	-	8,037	-
-	-	-	-	14,048	-
-	-	-	-	22,085	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Statement of Revenues, Expenditures, and Change In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	College Advisor Initiative 27189	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	Total Government
REVENUES				
Property Taxes	\$ -	-	119,658	119,658
Local & County Grant	-	-	-	64,926
State Grant	32,500	179,277	-	2,408,159
Federal Grant	-	-	-	122,516
Charges for Services	-	-	-	13
Total Revenues	32,500	179,277	119,658	2,715,272
EXPENDITURES				
Current:				
Instruction	-	-	-	996,587
Support Services:				
Students	32,500	-	-	186,517
Instruction	-	-	-	20,383
General Administration	-	-	-	100,560
School Administration	-	-	-	405,469
Central Services	-	-	-	298,220
Operation & Maintenance of Plant	-	-	-	571,295
Food Services Operations	-	-	-	59,097
Capital Outlay	-	179,277	-	179,277
Total Expenditures	32,500	179,277	-	2,817,405
Net Changes in Fund Balances	-	-	119,658	(102,133)
Fund Balances - Beginning of Year	-	-	109,065	911,349
Fund Balances - End of Year	\$ -	-	228,723	809,216

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ (102,133)**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Capital Outlays	7,261	
Depreciation Expense	(13,192)	
	(5,931)	(5,931)

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		(234,928)
		(234,928)

Change in Net Position-Total Governmental Activities **\$ (342,992)**

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America Schools - Las Cruces
 Statement of Fiduciary Assets and Liabilities-Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 1,596
Total Assets	<u>\$ 1,596</u>
LIABILITIES	
Deposits Held for Others	\$ 1,596
Total Liabilities	<u>\$ 1,596</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2016

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 2,253	6,910	(7,567)	1,596
Total Assets	<u>\$ 2,253</u>	<u>6,910</u>	<u>(7,567)</u>	<u>1,596</u>
LIABILITIES				
Deposits Held for Others	\$ 2,253	6,910	(7,567)	1,596
Total Liabilities	<u>\$ 2,253</u>	<u>6,910</u>	<u>(7,567)</u>	<u>1,596</u>

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. New America School–Las Cruces utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Furniture, Fixtures and Equipment	5 years
Vehicles	5 years
Buildings and Improvements	40 years

Capital assets for New America School–Las Cruces are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The New America School – Las Cruces
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 5,191	7,261	-	12,452
Building Improvements	45,716	-	-	45,716
Vehicles	39,604	-	-	39,604
<i>Total</i>	<u>90,511</u>	<u>7,261</u>	<u>-</u>	<u>97,772</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(2,119)	(1,099)	-	(3,218)
Building Improvements	(12,342)	(4,172)	-	(16,514)
Vehicles	(13,419)	(7,921)	-	(21,340)
<i>Total</i>	<u>(27,880)</u>	<u>(13,192)</u>	<u>-</u>	<u>(41,072)</u>
Capital Assets, Net	<u>\$ 62,631</u>	<u>(5,931)</u>	<u>-</u>	<u>56,700</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Operations/Plant Maintenance	\$ 5,210
Student Transportation	7,921
Food Services Operations	61
Total	<u><u>\$ 13,192</u></u>

NOTE 3. COMMITMENTS AND LIABILITIES

New America School–Las Cruces leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016, was \$371,250. The school's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 371,250
2018	393,938
2019	396,000
2020	396,000
2021	396,000
Total lease payments	<u><u>\$ 1,953,188</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The New America School – Las Cruces
Notes to the Financial Statements
June 30, 2016

NOTE 4. RELATED PARTIES

The business manager services are performed by the Vigil Group, which performed services for multiple state charter schools.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to New America School-Las Cruces and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and New America School-Las Cruces are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2016 and 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from New America School-Las Cruces were \$163,829 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, and the net pension liability was measured as of that date. At June 30, 2016, New America School-Las Cruces reported a liability of \$2,445,168 for its proportionate share of the net pension liability. New America School-Las Cruces' proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, New America School-Las Cruces' proportion was 0.03775%, which was an increase of 0.0023 from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The New America School – Las Cruces
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, New America School-Las Cruces recognized pension expense of \$398,803. At June 30, 2016, New America School-Las Cruces reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (45,331)
Changes in assumptions	84,102	-
Net difference between projected and actual earnings on pension plan investments	-	(11,006)
Changes in proportion	438,456	-
New America School-Las Cruces contributions subsequent to the measurement date	<u>163,829</u>	<u>-</u>
Total	<u>\$ 686,387</u>	<u>\$ (56,337)</u>

The amount of \$163,829 reported as deferred outflows of resources related to pensions resulting from New America School-Las Cruces contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (207,223)
2018	(187,419)
2019	(37,619)
2020	<u>(33,960)</u>
Total	<u>\$ (466,221)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The New America School – Las Cruces
 Notes to the Financial Statements
 June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of New America School-Las Cruces’ proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
New America School-Las Cruces’ proportionate share of the net pension liability	\$ 3,290,137	2,445,168	1,735,306

Payables to the pension plan. For the year ending June 30, 2016, New America School-Las Cruces’ accrued liability due to ERB was \$49,570 for payroll which was paid in July 2016.

NOTE 6. BUDGETARY INFORMATION

A budget was not adopted for the English Language Acquisition Fund 24153. Therefore, a budgetary schedule is not provided for this fund.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NEW AMERICA SCHOOL - LAS CRUCES
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,023	2,445	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 977	1,031	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.06%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NEW AMERICA SCHOOL - LAS CRUCES
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 129	164	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	129	164	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (293)	5		\$ (120)	(120)	(99)	46	-				
2015	(466)	5			(207)	(187)	(38)	(34)				
2016	-	5				-	-	-				
2017	-	5				-	-	-				
2018	-	5				-	-	-				
2019	-	5				-	-	-				
2020	-	5				-	-	-				
2021	-	5				-	-	-				
2022	-	5				-	-	-				
2023	-	5				-	-	-				
	\$ (759)			\$ (120)	(327)	(286)	8	(34)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Local & County Grant	\$ 40,000	45,347	45,602	255
State grant	2,084,154	2,117,107	2,117,107	-
Total Revenues	2,124,154	2,162,454	2,162,709	255
Expenditures:				
Current:				
Instruction	1,159,800	1,260,308	860,664	399,644
Support Services:				
Students	133,582	135,374	85,521	49,853
Instruction	25,000	29,545	20,414	9,131
General Administration	105,582	109,758	79,317	30,441
School Administration	394,816	417,638	405,344	12,294
Central Services	319,968	332,298	298,560	33,738
Operation & Maintenance of Plant	605,044	647,664	573,467	74,197
Food Services Operations	8,050	14,828	11,142	3,686
Total expenditures	2,751,842	2,947,413	2,334,429	612,984
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<i>(627,688)</i>	<i>(784,959)</i>	<i>(171,720)</i>	<i>613,239</i>
Other financing sources (uses):				
Designated Cash	627,688	784,959	-	(784,959)
Total other financing sources (uses):	627,688	784,959	-	(784,959)
Net changes in fund balances	-	-	(171,720)	(171,720)
Cash or fund balances - beginning of year	-	-	774,308	774,308
Cash or fund balances - end of year	\$ -	-	602,588	602,588
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures			\$ (171,720)	
Adjustments to revenues			-	
Adjustments to expenditures			(56,761)	
NET CHANGE IN FUND BALANCE			\$ (228,481)	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State grant	\$ 18,033	23,733	23,733	-
Total Revenues	<u>18,033</u>	<u>23,733</u>	<u>23,733</u>	<u>-</u>
Expenditures:				
Current:				
Instruction	31,219	36,919	30,748	6,171
Total expenditures	<u>31,219</u>	<u>36,919</u>	<u>30,748</u>	<u>6,171</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(13,186)</u>	<u>(13,186)</u>	<u>(7,015)</u>	<u>6,171</u>
Other financing sources (uses):				
Designated Cash	13,186	13,186	-	(13,186)
Total other financing sources (uses):	<u>13,186</u>	<u>13,186</u>	<u>-</u>	<u>(13,186)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>(7,015)</u>	<u>(7,015)</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>13,928</u>	<u>13,928</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>6,913</u>	<u>6,913</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures			\$ (7,015)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (7,015)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Federal grant	\$ 34,000	46,443	49,127	2,684
Charges for services	-	-	13	13
Total Revenues	34,000	46,443	49,140	2,697
Expenditures:				
Current:				
Food Services Operations	34,000	46,443	43,472	2,971
Total expenditures	34,000	46,443	43,472	2,971
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	5,668	5,668
Net changes in fund balances	-	-	5,668	5,668
Cash or fund balances - beginning of year	-	-	-	-
Cash or fund balances - end of year	\$ -	-	5,668	5,668
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures			\$ 5,668	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 5,668	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Title I - IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Federal grant	\$ 27,778	61,946	19,509	(42,437)
Total Revenues	<u>27,778</u>	<u>61,946</u>	<u>19,509</u>	<u>(42,437)</u>
Expenditures:				
Current:				
Instruction	19,371	40,471	10,075	30,396
Support Services:				
Students	8,407	21,475	12,954	8,521
Total expenditures	<u>27,778</u>	<u>61,946</u>	<u>23,029</u>	<u>38,917</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,520)</u>	<u>(3,520)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>(3,520)</u>	<u>(3,520)</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>(3,520)</u>	<u>(3,520)</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures			\$ (3,520)	
Adjustments to revenues			3,520	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Entitlement IDEA-B 24106
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Federal grant	\$ 45,053	57,659	28,999	(28,660)
Total Revenues	<u>45,053</u>	<u>57,659</u>	<u>28,999</u>	<u>(28,660)</u>
Expenditures:				
Current:				
Instruction	45,053	57,659	39,386	18,273
Total expenditures	<u>45,053</u>	<u>57,659</u>	<u>39,386</u>	<u>18,273</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(10,387)</u>	<u>(10,387)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>(10,387)</u>	<u>(10,387)</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>(10,387)</u>	<u>(10,387)</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures			\$ (10,387)	
Adjustments to revenues			10,387	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Federal grant	\$ -	11,474	2,150	(9,324)
Total Revenues	<u>-</u>	<u>11,474</u>	<u>2,150</u>	<u>(9,324)</u>
Expenditures:				
Current:				
Instruction	-	5,361	3,713	1,648
Support Services:				
School Administration	-	6,113	-	6,113
Total expenditures	<u>-</u>	<u>11,474</u>	<u>3,713</u>	<u>7,761</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,563)</u>	<u>(1,563)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>(1,563)</u>	<u>(1,563)</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>(1,563)</u>	<u>(1,563)</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures			\$ (1,563)	
Adjustments to revenues			1,563	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
USDA Equipment Assistance 24183
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal grant	\$ -	7,265	-	(7,265)
Total Revenues	<u>-</u>	<u>7,265</u>	<u>-</u>	<u>(7,265)</u>
Expenditures:				
Current:				
Food Services Operations	-	7,265	7,261	4
Total expenditures	<u>-</u>	<u>7,265</u>	<u>7,261</u>	<u>4</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(7,261)</u>	<u>(7,261)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>(7,261)</u>	<u>(7,261)</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>(7,261)</u>	<u>(7,261)</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures			\$ (7,261)	
Adjustments to revenues			7,261	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Spaceport Grant 26204
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Local & County Grant	\$ -	19,324	19,324	-
Total Revenues	-	19,324	19,324	-
Expenditures:				
Current:				
Instruction	14,049	33,373	11,287	22,086
Total expenditures	14,049	33,373	11,287	22,086
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<i>(14,049)</i>	<i>(14,049)</i>	<i>8,037</i>	<i>22,086</i>
Other financing sources (uses):				
Designated Cash	14,049	14,049	-	(14,049)
Total other financing sources (uses):	14,049	14,049	-	(14,049)
Net changes in fund balances	-	-	8,037	8,037
Cash or fund balances - beginning of year	-	-	14,048	14,048
Cash or fund balances - end of year	\$ -	-	22,085	22,085
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures			\$ 8,037	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 8,037	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Truancy Initiative 27141
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State grant	\$ -	60,000	46,740	(13,260)
Total Revenues	<u>-</u>	<u>60,000</u>	<u>46,740</u>	<u>(13,260)</u>
Expenditures:				
Current:				
Support Services:				
Students	-	60,000	55,542	4,458
	<u>-</u>	<u>60,000</u>	<u>55,542</u>	<u>4,458</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,802)</u>	<u>(8,802)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>(8,802)</u>	<u>(8,802)</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>(8,802)</u>	<u>(8,802)</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures			\$ (8,802)	
Adjustments to revenues			8,802	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America Schools - Las Cruces
 Schedule of Budgetary Comparisons - Budgetary Basis
 College Advisor Initiative 27189
 For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
State grant	\$ -	32,500	18,048	(14,452)
Total Revenues	-	32,500	18,048	(14,452)
Expenditures:				
Current:				
Support Services:				
Students	-	32,500	32,500	-
Total expenditures	-	32,500	32,500	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<i>-</i>	<i>-</i>	<i>(14,452)</i>	<i>(14,452)</i>
Net changes in fund balances	-	-	(14,452)	(14,452)
Cash or fund balances - beginning of year	-	-	-	-
Cash or fund balances - end of year	\$ -	-	(14,452)	(14,452)
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures			\$ (14,452)	
Adjustments to revenues			14,452	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
State grant	\$ -	179,277	134,458	(44,819)
Total Revenues	<u>-</u>	<u>179,277</u>	<u>134,458</u>	<u>(44,819)</u>
Expenditures:				
Capital outlay	-	179,277	179,277	-
Total expenditures	<u>-</u>	<u>179,277</u>	<u>179,277</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(44,819)</u>	<u>(44,819)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>(44,819)</u>	<u>(44,819)</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>(44,819)</u>	<u>(44,819)</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures			\$ (44,819)	
Adjustments to revenues			44,819	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Property Taxes	\$ 119,087	119,087	90,346	(28,741)
Total Revenues	119,087	119,087	90,346	(28,741)
Expenditures:				
Capital outlay	189,372	189,372	-	189,372
Total expenditures	189,372	189,372	-	189,372
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<i>(70,285)</i>	<i>(70,285)</i>	<i>90,346</i>	<i>160,631</i>
Other financing sources (uses):				
Designated Cash	70,285	70,285	-	(70,285)
Total other financing sources (uses):	70,285	70,285	-	(70,285)
Net changes in fund balances	-	-	90,346	90,346
Cash or fund balances - beginning of year	-	-	-	-
Cash or fund balances - end of year	\$ -	-	90,346	90,346
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures			\$ 90,346	
Adjustments to revenues			29,312	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 119,658	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements SB-9 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State grant	\$ 30,530	47,403	-	(47,403)
Total Revenues	<u>30,530</u>	<u>47,403</u>	<u>-</u>	<u>(47,403)</u>
Expenditures:				
Capital outlay	30,530	47,403	-	47,403
Total expenditures	<u>30,530</u>	<u>47,403</u>	<u>-</u>	<u>47,403</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Citizens Bank	FHLB	313379EE5	6/14/2019	\$ 509,041
				<u>\$ 509,041</u>
Total Cash per Schedule of Cash Accounts:				\$ 987,570
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				737,570
Collateral Requirement:				368,785
Pledged Collateral Held by Pledging Financial Institution:				<u>509,041</u>
Balance Over Collateralized:				<u>\$ 140,256</u>
Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ 228,529</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America Schools - Las Cruces
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Citizens Bank</u>
Checking - Operational Account	\$ 985,147
Checking - Activity Account	2,423
	<hr/>
<i>Total on Deposit</i>	987,570
Reconciling Items	(105,594)
	<hr/>
Reconciled Balance June 30, 2016	881,976
	<hr/>
Less Agency Funds	(1,596)
	<hr/>
<i>Total Cash</i>	<u><u>\$ 880,380</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Agency Funds 23000
Cash, June 30, 2015	\$ 945,714	13,928	467	2,253
Add:				
2015-16 revenues	2,162,709	23,733	49,140	6,910
Total Cash Available	3,108,423	37,661	49,607	9,163
Less:				
2015-16 expenditures	(2,334,429)	(30,748)	(43,472)	(7,567)
Receivables/Payables	(164,767)	-	(307)	-
Outstanding Loans	37,776	-	-	-
Cash June 30, 2016	647,003	6,913	5,828	1,596
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(101,176)	-	(160)	(1,596)
Fund Balance, Modified Accrual Basis	<u>\$ 545,827</u>	<u>\$ 6,913</u>	<u>\$ 5,668</u>	<u>\$ -</u>

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

Federal Projects Account 24000	Local Grants Account 26000	State Account 27000	Public School Capital Outlay 31200	Public School HB-33 Capital Improvements 31600	Total Government
-	14,048	-	-	109,065	1,085,475
<u>50,658</u>	<u>19,324</u>	<u>64,788</u>	<u>134,458</u>	<u>90,346</u>	<u>2,602,066</u>
50,658	33,372	64,788	134,458	199,411	3,687,541
(73,389)	(11,287)	(88,042)	(179,277)	-	(2,768,211)
37,158	-	1,784	89,638	(860)	(37,354)
<u>(14,427)</u>	<u>-</u>	<u>21,470</u>	<u>(44,819)</u>	<u>-</u>	<u>-</u>
-	22,085	-	-	198,551	881,976
				Less: Agency Funds	(1,596)
					<u>\$ 880,380</u>
-	-	-	-	30,172	(72,760)
<u>\$ -</u>	<u>\$ 22,085</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 228,723</u>	<u>\$ 809,216</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Statement of Net Position
 June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,385,846
Receivables	
Due from Other Governments	80,954
Total Current Assets	<u>1,466,800</u>
Total Assets	<u>1,466,800</u>

Deferred Outflows - Pension Related	<u>2,089,869</u>
--	------------------

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	872,377
Accrued Liabilities	314,829
Total Current Liabilities	<u>1,187,206</u>

Noncurrent Liabilities:

Net Pension Liability	3,021,645
Total Noncurrent Liabilities	<u>3,021,645</u>
Total Liabilities	<u>4,208,851</u>

Deferred Inflows - Pension Related	<u>69,620</u>
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NET POSITION

Unrestricted (Deficit)	<u>(721,802)</u>
Total Net Position	<u><u>\$ (721,802)</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Statement of Activities
For The Year Ended June 30, 2016

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net (Expenses) Revenues and Changes in Net Position</u>
	<u>Expenses</u>	<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental activities:					
Instruction	\$ 7,030,594	-	444,791	-	(6,585,803)
Support Services:					
Students	594,202	-	-	-	(594,202)
Instruction	94,784	-	-	-	(94,784)
General Administration	15,619	-	-	-	(15,619)
School Administration	541,484	-	-	-	(541,484)
Central Services	69,460	-	-	-	(69,460)
Operation & Maintenance of Plant	136,263	-	-	-	(136,263)
Other Support Services	3,685	-	-	-	(3,685)
Total Governmental Activities	<u>\$ 8,486,091</u>	<u>-</u>	<u>444,791</u>	<u>-</u>	<u>(8,041,300)</u>
General Revenues:					
State Equalization Guarantee					\$ 7,381,529
Miscellaneous					725
Total General Revenues					<u>7,382,254</u>
Change in Net Position					<u>(659,046)</u>
Net Position, (Deficit) Beginning					<u>(62,756)</u>
Net Position, (Deficit) Ending					<u>\$ (721,802)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 1,385,846	-	-	-
Accounts Receivable				
Due from Government	-	-	20,050	48,792
Due from Other Funds	80,954	-	-	-
Total Assets	\$ 1,466,800	-	20,050	48,792
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 872,377	-	-	-
Accrued Expenditures	314,829	-	-	-
Due to Other Funds	-	-	20,050	48,792
Total Liabilities	1,187,206	-	20,050	48,792
<i>Fund Balances</i>				
Fund Balance:				
Unassigned	279,594	-	-	-
Total Fund Balance	279,594	-	-	-
<i>Total Liabilities and Fund Balances</i>	\$ 1,466,800	-	20,050	48,792

IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Total
-	-	1,385,846
-	12,112	80,954
-	-	80,954
-	12,112	1,547,754
-	-	872,377
-	-	314,829
-	12,112	80,954
-	12,112	1,268,160
-	-	279,594
-	-	279,594
-	12,112	1,547,754

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds	\$ 279,594
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.	2,089,869
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The net pension liability is not due and payable in the current period, and therefore is not reported in the funds.	(3,021,645)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	(69,620)
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Net Position-Total Governmental Activities	<u>\$ (721,802)</u>
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Local & County Grant	\$ 2,027	35,110	-	-
State Grant	7,381,529	43,810	-	-
Federal Grant	-	-	180,875	144,716
Miscellaneous Income	725	-	-	-
Total Revenues	<u>7,384,281</u>	<u>78,920</u>	<u>180,875</u>	<u>144,716</u>
EXPENDITURES				
Current:				
Instruction	6,253,114	80,634	159,639	74,871
Support Services:				
Students	324,915	-	25,876	69,845
Instruction	94,784	-	-	-
General Administration	15,619	-	-	-
School Administration	418,746	-	-	-
Central Services	69,460	-	-	-
Operation & Maintenance of Plant	136,263	-	-	-
Other Support Services Operations	3,685	-	-	-
Total Expenditures	<u>7,316,586</u>	<u>80,634</u>	<u>185,515</u>	<u>144,716</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>67,695</u>	<u>(1,714)</u>	<u>(4,640)</u>	<u>-</u>
Net Changes in Fund Balances	<u>67,695</u>	<u>(1,714)</u>	<u>(4,640)</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>211,899</u>	<u>1,714</u>	<u>4,640</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 279,594</u>	<u>-</u>	<u>-</u>	<u>-</u>

IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Total
-	-	37,137
-	-	7,425,339
-	38,253	363,844
-	-	725
-	38,253	7,827,045
-	20,161	6,588,419
-	-	420,636
-	-	94,784
-	-	15,619
-	18,092	436,838
-	-	69,460
-	-	136,263
-	-	3,685
-	38,253	7,765,704
-	-	61,341
-	-	61,341
-	-	218,253
-	-	279,594

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016**

Net Change in Fund Balance-Total Governmental Funds	\$ 61,341
Changes in deferred outflows resources - pension related, deferred inflows of resources - pension related and the net pension liability.	<u>(720,387)</u>
Change in Net Position-Total Governmental Activities	<u>\$ (659,046)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Funds</u>
ASSETS	
Cash in Bank	<u>\$ 554</u>
Total Assets	<u><u>\$ 554</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 554</u>
Total Liabilities	<u><u>\$ 554</u></u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 391	163	-	554
Total Assets	<u>\$ 391</u>	<u>163</u>	<u>-</u>	<u>554</u>
 LIABILITIES				
Deposits Held for Others	\$ 391	163	-	554
Total Liabilities	<u>\$ 391</u>	<u>163</u>	<u>-</u>	<u>554</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The New Mexico Connections Academy’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The New Mexico Connections Academy does not capitalize any interest with regard to its capital assets. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. The New Mexico Connections Academy utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows

Furniture and Equipment	5 years
Buildings and Improvement	40 years

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. COMMITMENTS AND LIABILITIES

The New Mexico Connections Academy leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$55,014. The New Mexico Connections Academy’s minimum future payments on this lease are as follows:

Year Ending June 30,	
2017	\$ 61,884
2018	10,315
Total Minimum Lease Payments	\$ 72,199

NOTE 3. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the New Mexico Connections Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees’ Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 3. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Contributions. The contribution requirements of defined benefit plan members and AIMS are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from AIMS were \$261,195 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, NMCA reported a liability of \$3,021,645 for its proportionate share of the net pension liability. AIMS' proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, NMCAs' proportion was 0.04665% percent, which was an increase of 0.01851% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, NMCA recognized pension expense of \$720,387. At the June 30, 2016, NMCA reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Notes to the Financial Statements
June 30, 2016

NOTE 3. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	56,018
Changes in assumptions	103,930	-
Net difference between projected and actual earnings on pension plan investments	-	13,602
Changes in proportion and differences between the employer's contributions and proportionate share of contributions	1,724,744	-
NMCA contributions subsequent to measurement date	<u>261,195</u>	<u>-</u>
Ending balance	<u>\$ 2,089,869</u>	<u>69,620</u>

\$261,195 reported as deferred outflows of resources related to pensions resulting from NMCA contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ 745,783
2018	692,808
2019	278,491
2020	<u>41,968</u>
Total	\$ <u>1,759,050</u>

Sensitivity of New Mexico Connections Academy proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Notes to the Financial Statements
June 30, 2016

NOTE 3. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
NMCA proportionate share of the net pension liability	\$ 4,065,825	3,021,645	2,144,425

Payables to the pension plan. NMCA did not accrue any payable for the pension plan at June 30, 2016. All 10-month teach contracts for the school year are paid by fiscal year end.

**STATE OF NEW MEXICO
NEW MEXICO CONNECTIONS ACADEMY
SCHEDULE OF THE SCHOOL'S PROPORATIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,606	3,022	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 776	1,274	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.96%	237.26%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
NEW MEXICO CONNECTIONS ACADEMY
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 102	210	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	102	184	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	26	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (1,141)	5		\$ (410)	(410)	(357)	36	-						
2015	\$ 1,759	5			746	693	278	42	-					
2016	-	5				-	-	-	-					
2017	-	5					-	-	-					
2018	-	5						-	-					
2019	-	5							-					
2020	-	5												
2021	-	5												
2022	-	5												
2023	-	5												
	\$ 618			\$ (410)	336	336	314	42	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 7,325,986	7,383,454	7,381,529	(1,925)
Local & County Grant	-	1,925	2,027	102
Miscellaneous Income	-	-	725	725
Total Revenues	<u>7,325,986</u>	<u>7,385,379</u>	<u>7,384,281</u>	<u>(1,098)</u>
EXPENDITURES				
Current:				
Instruction	5,747,095	6,003,564	5,221,723	781,841
Support Services:				
Students	341,327	341,327	324,915	16,412
Instruction	150,000	150,000	94,784	55,216
General Administration	61,000	61,000	15,619	45,381
School Administration	503,490	503,490	418,746	84,744
Central Services	84,500	84,500	69,460	15,040
Operation & Maintenance of Plant	188,574	188,574	136,263	52,311
Other Support Services Operations	300,000	300,000	3,685	296,315
Total Expenditures	<u>7,375,986</u>	<u>7,632,455</u>	<u>6,285,195</u>	<u>1,347,260</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(50,000)</u>	<u>(247,076)</u>	<u>1,099,086</u>	<u>1,346,162</u>
Net Changes in Fund Balances	<u>(50,000)</u>	<u>(247,076)</u>	<u>1,099,086</u>	<u>1,346,162</u>
Cash or Fund Balances - Beginning of Year	<u>149,327</u>	<u>149,327</u>	<u>211,899</u>	<u>62,572</u>
Cash or Fund Balances - End of Year	<u>\$ 99,327</u>	<u>(97,749)</u>	<u>1,310,985</u>	<u>1,408,734</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,099,086	
Adjustments to Expenditures			(1,031,391)	
NET CHANGE IN FUND BALANCE			<u>\$ 67,695</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	35,110	35,110	-
State Grant	43,810	43,810	43,810	-
Total Revenues	43,810	78,920	78,920	-
EXPENDITURES				
Current:				
Instruction	43,810	80,711	80,557	154
Total Expenditures	43,810	80,711	80,557	154
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(1,791)	(1,637)	154
Net Changes in Fund Balances	-	(1,791)	(1,637)	154
Cash or Fund Balances - Beginning of Year	1,791	1,791	1,791	-
Cash or Fund Balances - End of Year	\$ 1,791	-	154	154
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,637)	
Adjustments to Expenditures			(77)	
NET CHANGE IN FUND BALANCE			\$ (1,714)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 176,557	185,515	180,875	(4,640)
Total Revenues	176,557	185,515	180,875	(4,640)
EXPENDITURES				
Current:				
Instruction	164,544	159,639	57,775	101,864
Support Services:				
Students	12,013	25,876	25,876	-
Total Expenditures	176,557	185,515	83,651	101,864
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	97,224	97,224
Net Changes in Fund Balances	-	-	97,224	97,224
Cash or Fund Balances - Beginning of Year	81,814	81,814	81,814	-
Cash or Fund Balances - End of Year	\$ 81,814	81,814	179,038	97,224
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 97,224	
Adjustments to Revenues			(101,864)	
NET CHANGE IN FUND BALANCE			\$ (4,640)	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 127,329	144,716	103,512	(41,204)
Total Revenues	127,329	144,716	103,512	(41,204)
EXPENDITURES				
Current:				
Instruction	69,722	74,871	74,871	-
Support Services:				
Students	57,607	69,845	69,845	-
Total Expenditures	127,329	144,716	144,716	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(41,204)	(41,204)
Net Changes in Fund Balances	-	-	(41,204)	(41,204)
Cash or Fund Balances - Beginning of Year	149,327	149,327	149,327	-
Cash or Fund Balances - End of Year	\$ 149,327	149,327	108,123	(41,204)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (41,204)	
Adjustments to Revenues			41,204	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	152	105	(47)
Total Revenues	<u>-</u>	<u>152</u>	<u>105</u>	<u>(47)</u>
EXPENDITURES				
Current:				
Support Services:				
Students			-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>152</u>	<u>105</u>	<u>(47)</u>
Other Financing Sources (Uses):				
Operating Transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>152</u>	<u>105</u>	<u>(47)</u>
Cash or Fund Balances - Beginning of Year	<u>105</u>	<u>105</u>	<u>105</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 105</u>	<u>257</u>	<u>210</u>	<u>(47)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 105	
Adjustments to Revenues			<u>(105)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 27,648	53,487	38,253	(15,234)
Total Revenues	<u>27,648</u>	<u>53,487</u>	<u>38,253</u>	<u>(15,234)</u>
EXPENDITURES				
Current:				
Instruction	13,824	28,824	21,535	7,289
Support Services:				
School Administration	13,824	24,663	18,092	6,571
Total expenditures	<u>27,648</u>	<u>53,487</u>	<u>39,627</u>	<u>13,860</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,374)</u>	<u>(1,374)</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,374)</u>	<u>(1,374)</u>
Cash or Fund Balances - Beginning of Year	<u>10,738</u>	<u>10,738</u>	<u>10,738</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 10,738</u>	<u>10,738</u>	<u>9,364</u>	<u>(1,374)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,374)	
Adjustments to Revenues			<u>1,374</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
BNY MELLON	FNMA NFMS	3138AX4Z1	2/1/2042	\$ 1,035,080
				<u>\$ 1,035,080</u>
Total Cash per Schedule of Cash Accounts:				\$ 1,797,965
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				1,547,965
Collateral Requirement:				773,983
Pledged Collateral Held by Pledging Financial Institution:				<u>1,035,080</u>
Balance Over Collateralized:				<u>\$ 261,097</u>
Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ 512,885</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Cash Accounts
 June 30, 2016

Bank Account Type	Wells Fargo
Checking - Operational Account	\$ 1,797,965
Total on Deposit	1,797,965
Reconciling Items	<u>(411,565)</u>
Reconciled Balance June 30, 2016	<u>1,386,400</u>
Less Agency Funds	<u>(554)</u>
Total Cash	<u><u>\$ 1,385,846</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000	Total
Cash, June 30, 2015	\$ 272,109	1,791	391	-	274,291
Add:					
2015-16 revenues	7,361,173	78,920	163	287,530	7,727,786
Total Cash Available	7,633,282	80,711	554	287,530	8,002,077
Less:					
2015-16 Expenditures	(6,335,883)	(80,711)	-	(368,484)	(6,785,078)
Receivables/Payables	169,401	-	-	-	169,401
Outstanding Loans	(80,954)	-	-	80,954	-
Cash June 30, 2016	1,385,846	-	554	-	1,386,400
Fund Balance Reconciliations to GAAP Basis:					
Audit reclassifications to cash	-	-	-	-	-
Cash Per Books	1,385,846	-	554	-	1,386,400
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:					(554)
					<u>\$ 1,385,846</u>
Fund Balance Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	(1,106,252)	-	(554)	-	(1,106,806)
Fund Balance, Modified Accrual Basis	<u>\$ 279,594</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 279,594</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Statement of Net Position
 June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 347,444
Receivables	
Due from Other Governments	29,209
Other	3,800
Deposits	19,755
Total Current Assets	<u>400,208</u>

Noncurrent Assets:

Capital Assets	
Building Improvements	25,193
Furniture, Fixtures, and Equipment	12,458
Less: Accumulated Depreciation	(11,677)
Total Noncurrent Assets	<u>25,974</u>

Total Assets	<u>426,182</u>
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Deferred Outflows - Pension Related	<u>281,349</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	1,199
Accrued Liabilities	128,345
Compensated Absences	8,900
Total Current Liabilities	<u>138,444</u>

Noncurrent Liabilities:

Net Pension Liability	1,468,396
Total Noncurrent Liabilities	<u>1,468,396</u>

Total Liabilities	<u>1,606,840</u>
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Deferred Inflows - Pension Related	<u>148,070</u>
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NET POSITION

Investment in Capital Assets	25,974
Restricted	17,231
Unrestricted (Deficit)	(1,090,584)
Total Net Position	<u>\$ (1,047,379)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 874,450	-	126,455	-	(747,995)
Support Services:					
Students	54,243	-	-	-	(54,243)
Instruction	9,494	-	-	-	(9,494)
General Administration	37,909	-	-	-	(37,909)
School Administration	168,834	-	-	-	(168,834)
Central Services	97,534	-	-	-	(97,534)
Operation & Maintenance of Plant	223,314	-	-	-	(223,314)
Other Support Services	585	-	-	-	(585)
Food Services	17,948	22,267	-	-	4,319
Facilities Materials, Supplies & Other	178,309	-	-	178,309	-
Services	-	-	-	-	-
Total Governmental Activities	\$ 1,662,620	22,267	126,455	178,309	(1,335,589)
General Revenues:					
State Equalization Guarantee					\$ 1,468,516
Miscellaneous					11,159
Total General Revenues					<u>1,479,675</u>
Change in Net Position					144,086
Net Position (Deficit), Beginning					<u>(1,191,465)</u>
Net Position (Deficit), Ending					<u>\$ (1,047,379)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 333,102	13,431	-	911
Accounts Receivable				
Due from Government	-	-	-	-
Due from Other Funds	29,209	-	-	-
Other	-	-	3,800	-
Deposits	19,755	-	-	-
Total Assets	\$ 382,066	13,431	3,800	911
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 1,199	-	-	-
Accrued Expenditures	127,434	-	-	911
Due to Other Funds	-	-	-	-
Total Liabilities	128,633	-	-	911
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	19,755	-	-	-
Restricted for:				
Instruction	-	13,431	-	-
Food Service Operations	-	-	3,800	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	233,678	-	-	-
Total Fund Balance	253,433	13,431	3,800	-
Total Liabilities and Fund Balances	\$ 382,066	13,431	3,800	911

The accompanying notes are an integral part of these financial statements

Teacher Principal Training 24154	2012 SB-66 Student Library 27107	STEM Initiative 27195	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	-	347,444
-	1,095	-	-	24,628	3,486	29,209
-	-	-	-	-	-	29,209
-	-	-	-	-	-	3,800
-	-	-	-	-	-	19,755
-	1,095	-	-	24,628	3,486	429,417
-	-	-	-	-	-	1,199
-	-	-	-	-	-	128,345
-	1,095	-	-	24,628	3,486	29,209
-	1,095	-	-	24,628	3,486	158,753
-	-	-	-	-	-	19,755
-	-	-	-	-	-	13,431
-	-	-	-	-	-	3,800
-	-	-	-	-	-	233,678
-	-	-	-	-	-	270,664
-	1,095	-	-	24,628	3,486	429,417

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 270,664**

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

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

Capital Assets	37,651	
Accumulated Depreciation	<u>(11,677)</u>	
		25,974

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds 281,349

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Compensated Absences (8,900)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds (148,070)

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds (1,468,396)

Net Position-Total Governmental Activities **\$ (1,047,379)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	-	-	-	-
Local & County Grant	\$ 7,915	-	-	-
State Grant	1,468,516	15,655	-	-
Federal Grant	-	-	-	32,332
Charges for Services	2,098	-	20,169	-
Miscellaneous Income	11,159	-	-	-
Total Revenues	<u>1,489,688</u>	<u>15,655</u>	<u>20,169</u>	<u>32,332</u>
EXPENDITURES				
Current:				
Instruction	761,145	11,192	-	11,837
Support Services:				
Students	33,579	-	-	20,495
Instruction	8,399	-	-	-
General Administration	37,909	-	-	-
School Administration	164,822	-	-	-
Central Services	95,506	-	-	-
Operation & Maintenance of Plant	222,330	-	-	-
Other Support Services Operations	585	-	-	-
Food Services Operations	-	-	17,948	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,324,275</u>	<u>11,192</u>	<u>17,948</u>	<u>32,332</u>
Net Changes in Fund Balances	<u>165,413</u>	<u>4,463</u>	<u>2,221</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>88,020</u>	<u>8,968</u>	<u>1,579</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 253,433</u>	<u>13,431</u>	<u>3,800</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Teacher Principal Training 24154	2012 SB-66 Student Library 27107	STEM Initiative 27195	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	-	-
-	-	-	-	-	-	7,915
-	1,095	64,940	150,195	24,628	3,486	1,728,515
4,518	-	-	-	-	-	36,850
-	-	-	-	-	-	22,267
-	-	-	-	-	-	11,159
4,518	1,095	64,940	150,195	24,628	3,486	1,806,706
4,518	-	64,940	-	-	-	853,632
-	-	-	-	-	-	54,074
-	1,095	-	-	-	-	9,494
-	-	-	-	-	-	37,909
-	-	-	-	-	-	164,822
-	-	-	-	-	-	95,506
-	-	-	-	-	-	222,330
-	-	-	-	-	-	585
-	-	-	-	-	-	17,948
-	-	-	150,195	24,628	3,486	178,309
4,518	1,095	64,940	150,195	24,628	3,486	1,634,609
-	-	-	-	-	-	172,097
-	-	-	-	-	-	98,567
-	-	-	-	-	-	270,664

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 172,097**

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

Change in Compensated Absences (3,297)

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Capital Outlays	5,000	
Depreciation Expense	(2,235)	
		2,765

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		(27,479)

Change in Net Position-Total Governmental Activities **\$ 144,086**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Funds</u>
ASSETS	
Cash in Bank	<u>\$ 80,119</u>
Total Assets	<u><u>\$ 80,119</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 80,119</u>
Total Liabilities	<u><u>\$ 80,119</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 66,915	46,838	(33,634)	80,119
Total Assets	<u>\$ 66,915</u>	<u>46,838</u>	<u>(33,634)</u>	<u>80,119</u>
LIABILITIES				
Deposits Held for Others	\$ 66,915	46,838	(33,634)	80,119
Total Liabilities	<u>\$ 66,915</u>	<u>46,838</u>	<u>(33,634)</u>	<u>80,119</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Building Improvements	15 years
Furniture, Fixtures and Equipment	3-15 years

Capital assets for New Mexico International School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>	\$			
Furniture, Fixtures and Equipment	7,458	5,000	-	12,458
Building Improvements	25,193	-	-	25,193
<i>Total</i>	32,651	5,000	-	37,651
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(7,458)	(555)	-	(8,013)
Building Improvements	(1,984)	(1,680)	-	(3,664)
<i>Total</i>	(9,442)	(2,235)	-	(11,677)
Capital Assets, Net	\$ 23,209	2,765	-	25,974

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 1,251
Facilities, Materials, Supplies & Other	984
Total	\$ 2,235

NOTE 3. COMMITMENTS AND LIABILITIES

New Mexico International School leases facilities under long-term cancelable operating leases. Lease expenses for the year ended June 30, 2016 was \$253,224. New Mexico International School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 269,388
2018	269,388
Total	\$ 538,776

The New Mexico International School had a compensated absences liability of \$8,900, all of which is considered a current liability.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to New Mexico International School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and New Mexico International School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from New Mexico International School were \$114,668 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, New Mexico International School reported a liability of \$1,468,396 for its proportionate share of the net pension liability. New Mexico International School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, New Mexico International School's proportion was 0.02267%, which was an increase of 0.00242% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, New Mexico International School recognized pension expense of \$142,146. At June 30, 2016, New Mexico International School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(27,223)
Changes in assumptions	50,506	-
Net difference between projected and actual earnings on pension plan investments	-	(6,609)
Changes in proportion	116,175	(114,238)
Fiscal year 2016 employer contributions	114,668	-
	<hr/>	<hr/>
Ending balance	<u>\$ 281,349</u>	<u>(148,070)</u>

The amount of \$114,668 reported as deferred outflows of resources related to pensions resulting from New Mexico International School contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2017	\$	(19,262)
2018		(12,649)
2019		33,696
2020		(20,410)
Total	<u>\$</u>	<u>(18,625)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of New Mexico International School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
New Mexico International School’s proportionate share of the net pension liability	<u>\$ 1,975,825</u>	<u>1,468,396</u>	<u>1,042,103</u>

Payables to the pension plan. At June 30, 2016, New Mexico International School owed \$31,380 to ERB for fiscal year 2016 contributions.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NEW MEXICO INTERNATIONAL SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,432	1,468	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 692	619	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.02%	237.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

**PUBLIC EDUCATION DEPARTMENT
NEW MEXICO INTERNATIONAL SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 102	\$ 115	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	90	115	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 12	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (27)	5		\$ (22)	\$ (22)	\$ (15)	\$ 32	-						
2015	\$ (19)	5			(19)	(13)	34	(20)	-					
2016	-	5				-	-	-	-	-				
2017	-	5					-	-	-	-	-			
2018	-	5						-	-	-	-	-		
2019	-	5							-	-	-	-	-	
2020	-	5								-	-	-	-	-
2021	-	5									-	-	-	-
2022	-	5										-	-	-
2023	-	5											-	-
	\$ (46)			\$ (22)	\$ (41)	(28)	66	(20)	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	2,915	2,915
State Grant	1,551,066	1,468,516	1,468,516	-
Charges for Services	-	-	2,098	
Miscellaneous	1,000	1,000	11,159	10,159
Total Revenues	1,552,066	1,469,516	1,484,688	13,074
EXPENDITURES				
Current:				
Instruction	937,232	883,399	759,945	116,685
Support Services:				
Students	98,300	97,545	33,821	63,724
Instruction	10,000	10,254	8,399	1,855
General Administration	49,627	49,691	39,300	10,391
School Administration	171,694	177,528	164,822	12,706
Central Services	100,668	102,556	95,506	7,050
Operation & Maintenance of Plant	229,434	234,060	217,330	16,154
Other Support Services Operations	-	590	585	5
Total Expenditures	1,596,955	1,555,623	1,319,708	228,570
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(44,889)	(86,107)	164,980	241,644
Other Financing Sources (Uses):				
Designated Cash	44,889	86,107	-	(86,107)
Total Other Financing Sources (Uses):	44,889	86,107	-	(86,107)
Net Change in Fund Balance	-	-	164,980	155,537
Cash or Fund Balance - Beginning of Year	-	-	88,020	88,020
Cash or Fund Balance - End of Year	\$ -	-	253,000	243,557
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 164,980	
Adjustments to Revenues			5,000	
Adjustments to Expenditures			(4,567)	
NET CHANGE IN FUND BALANCE			\$ 165,413	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 11,450	15,655	15,655	-
Total Revenues	11,450	15,655	15,655	-
EXPENDITURES				
Current:				
Instruction	11,450	24,623	11,192	13,431
Total Expenditures	11,450	24,623	11,192	13,431
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(8,968)	4,463	13,431
Other Financing Sources (Uses):				
Designated Cash	-	8,968	-	(8,968)
Total Other Financing Sources (Uses):	-	8,968	-	(8,968)
Net Change in Fund Balance	-	-	4,463	4,463
Cash or Fund Balance - Beginning of Year	-	-	8,968	8,968
Cash or Fund Balance - End of Year	\$ -	-	13,431	13,431
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,463	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 4,463	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Charges for Services	\$ -	27,500	16,369	(11,131)
Total Revenues	-	27,500	16,369	(11,131)
EXPENDITURES				
Current:				
Food Services Operations	5,706	33,135	22,004	11,131
Total Expenditures	5,706	33,135	22,004	11,131
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(5,706)</i>	<i>(5,635)</i>	<i>(5,635)</i>	<i>-</i>
Other Financing Sources (Uses):				
Designated Cash	5,706	5,635	-	(5,635)
Total Other Financing Sources (Uses):	5,706	5,635	-	(5,635)
Net Change in Fund Balance	-	-	(5,635)	(5,635)
Cash or Fund Balance - Beginning of Year	-	-	1,579	1,579
Cash or Fund Balance - End of Year	\$ -	-	(4,056)	(4,056)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,635)	
Adjustments to Revenues			3,800	
Adjustments to Expenditures			4,056	
NET CHANGE IN FUND BALANCE			\$ 2,221	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 27,529	32,332	37,006	4,674
Total Revenues	27,529	32,332	37,006	4,674
EXPENDITURES				
Current:				
Instruction	27,529	11,837	11,837	-
Support Services:				
Students	-	20,495	20,495	-
Total Expenditures	27,529	32,332	32,332	-
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	4,674	4,674
Net Change in Fund Balance	-	-	4,674	4,674
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	4,674	4,674
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 4,674	
Adjustments to Revenues			(4,674)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 2,547	4,518	7,381	2,863
Total Revenues	2,547	4,518	7,381	2,863
EXPENDITURES				
Current:				
Instruction	2,547	4,518	4,518	-
Total expenditures	2,547	4,518	4,518	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	2,863	2,863
Net change in Fund Balance	-	-	2,863	2,863
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	2,863	2,863
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,863	
Adjustments to Revenues			(2,863)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 Student Library 27107
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,558	3,795	2,903	(892)
Total Revenues	<u>3,558</u>	<u>3,795</u>	<u>2,903</u>	<u>(892)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,558	3,795	1,095	2,700
Total Expenditures	<u>3,558</u>	<u>3,795</u>	<u>1,095</u>	<u>2,700</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,808	1,808
Net Change in Fund Balance	-	-	1,808	1,808
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,808</u>	<u>1,808</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,808	
Adjustments to Revenues			(1,808)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Schedule of Budgetary Comparisons - Budgetary Basis
 STEM Initiative 27195
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	72,900	64,940	(7,960)
Total Revenues	-	72,900	64,940	(7,960)
EXPENDITURES				
Current:				
Instruction	-	72,900	64,940	7,960
Total Expenditures	-	72,900	64,940	7,960
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	150,195	169,156	18,961
Total Revenues	-	150,195	169,156	18,961
EXPENDITURES				
Capital Outlay	-	150,195	150,195	-
Total Expenditures	-	150,195	150,195	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	18,961	18,961
Net Change in Fund Balance	-	-	18,961	18,961
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	18,961	18,961
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 18,961	
Adjustments to Revenues			(18,961)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay - State 31400
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	40,000	-	(40,000)
Total Revenues	-	40,000	-	(40,000)
EXPENDITURES				
Capital Outlay	-	40,000	24,628	15,122
Total Expenditures	-	40,000	24,628	15,122
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(24,628)	(24,878)
Net Change in Fund Balance	-	-	(24,628)	(24,878)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	(24,628)	(24,878)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (24,628)	
Adjustments to Revenues			24,628	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 6,823	6,823	2,692	(4,131)
Total Revenues	6,823	6,823	2,692	(4,131)
EXPENDITURES				
Capital Outlay	6,823	6,823	3,486	3,337
Total Expenditures	6,823	6,823	3,486	3,337
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(794)	(794)
Net Change in Fund Balance	-	-	(794)	(794)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	(794)	(794)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (794)	
Adjustments to Revenues			794	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
BNY Mellon	FNMA FNMS	31417JNH9	07/01/39	\$ 81,785
BNY Mellon	FNMA FNMS	31419KZA6	12/01/40	46,636
BNY Mellon	FNMA FNMS	3138ELHM8	06/01/43	5,471
				<u>\$ 133,892</u>

Total Cash per Schedule of Cash Accounts:	\$ 455,988
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	205,988
Collateral Requirement:	102,994
Pledged Collateral Held by Pledging Financial Institution:	<u>133,892</u>
Balance Over Collateralized:	<u>\$ 30,898</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ 72,096</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 455,988
<i>Total on Deposit</i>	455,988
Reconciling Items	<u>(28,425)</u>
Reconciled Balance June 30, 2016	<u>427,563</u>
Less Agency Funds	<u>(80,119)</u>
<i>Total Cash</i>	<u><u>\$ 347,444</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Cash Reconciliation
June 30, 2016

	Operational <u>11000</u>	Instructional Materials <u>14000</u>	Food Services <u>21000</u>	Non-Instruct. Fund <u>23000</u>
Cash, June 30, 2015	\$ 189,812	8,968	5,635	66,915
Add:				
2015-16 revenues	<u>1,484,688</u>	<u>15,655</u>	<u>16,369</u>	<u>46,838</u>
Total Cash Available	1,674,500	24,623	22,004	113,753
Less:				
2015-16 expenditures	(1,319,708)	(11,192)	(22,004)	(33,634)
Receivables/Payables	(19,900)	-	-	-
Outstanding Loans	<u>(1,790)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>333,102</u>	<u>13,431</u>	<u>-</u>	<u>80,119</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>333,102</u>	<u>13,431</u>	<u>-</u>	<u>80,119</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(79,669)</u>	<u>-</u>	<u>3,800</u>	<u>(80,119)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 253,433</u>	<u>13,431</u>	<u>3,800</u>	<u>-</u>

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

Federal Projects Account 24000	State Account 27000	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	SB-9 Capital Improvements 31700	Total
1,573	-	-	-	-	272,903
44,387	67,843	169,156	-	2,692	1,847,628
45,960	67,843	169,156	-	2,692	2,120,531
(36,850)	(66,035)	(150,195)	(24,628)	(3,486)	(1,667,732)
(5,336)	-	-	-	-	(25,236)
(2,863)	(1,808)	(18,961)	24,628	794	-
911	-	-	-	-	427,563
-	-	-	-	-	-
911	-	-	-	-	427,563
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:					(80,119)
					\$ 347,444
(911)	-	-	-	-	(156,899)
-	-	-	-	-	270,664

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 862,753
Receivables	
Due from Other Governments	141,412
Deposits	12,500
Prepaid Expenditures	15,570
Total Current Assets	<u>1,032,235</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	153,311
Less: Accumulated Depreciation	(106,825)
Total Noncurrent Assets	<u>46,486</u>

Total Assets	<u>1,078,721</u>
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Deferred Outflows - Pension Related	<u>733,284</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accrued Liabilities	150,373
Total Current Liabilities	<u>150,373</u>

Noncurrent Liabilities:

Net Pension Liability	3,043,667
Total Noncurrent Liabilities	<u>3,043,667</u>

Total Liabilities	<u>3,194,040</u>
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Deferred Inflows - Pension related	<u>70,127</u>
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NET POSITION

Investment in Capital Assets	46,486
Restricted	603,797
Unrestricted (Deficit)	(2,102,445)
Total Net Position	<u>\$ (1,452,162)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,405,981	13,785	338,589	-	(1,053,607)
Support Services:					
Students	93,712	-	-	-	(93,712)
Instruction	118,088	-	-	-	(118,088)
General Administration	42,567	-	-	-	(42,567)
School Administration	416,490	-	-	-	(416,490)
Central Services	139,734	-	-	-	(139,734)
Operation & Maintenance of Plant	185,016	-	-	-	(185,016)
Other Support Services	46	-	-	-	(46)
Student Transportation	490	-	-	-	(490)
Food Services	49,698	10,338	13,321	-	(26,039)
Facilities Materials, Supplies & Other Services	266,888	-	-	205,648	(61,240)
Total Governmental Activities	\$ 2,718,710	24,123	351,910	205,648	(2,137,029)
General Revenues:					
Property Taxes					\$ 150,223
State Equalization Guarantee					2,047,179
Miscellaneous					2,034
Total General Revenues					<u>2,199,436</u>
Change in Net Position					62,407
Net Position (Deficit), Beginning					<u>(1,514,569)</u>
Net position (Deficit), Ending					<u>\$ (1,452,162)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 282,730	6,181	5,685	-
Accounts Receivable				
Due from Government	301	-	644	9,321
Due from Other Funds	129,300	-	-	-
Deposits	12,500	-	-	-
Prepaid Expenditures	14,583	987	-	-
Total Assets	\$ 439,414	7,168	6,329	9,321
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	134,266	-	-	886
Due to Other Funds	-	-	-	8,435
Total Liabilities	134,266	-	-	9,321
<i>Fund Balances</i>				
Fund Balance:				
Nonspendable:				
Deposits	12,500	-	-	-
Prepaid Expenditures	14,583	987	-	-
Restricted for:				
Instruction	-	6,181	-	-
Food Service Operations	-	-	6,329	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	278,065	-	-	-
Total Fund Balance	305,148	7,168	6,329	-
Total Liabilities and Fund Balances	\$ 439,414	7,168	6,329	9,321

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Dual Credit 27103	2012 GO Bond Student Library SB-66 27107	Private Dir Grants 29102
-	-	-	-	-	90,623
16,649	37	8,566	-	3,216	1,329
-	-	-	-	-	-
-	-	-	-	-	-
<u>16,649</u>	<u>37</u>	<u>8,566</u>	<u>-</u>	<u>3,216</u>	<u>91,952</u>
-	-	-	-	-	-
5,298	-	-	-	-	9,923
<u>11,351</u>	<u>37</u>	<u>8,566</u>	<u>-</u>	<u>3,216</u>	<u>-</u>
<u>16,649</u>	<u>37</u>	<u>8,566</u>	<u>-</u>	<u>3,216</u>	<u>9,923</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	82,029
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>82,029</u>
<u>16,649</u>	<u>37</u>	<u>8,566</u>	<u>-</u>	<u>3,216</u>	<u>91,952</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Balance Sheets - Governmental Funds - (Continued)
June 30, 2016

	Public School Capital Outlay 31200	Special Capital Outlay 31400	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700
ASSETS				
Cash and Cash Equivalents	-	-	105,489	352,839
Accounts Receivable				
Due from Government	35,984	61,711	1,465	2,189
Due from Other Funds	-	-	-	-
Deposits	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	35,984	61,711	106,954	355,028
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	-	-	-	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	35,984	61,711	-	-
Total Liabilities	35,984	61,711	-	-
<i>Fund Balances</i>				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	106,954	355,028
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Total Fund Balance	-	-	106,954	355,028
Total Liabilities and Fund Balances	\$ 35,984	\$ 61,711	\$ 106,954	\$ 355,028

The accompanying notes are an integral part of these financial statements

Educational Technology Equipment 31900	Total
19,206	862,753
-	141,412
-	129,300
-	12,500
-	15,570
<u>19,206</u>	<u>1,161,535</u>
-	-
-	150,373
-	129,300
<u>-</u>	<u>279,673</u>
-	12,500
-	15,570
-	88,210
-	6,329
19,206	481,188
-	278,065
<u>19,206</u>	<u>881,862</u>
<u>\$ 19,206</u>	<u>1,161,535</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 881,862**

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

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

Capital Assets	153,311	
Accumulated Depreciation	<u>(106,825)</u>	46,486

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds. 733,284

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds. (70,127)

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds. (3,043,667)

Deficit-Total Governmental Activities **\$ (1,452,162)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	2,047,179	15,012	-	-
Federal Grant	4,290	-	13,321	31,043
Fees	13,785	-	10,338	-
Miscellaneous Income	2,034	-	-	-
Total Revenues	<u>2,067,288</u>	<u>15,012</u>	<u>23,659</u>	<u>31,043</u>
EXPENDITURES				
Current:				
Instruction	1,091,067	8,229	-	27,332
Support Services:				
Students	86,563	-	-	3,711
Instruction	43,844	-	-	-
General Administration	26,099	-	-	-
School Administration	367,107	-	-	-
Central Services	137,613	-	-	-
Operation & Maintenance of Plant	180,451	-	-	-
Student Transportation	490	-	-	-
Other Support Services Operations	46	-	-	-
Food Services Operations	28,235	-	20,146	-
Capital Outlay	2,164	-	-	-
Total Expenditures	<u>1,963,679</u>	<u>8,229</u>	<u>20,146</u>	<u>31,043</u>
Net Changes in Fund Balances	<u>103,609</u>	<u>6,783</u>	<u>3,513</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>201,539</u>	<u>385</u>	<u>2,816</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 305,148</u>	<u>7,168</u>	<u>6,329</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Dual Credit 27103	2012 GO Bond Student Library SB-66 27107	Private Dir Grants 29102
-	-	-	-	-	-
-	-	-	-	-	117,117
-	-	-	365	3,216	-
46,123	37	13,366	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>46,123</u>	<u>37</u>	<u>13,366</u>	<u>365</u>	<u>3,216</u>	<u>117,117</u>
42,722	-	13,366	365	-	52,298
3,401	37	-	-	-	-
-	-	-	-	3,216	61,233
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>46,123</u>	<u>37</u>	<u>13,366</u>	<u>365</u>	<u>3,216</u>	<u>113,531</u>
-	-	-	-	-	3,586
-	-	-	-	-	78,443
-	-	-	-	-	82,029

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Statement of Revenues, Expenditures, and Changes In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	Public School Capital Outlay 31200	Special Capital Outlay 31400	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700
REVENUES				
Property Taxes	-	-	108,020	150,223
Local & County Grant	-	-	-	-
State Grant	143,937	61,711	-	-
Federal Grant	-	-	-	-
Fees	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>143,937</u>	<u>61,711</u>	<u>108,020</u>	<u>150,223</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	1,066	1,480
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	143,937	61,711	-	40,474
Total Expenditures	<u>143,937</u>	<u>61,711</u>	<u>1,066</u>	<u>41,954</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>106,954</u>	<u>108,269</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>246,759</u>
Fund Balances - End of Year	<u>-</u>	<u>-</u>	<u>106,954</u>	<u>355,028</u>

The accompanying notes are an integral part of these financial statements

Educational Technology Equipment 31900	Total
-	258,243
-	117,117
-	2,271,420
-	108,180
-	24,123
-	2,034
<u>-</u>	<u>2,781,117</u>
-	1,235,379
-	93,712
-	108,293
-	28,645
-	367,107
-	137,613
-	180,451
-	490
-	46
-	48,381
<u>9,103</u>	<u>257,389</u>
<u>9,103</u>	<u>2,457,506</u>
<u>(9,103)</u>	<u>323,611</u>
<u>28,309</u>	<u>558,251</u>
<u>19,206</u>	<u>881,862</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 323,611**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Depreciation Expense	(22,857)
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Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability	(238,347)
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Change in Net Position-Total Governmental Activities	\$ 62,407
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	<u>\$ 9,375</u>
Total Assets	<u><u>\$ 9,375</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 9,375</u>
Total Liabilities	<u><u>\$ 9,375</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 7,790	19,796	(18,211)	9,375
Total Assets	<u>\$ 7,790</u>	<u>19,796</u>	<u>(18,211)</u>	<u>9,375</u>
 LIABILITIES				
Deposits Held for Others	\$ 7,790	19,796	(18,211)	9,375
Total Liabilities	<u>\$ 7,790</u>	<u>19,796</u>	<u>(18,211)</u>	<u>9,375</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 – 7 years
-----------------------------------	-------------

Capital assets for New Mexico School for the Arts are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 153,311	-	-	153,311
<i>Total</i>	<u>153,311</u>	<u>-</u>	<u>-</u>	<u>153,311</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(83,968)	(22,857)	-	(106,825)
<i>Total</i>	<u>(83,968)</u>	<u>(22,857)</u>	<u>-</u>	<u>(106,825)</u>
Capital Assets, Net	<u>\$ 69,343</u>	<u>(22,857)</u>	<u>-</u>	<u>46,486</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 9,599
Operations/Plant Maintenance	3,759
Facilities Materials, Supplies & Other Services	9,499
Total	<u>\$ 22,857</u>

NOTE 3. COMMITMENTS AND LIABILITIES

New Mexico School for the Arts leased facilities under short-term cancelable operating leases. Rental expenses for the year ended June 30, 2016 was \$181,304. New Mexico School for the Arts minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 196,264
2018	10,764
2019	10,764
2020	10,764
2021	7,176
Total	<u>\$ 235,732</u>

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to New Mexico School for the Arts and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and New Mexico School for the Arts are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from New Mexico School for the Arts were \$177,505 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2015. At June 30, 2016, New Mexico School for the Arts reported a liability of \$3,043,667 for its proportionate share of the net pension liability. New Mexico School for the Arts' proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, New Mexico School for the Art's proportion was 0.04699%, which was an increase of 0.00588% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, New Mexico School for the Arts recognized pension expense of \$419,188. At June 30, 2016, New Mexico School for the Arts reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (56,427)
Changes in assumptions	104,688	-
Net differences between projected and actual earnings on pension plan investments	-	(13,700)
Changes in proportion	451,091	-
Fiscal year 2016 employer contributions	<u>177,505</u>	<u>-</u>
Ending balance	<u>\$ 733,284</u>	<u>(70,127)</u>

New Mexico School for the Arts reported \$177,505 as deferred outflows of resources related to pensions resulting from New Mexico School for the Arts contributions subsequent to the measurement date June 30, 2015 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	
2017	\$ (180,716)
2018	(171,160)
2019	(91,502)
2021	<u>(42,274)</u>
Total	<u>\$ (485,652)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of New Mexico School for the Arts proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
New Mexico School for the Arts proportionate share of the net pension liability	<u>\$ 4,095,458</u>	<u>3,043,667</u>	<u>2,160,054</u>

Payables to the pension plan. At June 30, 2016, New Mexico School for the Arts owed \$43,589 to ERB for fiscal year 2016 contributions.

NOTE 5. RELATED PARTY TRANSACTION

The business manager services are performed by AptAbility, which performed services for multiple state charter schools.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR THE ARTS
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,346	3,044	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,133	1,283	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.01%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR THE ARTS
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 149	\$ 186	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	149	186	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Deferred	Amortization Years										
2014	\$ (21)	5		\$ (28)	\$ (28)	\$ (18)	\$ 53	-				
2015	\$ (486)	5			(181)	(171)	(92)	(42)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ (507)		\$ -	\$ (28)	\$ (209)	(189)	(39)	(42)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 1,936,745	2,047,178	2,047,178	-
Federal Grant	7,500	7,500	6,689	(811)
Miscellaneous	1,000	1,000	3,959	2,959
Charges for Services	1,000	7,116	11,560	4,444
Total Revenues	<u>1,946,245</u>	<u>2,062,794</u>	<u>2,069,386</u>	<u>6,592</u>
EXPENDITURES				
Current:				
Instruction	1,046,762	1,229,817	1,091,067	138,750
Support Services:				
Students	97,412	97,392	86,563	10,829
Instruction	129,487	49,693	43,844	5,849
General Administration	21,235	28,717	26,358	2,359
School Administration	261,362	375,080	367,107	7,973
Central Services	169,808	140,779	137,613	3,166
Operation & Maintenance of Plant	380,497	266,964	184,416	82,548
Student Transportation	-	4,000	490	3,510
Other Support Services Operations	-	46	46	-
Food Services Operations	20,290	44,425	28,235	16,190
Capital Outlay	-	2,164	2,164	-
Total Expenditures	<u>2,126,853</u>	<u>2,239,077</u>	<u>1,967,903</u>	<u>271,174</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(180,608)</u>	<u>(176,283)</u>	<u>101,483</u>	<u>277,766</u>
Other Financing Sources (Uses):				
Designated Cash	180,608	176,283	-	(176,283)
Total Other Financing Sources (Uses):	<u>180,608</u>	<u>176,283</u>	<u>-</u>	<u>(176,283)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>101,483</u>	<u>101,483</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>201,539</u>	<u>201,539</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>303,022</u>	<u>303,022</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 101,483	
Adjustments to Revenues			(2,098)	
Adjustments to Expenditures			4,224	
NET CHANGE IN FUND BALANCE			<u>\$ 103,609</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	15,012	15,012	-
Total Revenues	<u>-</u>	<u>15,012</u>	<u>15,012</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	15,397	9,216	6,181
Total Expenditures	<u>-</u>	<u>15,397</u>	<u>9,216</u>	<u>6,181</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(385)</u>	<u>5,796</u>	<u>6,181</u>
Other Financing Sources (Uses):				
Designated Cash	-	385	-	(385)
Total Other Financing Sources (Uses):	<u>-</u>	<u>385</u>	<u>-</u>	<u>(385)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>5,796</u>	<u>5,796</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>385</u>	<u>385</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>6,181</u>	<u>6,181</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,796	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>987</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 6,783</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 16,000	16,000	14,779	(1,221)
Fees	18,100	3,100	9,694	6,594
Total Revenues	34,100	19,100	24,473	5,373
EXPENDITURES				
Current:				
Food Services Operations	34,100	20,459	20,146	313
Total Expenditures	34,100	20,459	20,146	313
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(1,359)	4,327	5,686
Other Financing Sources (Uses):				
Designated Cash	-	1,359	-	(1,359)
Total Other Financing Sources (Uses):	-	1,359	-	(1,359)
Net Changes in Fund Balances	-	-	4,327	4,327
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	4,327	4,327
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,327	
Adjustments to Revenues			(814)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,513	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I IASA 24101
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 21,316	37,397	33,473	(3,924)
Total Revenues	21,316	37,397	33,473	(3,924)
EXPENDITURES				
Current:				
Instruction	17,516	33,597	27,332	6,265
Support Services:				
Students	3,800	3,800	3,711	89
Total Expenditures	21,316	37,397	31,043	6,354
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	2,430	2,430
Net Changes in Fund Balances	-	-	2,430	2,430
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	2,430	2,430
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,430	
Adjustments to Revenues			(2,430)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 26,679	52,810	33,496	(19,314)
Total Revenues	26,679	52,810	33,496	(19,314)
EXPENDITURES				
Current:				
Instruction	23,000	42,734	42,722	12
Support Services:				
Students	3,679	10,076	3,401	6,675
Total Expenditures	26,679	52,810	46,123	6,687
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(12,627)	(12,627)
Net Changes in Fund Balances	-	-	(12,627)	(12,627)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(12,627)	(12,627)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (12,627)	
Adjustments to Revenues			12,627	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	37	37	-
Total Revenues	-	37	37	-
EXPENDITURES				
Current:				
Support Services:				
Students	-	37	37	-
Total Expenditures	-	37	37	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 6,036	13,888	4,841	(9,047)
Total Revenues	<u>6,036</u>	<u>13,888</u>	<u>4,841</u>	<u>(9,047)</u>
EXPENDITURES				
Current:				
Instruction	6,036	13,888	13,366	522
Total expenditures	<u>6,036</u>	<u>13,888</u>	<u>13,366</u>	<u>522</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(8,525)	(8,525)
Net changes in Fund Balances	-	-	(8,525)	(8,525)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(8,525)</u>	<u>(8,525)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (8,525)	
Adjustments to Revenues			8,525	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit 27103
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	366	365	(1)
Total Revenues	-	366	365	(1)
EXPENDITURES				
Current:				
Instruction	-	366	365	1
Total Expenditures	-	366	365	1
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 Student Library 27107
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 4,244	6,745	-	(6,745)
Total Revenues	<u>4,244</u>	<u>6,745</u>	<u>-</u>	<u>(6,745)</u>
EXPENDITURES				
Current:				
Instruction	4,244	-	-	-
Support Services:				
Instruction	-	6,745	3,216	3,529
Total Expenditures	<u>4,244</u>	<u>6,745</u>	<u>3,216</u>	<u>3,529</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,216)</u>	<u>(10,274)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,216)</u>	<u>(10,274)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,216)</u>	<u>(10,274)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,216)	
Adjustments to revenues			3,216	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Private Dir Grants 29102
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ 75,000	107,715	115,787	(8,072)
Total Revenues	75,000	107,715	115,787	(8,072)
EXPENDITURES				
Current:				
Instruction	27,659	56,992	52,298	4,694
Support Services:				
Instruction	57,858	61,240	61,233	7
Total Expenditures	85,517	118,232	113,531	4,701
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(10,517)</i>	<i>(10,517)</i>	<i>2,256</i>	<i>(3,371)</i>
Other financing sources (uses):				
Designated Cash	10,517	10,517	-	(10,517)
Total other financing sources (uses):	10,517	10,517	-	(10,517)
Net Changes in Fund Balances	-	-	2,256	(13,888)
Cash or Fund Balances - Beginning of Year	-	-	78,443	78,443
Cash or Fund Balances - End of Year	\$ -	-	80,699	64,555
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,256	
Adjustments to Revenues			1,330	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,586	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	143,937	145,135	1,198
Total Revenues	-	143,937	145,135	1,198
EXPENDITURES				
Capital Outlay	-	143,937	143,937	-
Total Expenditures	-	143,937	143,937	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,198	1,198
Net Changes in Fund Balances	-	-	1,198	1,198
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	1,198	1,198
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,198	
Adjustments to Revenues			(1,198)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay - State 31400
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 100,000	310,000	-	(310,000)
Total Revenues	<u>100,000</u>	<u>310,000</u>	<u>-</u>	<u>(310,000)</u>
EXPENDITURES				
Capital Outlay	100,000	310,000	61,711	248,289
Total Expenditures	<u>100,000</u>	<u>310,000</u>	<u>61,711</u>	<u>248,289</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(61,711)	(61,711)
Net Changes in Fund Balances	-	-	(61,711)	(61,711)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(61,711)</u>	<u>(61,711)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (61,711)	
Adjustments to Revenues			61,711	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 111,209	111,209	106,554	(4,655)
Total Revenues	111,209	111,209	106,554	(4,655)
EXPENDITURES				
Current:				
Support Services:				
General Administration	3,500	3,500	1,066	2,434
Capital Outlay	107,709	107,709	-	107,709
Total Expenditures	111,209	111,209	1,066	110,143
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	105,488	105,488
Other Financing Sources (Uses):				
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes in Fund Balances	-	-	105,488	105,488
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	105,488	105,488
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 105,488	
Adjustments to Revenues			1,466	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 106,954	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 152,810	152,810	150,330	(2,480)
State Grant	-	4,988	-	(4,988)
Total Revenues	152,810	157,798	150,330	(7,468)
EXPENDITURES				
Current:				
Support Services:				
General Administration	3,500	3,500	1,503	1,997
Capital Outlay	375,231	398,784	40,474	358,310
Total Expenditures	378,731	402,284	41,977	360,307
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(225,921)</i>	<i>(244,486)</i>	<i>108,353</i>	<i>352,839</i>
Other Financing Sources (Uses):				
Designated Cash	225,921	244,486	-	(244,486)
Total Other Financing Sources (Uses):	225,921	244,486	-	(244,486)
Net Changes in Fund Balances	-	-	108,353	108,353
Cash or Fund Balances - Beginning of Year	-	-	246,759	246,759
Cash or Fund Balances - End of Year	\$ -	-	355,112	355,112
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 108,353	
Adjustments to Revenues			(107)	
Adjustments to Expenditures			23	
NET CHANGE IN FUND BALANCE			\$ 108,269	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Wells Fargo	FNMA FNMS	3138WVPE5	6/1/2043	\$ 294,921
Wells Fargo	FNMA FNMS	31417FYS1	3/1/2043	62,124
Wells Fargo	FNMA FNMS	31418AAM0	10/1/2026	83,028
				<u>\$ 440,073</u>

Total Cash per Schedule of Cash Accounts:	\$ 899,417
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	649,417
Collateral Requirement:	324,709
Pledged Collateral Held by Pledging Financial Institution:	<u>440,073</u>
Balance Over Collateralized:	<u>\$ 115,364</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 899,417
Total on Deposit	899,417
Reconciling Items	<u>(27,289)</u>
Reconciled Balance June 30, 2016	<u>872,128</u>
Less Agency Funds	<u>(9,375)</u>
Total Cash	<u>\$ 862,753</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 198,009	385	1,369	7,790
Add:				
2015-16 revenues	2,069,386	15,012	24,473	19,796
Total Cash Available	2,267,395	15,397	25,842	27,586
Less:				
2015-16 expenditures	(1,967,903)	(9,216)	(20,146)	(18,211)
Receivables/Payables	(3,623)	-	(11)	-
Outstanding Loans	(13,139)	-	-	-
Cash June 30, 2016	282,730	6,181	5,685	9,375
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	282,730	6,181	5,685	9,375
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	22,418	987	644	(9,375)
Fund Balance, Modified Accrual Basis	\$ 305,148	7,168	6,329	-

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	State Account 27000	Local and State 29000	Public School Capital Outlay 31200	Special Capital Outlay 31400
-	-	84,403	-	-
71,847	365	115,787	145,135	-
71,847	365	200,190	145,135	-
(90,569)	(3,581)	(113,531)	(143,937)	(61,711)
1,877	67,434	3,964	1	-
16,845	(64,218)	-	(1,199)	61,711
-	-	90,623	-	-
-	-	-	-	-
-	-	90,623	-	-
-	-	(8,594)	-	-
-	-	82,029	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Cash Reconciliation
June 30, 2016

	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Educational Technology Equipment 31900	Total
Cash, June 30, 2015	\$ -	244,486	28,309	564,751
Add:				
2015-16 revenues	106,554	150,330	-	2,718,685
Total Cash Available	106,554	394,816	28,309	3,283,436
Less:				
2015-16 expenditures	(1,066)	(41,977)	(9,103)	(2,480,951)
Receivables/Payables	1	-	-	69,643
Outstanding Loans	-	-	-	-
Cash June 30, 2016	105,489	352,839	19,206	872,128
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	105,489	352,839	19,206	872,128
			Less-Agency Fund:	(9,375)
				<u>\$ 862,753</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	1,465	2,189	-	9,734
Fund Balance, Modified Accrual Basis	<u>\$ 106,954</u>	<u>355,028</u>	<u>19,206</u>	<u>881,862</u>
			Balance Sheets - Governmental Funds:	<u>\$ 881,862</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2016

VOLUME IX



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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Statement of Net Position
 June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 626,271
Receivables	
Due from Other Governments	318,071
Total Current Assets	<u>944,342</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	91,474
Furniture, Fixtures, and Equipment	15,482
Less: Accumulated Depreciation	<u>(98,844)</u>
Total Noncurrent Assets	<u>8,112</u>

Total Assets 952,454

Deferred Outflows - Pension Related 607,825

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	14,604
Accrued Liabilities	<u>369,231</u>
Total Current Liabilities	<u>383,835</u>

Noncurrent Liabilities:

Net Pension Liability	<u>4,074,848</u>
Total Noncurrent Liabilities	<u>4,074,848</u>

Total Liabilities 4,458,683

Deferred Inflows - Pension Related 196,994

NET POSITION

Investment in Capital Assets	8,112
Restricted	66,240
Unrestricted (Deficit)	<u>(3,169,750)</u>
Total Net Position	<u>\$ (3,095,398)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,331,970	222	543,422	-	(1,788,326)
Support Services:					
Students	257,196	-	-	-	(257,196)
Instruction	9,661	-	-	-	(9,661)
General Administration	45,239	-	-	-	(45,239)
School Administration	194,799	-	-	-	(194,799)
Central Services	254,648	-	-	-	(254,648)
Operation & Maintenance of Plant	391,604	-	-	-	(391,604)
Other Support Services	70,000	-	-	-	(70,000)
Food Services	207,754	35,407	146,856	-	(25,491)
Facilities Materials, Supplies & Other Services	363,768	-	-	369,339	5,571
Total Governmental Activities	\$ 4,126,639	35,629	690,278	369,339	(3,031,393)
General Revenues:					
Property Taxes					\$ 2,809,371
Total General Revenues					<u>2,809,371</u>
Change in Net Position					(222,022)
Net Position (Deficit), Beginning of Year					<u>(2,873,376)</u>
Net Position (Deficit), Ending					<u>\$ (3,095,398)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 560,031	23,295	42,341	-
Accounts Receivable				
Due from Government	-	-	-	51,450
Due from Other Funds	254,844	-	-	-
Total Assets	\$ 814,875	23,295	42,341	51,450
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 14,604	-	-	-
Accrued Expenditures	306,004	-	-	17,455
Due to Other Funds	-	-	-	33,995
Total Liabilities	320,608	-	-	51,450
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	23,295	-	-
Food Service Operations	-	-	42,341	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	494,267	-	-	-
Total Fund Balance	494,267	23,295	42,341	-
Total Liabilities and Fund Balances	\$ 814,875	23,295	42,341	51,450

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

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	USDA Equipment Assistance Program 24183	New Mexico Reads 27114	Pre-K Initiative 27149
-	-	-	-	-	-
44,939	96	24,716	5,571	21,789	46,503
-	-	-	-	-	-
<u>44,939</u>	<u>96</u>	<u>24,716</u>	<u>5,571</u>	<u>21,789</u>	<u>46,503</u>
-	-	-	-	-	-
6	-	3,711	-	8,222	17,334
44,933	96	21,005	5,571	13,567	29,169
<u>44,939</u>	<u>96</u>	<u>24,716</u>	<u>5,571</u>	<u>21,789</u>	<u>46,503</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>44,939</u>	<u>96</u>	<u>24,716</u>	<u>5,571</u>	<u>21,789</u>	<u>46,503</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Kindergarten Three Plus 27166	Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700
ASSETS				
Cash and Cash Equivalents	\$ -	604	-	-
Accounts Receivable				
Due from Government	21,203	-	89,178	12,626
Due from Other Funds	-	-	-	-
Total Assets	\$ 21,203	604	89,178	12,626
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	16,499	-	-	-
Due to Other Funds	4,704	-	89,178	12,626
Total Liabilities	21,203	-	89,178	12,626
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	604	-	-
Food Service Operations	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Total Fund Balance	-	604	-	-
Total Liabilities and Fund Balances	\$ 21,203	604	89,178	12,626

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

Total

626,271

318,071

254,844

1,199,186

14,604

369,231

254,844

638,679

23,899

42,341

494,267

560,507

1,199,186

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds **\$ 560,507**

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

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

Capital Assets	106,956	
Accumulated Depreciation	(98,844)	
		8,112

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		607,825
---	--	---------

The net pension liability is not due and payable in the current period and, therefore, is nt reported in the funds		(4,074,848)
---	--	-------------

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(196,994)
--	--	-----------

Net Position (Deficit)-Total Governmental Activities		<u><u>\$ (3,095,398)</u></u>
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Local & County Grant	\$ 3,475	-	-	-
State Grant	2,809,371	32,955	-	-
Federal Grant	-	-	146,856	145,718
Charges for Services	222	-	35,407	-
Total Revenues	<u>2,813,068</u>	<u>32,955</u>	<u>182,263</u>	<u>145,718</u>
EXPENDITURES				
Current:				
Instruction	1,867,774	40,145	-	100,886
Support Services:				
Students	127,344	-	-	44,832
Instruction	9,843	-	-	-
General Administration	45,239	-	-	-
School Administration	178,337	-	-	-
Central Services	240,145	-	-	-
Operation & Maintenance of Plant	387,237	-	-	-
Other Support Services Operations	70,000	-	-	-
Food Services Operations	-	-	201,997	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,925,919</u>	<u>40,145</u>	<u>201,997</u>	<u>145,718</u>
Net Changes in Fund Balances	<u>(112,851)</u>	<u>(7,190)</u>	<u>(19,734)</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>607,118</u>	<u>30,485</u>	<u>62,075</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 494,267</u>	<u>23,295</u>	<u>42,341</u>	<u>-</u>

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

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	USDA Equipment Assistance Program 24183	New Mexico Reads 27114	Pre-K Initiative 27149
-	-	-	-	-	-
-	-	-	-	32,787	127,138
86,862	96	33,740	5,571	-	-
-	-	-	-	-	-
<u>86,862</u>	<u>96</u>	<u>33,740</u>	<u>5,571</u>	<u>32,787</u>	<u>127,138</u>
8,026	-	32,372	-	49,983	114,896
78,836	96	-	-	-	2,540
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,368	-	-	9,471
-	-	-	-	-	-
-	-	-	-	-	231
-	-	-	-	-	-
-	-	-	5,571	-	-
-	-	-	-	-	-
<u>86,862</u>	<u>96</u>	<u>33,740</u>	<u>5,571</u>	<u>49,983</u>	<u>127,138</u>
-	-	-	-	(17,196)	-
-	-	-	-	17,196	-
-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	Kindergarten Three Plus 27166	Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700
REVENUES				
Local & County Grant	\$ -	-	-	-
State Grant	75,080	-	356,713	12,626
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	<u>75,080</u>	<u>-</u>	<u>356,713</u>	<u>12,626</u>
EXPENDITURES				
Current:				
Instruction	75,080	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	356,713	12,626
Total Expenditures	<u>75,080</u>	<u>-</u>	<u>356,713</u>	<u>12,626</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>604</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>604</u>	<u>-</u>	<u>-</u>

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

Total

3,475
3,446,670
418,843
35,629
3,904,617

2,289,162

253,648
9,843
45,239
189,176
240,145
387,468
70,000
207,568
369,339
4,061,588

(156,971)

717,478

560,507

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ (156,971)**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	5,571	
Depreciation Expense	(2,556)	
	3,015	

Changes in deferred outflows resources-pension related, deferred inflows of resources-pension related and the net pension liability		(68,066)
		(68,066)

Change in Net Position-Total Governmental Activities **\$ (222,022)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 31,575
Total Assets	<u>\$ 31,575</u>
LIABILITIES	
Deposits Held for Others	\$ 31,575
Total Liabilities	<u>\$ 31,575</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 26,826	37,474	32,725	31,575
Total Assets	<u>\$ 26,826</u>	<u>37,474</u>	<u>32,725</u>	<u>31,575</u>
LIABILITIES				
Deposits Held for Others	\$ 26,826	37,474	32,725	31,575
Total Liabilities	<u>\$ 26,826</u>	<u>37,474</u>	<u>32,725</u>	<u>31,575</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the North Valley Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Notes to the Financial Statements
June 30, 2016**

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
Capital Assets being Depreciated:				
Furniture, Fixtures and Equipment	\$ 9,911	5,571	-	15,482
Building and Improvements	91,474	-	-	91,474
Total	<u>101,385</u>	<u>5,571</u>	<u>-</u>	<u>106,956</u>
Less: Accumulated Depreciation				
Furniture, Fixtures and Equipment	(6,726)	(1,602)	-	(8,328)
Building and Improvements	(89,562)	(954)	-	(90,516)
Total	<u>(96,288)</u>	<u>(2,556)</u>	<u>-</u>	<u>(98,844)</u>
Capital Assets, Net	<u>\$ 5,097</u>	<u>3,015</u>	<u>-</u>	<u>8,112</u>

Depreciation expense for the year ended June 30, 2016 was expensed to the following functions:

Operation and Maintenance of Plant	\$ 2,370
Food Service	<u>186</u>
Total	<u>\$ 2,556</u>

NOTE 3. COMMITMENTS AND LIABILITIES

North Valley Academy leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$545,611. North Valley Academy's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ 4,000
2018	4,000
2019	4,000
2020	<u>4,000</u>
Total	<u>\$ 16,000</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Notes to the Financial Statements
June 30, 2016**

NOTE 4. RELATED PARTY TRANSACTION

Business Manager services are performed by aptAbility, which also provides Business Manager services to multiple New Mexico charter schools.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to North Valley Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and North Valley Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. For fiscal years ended June 30, 2016 and 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from North Valley Academy were \$258,519 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015 and the net pension liability was measured as of that date. At June 30, 2016, North Valley Academy reported a liability of \$4,074,848 for its proportionate share of the net pension liability. North Valley Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, North Valley Academy's proportion was 0.06291% percent, which was an increase of 0.00448% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, North Valley Academy recognized pension expense of \$326,584. At the June 30, 2016, North Valley Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(75,544)
Changes in assumptions	140,156	-
Net difference between projected and actual earnings on pension plan investments	-	(18,342)
Changes in proportion and differences between North Valley Academy contributions and proportionate share of contributions	209,150	(103,108)
North Valley Academy contributions subsequent to the measurement date	<u>258,519</u>	<u>-</u>
Total	<u>\$ 607,825</u>	<u>(196,994)</u>

The amount of \$258,519 reported as deferred outflows of resources related to pensions resulting from North Valley Academy contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (7,317)
2018	(16,126)
2019	(72,272)
2020	<u>(56,597)</u>
Total	<u>\$ (152,312)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of North Valley Academy’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
North Valley Academy’s proportionate share of the net pension liability	<u>\$ 5,482,981</u>	<u>4,074,848</u>	<u>2,891,871</u>

Payables to the pension plan. For the year ending June 30, 2016, North Valley Academy’s accrued liability due to ERB was \$ 112,506 for payroll which was paid in July 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.06%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 3,334	4,075	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,610	1,718	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.01%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the prior year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NORTH VALLEY ACADEMY
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 284	259	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	249	259	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 35	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (511)	5		\$ (148)	(148)	(139)	(76)	-				
2015	(152)	5			(7)	(16)	(72)	(57)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (663)			\$ (148)	(155)	(155)	(148)	(57)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	3,475	3,475
State Grant	2,802,418	2,809,372	2,809,371	(1)
Charges for Services	-	-	222	222
Total Revenues	2,802,418	2,809,372	2,813,068	3,696
EXPENDITURES				
Current:				
Instruction	2,164,981	2,171,935	1,866,384	305,551
Support Services:				
Students	235,589	236,150	127,255	108,895
Instruction	17,738	18,580	9,843	8,737
General Administration	85,500	95,500	44,856	50,644
School Administration	187,614	189,284	178,487	10,797
Central Services	241,334	237,848	232,106	5,742
Operation & Maintenance of Plant	384,653	402,302	387,494	14,808
Other Support Services Operations	-	70,000	70,000	-
Total Expenditures	3,317,409	3,421,599	2,916,425	505,174
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	(514,991)	(612,227)	(103,357)	508,870
Other Financing Sources (Uses):				
Designated Cash	514,991	612,227	-	(612,227)
Total Other Financing Sources (Uses):	514,991	612,227	-	(612,227)
Net Changes in Fund Balances	-	-	(103,357)	(103,357)
Cash or Fund Balances - Beginning of Year	-	-	607,118	607,118
Cash or Fund Balances - End of Year	\$ -	-	503,761	503,761
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>				
Adjustments to Expenditures			\$ (103,357)	
			(9,494)	
NET CHANGE IN FUND BALANCE			\$ (112,851)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 26,736	32,955	32,955	-
Total Revenues	<u>26,736</u>	<u>32,955</u>	<u>32,955</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	53,813	63,440	40,145	23,295
Total Expenditures	<u>53,813</u>	<u>63,440</u>	<u>40,145</u>	<u>23,295</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(27,077)</u>	<u>(30,485)</u>	<u>(7,190)</u>	<u>23,295</u>
Other Financing Sources (Uses):				
Designated Cash	27,077	30,485	-	(30,485)
Total Other Financing Sources (Uses):	<u>27,077</u>	<u>30,485</u>	<u>-</u>	<u>(30,485)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(7,190)</u>	<u>(7,190)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>30,485</u>	<u>30,485</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>23,295</u>	<u>23,295</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,190)	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (7,190)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 136,000	136,000	146,856	10,856
Charges for Services	39,000	32,500	35,407	2,907
Total Revenues	<u>175,000</u>	<u>168,500</u>	<u>182,263</u>	<u>13,763</u>
EXPENDITURES				
Current:				
Food Services Operations	229,798	231,232	202,654	28,578
Total Expenditures	<u>229,798</u>	<u>231,232</u>	<u>202,654</u>	<u>28,578</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(54,798)</u>	<u>(62,732)</u>	<u>(20,391)</u>	<u>42,341</u>
Other Financing Sources (Uses):				
Designated Cash	54,798	62,732	-	(62,732)
Total Other Financing Sources (Uses):	<u>54,798</u>	<u>62,732</u>	<u>-</u>	<u>(62,732)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(20,391)</u>	<u>(20,391)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>62,075</u>	<u>62,075</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>41,684</u>	<u>41,684</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (20,391)	
Adjustments to Revenues			-	
Adjustments to Expenditures			657	
NET CHANGE IN FUND BALANCE			<u>\$ (19,734)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 122,589	163,929	153,991	(9,938)
Total Revenues	<u>122,589</u>	<u>163,929</u>	<u>153,991</u>	<u>(9,938)</u>
EXPENDITURES				
Current:				
Instruction	71,992	113,332	100,886	12,446
Support Services:				
Students	50,597	50,597	44,832	5,765
Total Expenditures	<u>122,589</u>	<u>163,929</u>	<u>145,718</u>	<u>18,211</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	8,273	8,273
Net Changes in Fund Balances	-	-	8,273	8,273
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>8,273</u>	<u>8,273</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,273	
Adjustments to Revenues			<u>(8,273)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 73,394	86,863	58,693	(28,170)
Total Revenues	<u>73,394</u>	<u>86,863</u>	<u>58,693</u>	<u>(28,170)</u>
EXPENDITURES				
Current:				
Instruction	-	8,027	8,026	1
Support Services:				
Students	73,394	78,836	78,836	-
Total Expenditures	<u>73,394</u>	<u>86,863</u>	<u>86,862</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(28,169)	(28,169)
Net Changes in Fund Balances	-	-	(28,169)	(28,169)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(28,169)</u>	<u>(28,169)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (28,169)	
Adjustments to Revenues			<u>28,169</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	96	92	(4)
Total Revenues	<u>-</u>	<u>96</u>	<u>92</u>	<u>(4)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	96	96	-
Total Expenditures	<u>-</u>	<u>96</u>	<u>96</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(4)	(4)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4)</u>	<u>(4)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4)</u>	<u>(4)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (4)	
Adjustments to Revenues			<u>4</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 20,622	35,574	20,356	(15,218)
Total Revenues	<u>20,622</u>	<u>35,574</u>	<u>20,356</u>	<u>(15,218)</u>
EXPENDITURES				
Current:				
Instruction	19,238	34,190	32,372	1,818
Support Services:				
Instruction	-	-	-	-
School Administration	1,384	1,384	1,368	16
Total expenditures	<u>20,622</u>	<u>35,574</u>	<u>33,740</u>	<u>1,834</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(13,384)	(13,384)
Net changes in Fund Balances	-	-	(13,384)	(13,384)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(13,384)</u>	<u>(13,384)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (13,384)	
Adjustments to Revenues			13,384	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 USDA Equipment Assistance 24183
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	5,716	-	(5,716)
Total Revenues	<u>-</u>	<u>5,716</u>	<u>-</u>	<u>(5,716)</u>
EXPENDITURES				
Current:				
Food Services Operations	-	5,716	5,571	145
Total expenditures	<u>-</u>	<u>5,716</u>	<u>5,571</u>	<u>145</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(5,571)</u>	<u>(5,571)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5,571)</u>	<u>(5,571)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,571)</u>	<u>(5,571)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,571)	
Adjustments to Revenues			<u>5,571</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
New Mexico Reads 27114
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 50,000	50,000	40,743	(9,257)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>40,743</u>	<u>(9,257)</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	49,983	17
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>49,983</u>	<u>17</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(9,240)	(9,240)
Net Changes in Fund Balances	-	-	(9,240)	(9,240)
Cash or Fund Balances - Beginning of Year	-	-	17,196	17,196
Cash or Fund Balances - End of Year	\$ -	-	7,956	7,956
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,240)	
Adjustments to Revenues			(7,956)	
NET CHANGE IN FUND BALANCE			<u>\$ (17,196)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Pre-K Initiative 27149
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 128,248	128,248	111,297	(16,951)
Total Revenues	<u>128,248</u>	<u>128,248</u>	<u>111,297</u>	<u>(16,951)</u>
EXPENDITURES				
Current:				
Instruction	119,606	116,006	114,896	1,110
Support Services:				
Students	7,406	7,406	2,540	4,866
School Administration	1,236	4,836	9,471	(4,635)
Operation & Maintenance of Plant	-	-	231	(231)
Total Expenditures	<u>128,248</u>	<u>128,248</u>	<u>127,138</u>	<u>1,110</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(15,841)</u>	<u>(15,841)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(15,841)</u>	<u>(15,841)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(15,841)</u>	<u>(15,841)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (15,841)	
Adjustments to Revenues			<u>15,841</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Kindergarten-Three Plus 27166
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 77,082	75,080	55,774	(19,306)
Total Revenues	<u>77,082</u>	<u>75,080</u>	<u>55,774</u>	<u>(19,306)</u>
EXPENDITURES				
Current:				
Instruction	77,082	75,080	75,080	-
Total Expenditures	<u>77,082</u>	<u>75,080</u>	<u>75,080</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(19,306)	(19,306)
Net Changes in Fund Balances	-	-	(19,306)	(19,306)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(19,306)</u>	<u>(19,306)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (19,306)	
Adjustments to Revenues			<u>19,306</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Private Dir Grants (Categorical) 29102
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
Support Services:				
Students	604	604	-	604
<i>Total Expenditures</i>	604	604	-	604
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(604)	(604)	-	604
<i>Other financing sources (uses):</i>				
Designated Cash	604	604	-	(604)
<i>Total other financing sources (uses):</i>	604	604	-	(604)
<i>Net Changes in Fund Balances</i>	-	-	-	-
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	-	-
<i>Cash or Fund Balances - End of Year</i>	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ -	356,713	357,716	1,003
Total Revenues	<u>-</u>	<u>356,713</u>	<u>357,716</u>	<u>1,003</u>
EXPENDITURES				
Current:				
Capital Outlay	-	356,713	356,713	-
Total Expenditures	<u>-</u>	<u>356,713</u>	<u>356,713</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>1,003</u>	<u>1,003</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,003</u>	<u>1,003</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,003</u>	<u>1,003</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,003	
Adjustments to Revenues			<u>(1,003)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 10,503	21,547	1,509	(20,038)
Total Revenues	<u>10,503</u>	<u>21,547</u>	<u>1,509</u>	<u>(20,038)</u>
EXPENDITURES				
Current:				
Capital Outlay	10,503	21,547	12,626	8,921
Total Expenditures	<u>10,503</u>	<u>21,547</u>	<u>12,626</u>	<u>8,921</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(11,117)	(11,117)
Net Changes in Fund Balances	-	-	(11,117)	(11,117)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(11,117)</u>	<u>(11,117)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (11,117)	
Adjustments to Revenues			<u>11,117</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value/Par June 30, 2016</u>
New Mexico Bank & Trust	Watertown Wis GO Ref Bond	942214PJ0	6/1/2023	\$ 250,000
New Mexico Bank & Trust	Watertown Wis GO Unltd Tax	942214PL5	6/1/2025	335,000
				<u>\$ 585,000</u>

Total Cash per Schedule of Cash Accounts:	\$	703,163
Less: FDIC coverage:		<u>(250,000)</u>
Uninsured Public Funds:		453,163
Collateral Requirement:		226,582
Pledged Collateral Held by Pledging Financial Institution:		<u>585,000</u>
Balance Over Collateralized:	\$	<u>358,418</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>New Mexico Bank and Trust</u>
Checking - Operational Account	\$ 703,163
Total on Deposit	703,163
Reconciling Items	<u>(45,367)</u>
Reconciled Balance June 30, 2016	<u>657,796</u>
Plus Petty Cash	50
Less Agency Funds	<u>(31,575)</u>
Total Cash	<u><u>\$ 626,271</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 679,623	30,485	62,732	26,826
Add:				
2015-16 revenues	<u>2,813,068</u>	<u>32,955</u>	<u>182,262</u>	<u>37,474</u>
Total Cash Available	3,492,691	63,440	244,994	64,300
Less:				
2015-16 expenditures	(2,916,423)	(40,145)	(202,653)	(32,725)
Receivables/Payables	306,003	-	-	-
Outstanding Loans	<u>(254,844)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>627,427</u>	<u>23,295</u>	<u>42,341</u>	<u>31,575</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>(67,396)</u>	-	-	-
Cash Per Books	<u>560,031</u>	<u>23,295</u>	<u>42,341</u>	<u>31,575</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(65,764)</u>	-	-	<u>(31,575)</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 494,267</u>	<u>23,295</u>	<u>42,341</u>	<u>-</u>

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

Federal Projects Account 24000	State Account 27000	Local or State 29000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	604	-	-	800,270
<u>233,131</u>	<u>207,814</u>	<u>-</u>	<u>357,716</u>	<u>1,509</u>	<u>3,865,929</u>
233,131	207,814	604	357,716	1,509	4,666,199
(271,986)	(252,198)	-	(356,713)	(12,626)	(4,085,469)
21,171	134,589	-	-	-	461,763
<u>105,601</u>	<u>47,439</u>	<u>-</u>	<u>89,178</u>	<u>12,626</u>	<u>-</u>
<u>87,917</u>	<u>137,644</u>	<u>604</u>	<u>90,181</u>	<u>1,509</u>	<u>1,042,493</u>
<u>(87,917)</u>	<u>(137,644)</u>	<u>-</u>	<u>(90,181)</u>	<u>(1,509)</u>	<u>(384,647)</u>
<u>-</u>	<u>-</u>	<u>604</u>	<u>-</u>	<u>-</u>	<u>657,846</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:					<u>(31,575)</u>
					<u>\$ 626,271</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(97,339)</u>
<u>-</u>	<u>-</u>	<u>604</u>	<u>-</u>	<u>-</u>	<u>560,507</u>
Balance Sheets - Governmental Funds:					<u>\$ 560,507</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 34,537
Receivables	
Due from Other Governments	75,737
Total Current Assets	<u>110,274</u>

Noncurrent Assets:

Capital Assets	
Leasehold improvements	189,948
Furniture, Fixtures, and Equipment	206,215
Less: Accumulated Depreciation	(267,046)
Total Noncurrent Assets	<u>129,117</u>
Total Assets	<u>239,391</u>

Deferred Outflows - Pension Related	<u>268,910</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	14,648
Accrued Liabilities	8,628
Due to Government	1,075
Total Current Liabilities	<u>24,351</u>

Noncurrent Liabilities:

Net Pension Liability	<u>1,059,033</u>
Total Noncurrent Liabilities	<u>1,059,033</u>
Total Liabilities	<u>1,083,384</u>

Deferred Inflows - Pension Related	<u>26,898</u>
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NET POSITION

Investment in Capital Assets	129,117
Restricted	35,967
Unrestricted (Deficit)	(767,065)
Total Net Position	<u>\$ (601,981)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 654,141	3,988	168,085	-	(482,068)
Support Services:					
Students	86,837	-	-	-	(86,837)
General Administration	94,974	-	-	-	(94,974)
School Administration	77,665	-	-	-	(77,665)
Central Services	32,276	-	-	-	(32,276)
Operation & Maintenance of Plant	39,892	-	-	-	(39,892)
Student Transportation	42,850	-	29,169	-	(13,681)
Food Services	41,981	4,421	36,649	-	(911)
Facilities Materials, Supplies & Other Services	72,340	-	-	72,340	-
Total Governmental Activities	\$ 1,142,956	8,409	233,903	72,340	(828,304)
General Revenues:					
State Equalization Guarantee					\$ 725,555
Total General Revenues					<u>725,555</u>
Change in Net Position					(102,749)
Net Position (Deficit), Beginning					<u>(499,232)</u>
Net Position (Deficit), Ending					<u>\$ (601,981)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 100	2,150	10,681	21,606
Accounts Receivable				
Due from Government	-	-	-	-
Due from Other Funds	73,132	-	2,605	-
Total Assets	\$ 73,232	2,150	13,286	21,606
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 14,648	-	-	-
Accrued Expenditures	8,628	-	-	-
Due to Government	-	1,075	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	23,276	1,075	-	-
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	13,286	-
Food Service Operations	-	-	-	21,606
Student Transportation	-	1,075	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	49,956	-	-	-
Total Fund Balance	49,956	1,075	13,286	21,606
Total Liabilities and Fund Balances	\$ 73,232	2,150	13,286	21,606

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	USDA 24183	Rural Education Achievement 25233
-	-	-	-	-	-
8,715	-	33,717	1,160	4,551	-
-	-	-	-	-	-
<u>8,715</u>	<u>-</u>	<u>33,717</u>	<u>1,160</u>	<u>4,551</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
8,715	-	33,717	1,160	4,551	-
<u>8,715</u>	<u>-</u>	<u>33,717</u>	<u>1,160</u>	<u>4,551</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
8,715	-	33,717	1,160	4,551	-
<u>8,715</u>	<u>-</u>	<u>33,717</u>	<u>1,160</u>	<u>4,551</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Reads to Leads 27114	Pre-K Initiative 27149	NM Grown Fruits & Vegetables 27183	Taos County EGRT Bond 31100
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Government	8,881	-	-	-
Due from Other Funds	-	-	-	-
Total Assets	\$ 8,881	-	-	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	-	-
Due to Government	-	-	-	-
Due to Other Funds	8,881	-	-	-
Total Liabilities	8,881	-	-	-
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	-
Food Service Operations	-	-	-	-
Student Transportation	-	-	-	-
Assigned to:	-	-	-	-
Subsequent Years Expenditures and Other Programs	-	-	-	-
Total Fund Balance	-	-	-	-
Total Liabilities and Fund Balances	\$ 8,881	-	-	-

The accompanying notes are an integral part of these financial statements

Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	34,537
15,573	3,140	75,737
-	-	75,737
<u>15,573</u>	<u>3,140</u>	<u>186,011</u>

-	-	14,648
-	-	8,628
-	-	1,075
<u>15,573</u>	<u>3,140</u>	<u>75,737</u>
<u>15,573</u>	<u>3,140</u>	<u>100,088</u>

-	-	13,286
-	-	21,606
-	-	1,075
-	-	49,956
-	-	85,923
<u>15,573</u>	<u>3,140</u>	<u>186,011</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 85,923**

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

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

Capital Assets	396,163	
Accumulated Depreciation	<u>(267,046)</u>	129,117

Defined benefit pension plan deferred outflows are not financial
 resources and, therefore, are not reported in the funds. 268,910

Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, are not reported
 in the funds. (26,898)

The net pension liability is not due and payable in the current
 period and, therefore, is not reported in the funds. (1,059,033)

Net Position - Total Governmental Activities **\$ (601,981)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Local & County Grant	\$ -	-	-	-
State Grant	725,555	29,169	5,504	-
Federal Grant	-	-	-	32,008
Charges for Services	3,988	-	-	4,421
Total Revenues	<u>729,543</u>	<u>29,169</u>	<u>5,504</u>	<u>36,429</u>
EXPENDITURES				
Current:				
Instruction	491,686	-	20	-
Support Services:				
Students	31,551	-	-	-
General Administration	89,584	-	-	-
School Administration	72,462	-	-	-
Central Services	32,276	-	-	-
Operation & Maintenance of Plant	39,892	-	-	-
Student Transportation	-	37,850	-	-
Food Services Operations	1,762	-	-	35,578
Capital Outlay	-	-	-	-
Total Expenditures	<u>759,213</u>	<u>37,850</u>	<u>20</u>	<u>35,578</u>
Net Changes in Fund Balances	<u>(29,670)</u>	<u>(8,681)</u>	<u>5,484</u>	<u>851</u>
Fund Balances - Beginning of Year	<u>79,626</u>	<u>9,756</u>	<u>7,802</u>	<u>20,755</u>
Fund Balances - End of Year	<u>\$ 49,956</u>	<u>1,075</u>	<u>13,286</u>	<u>21,606</u>

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	USDA 24183	Rural Education Achievement 25233
-	-	-	-	-	-
-	-	-	-	-	-
16,469	18,118	33,717	1,160	4,551	1,993
-	-	-	-	-	-
<u>16,469</u>	<u>18,118</u>	<u>33,717</u>	<u>1,160</u>	<u>4,551</u>	<u>1,993</u>
16,469	-	18	1,160	-	1,993
-	18,118	33,699	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	4,551	-
-	-	-	-	-	-
<u>16,469</u>	<u>18,118</u>	<u>33,717</u>	<u>1,160</u>	<u>4,551</u>	<u>1,993</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016

	Reads to Leads 27114	Pre-K Initiative 27149	NM Grown Fruits & Vegetables 27183	Taos County EGRT Bond 31100
REVENUES				
Local & County Grant	\$ -	-	-	7,669
State Grant	22,000	69,124	90	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	22,000	69,124	90	7,669
EXPENDITURES				
Current:				
Instruction	22,000	64,124	-	-
Support Services:				
Students	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	5,000	-	-
Food Services Operations	-	-	90	-
Capital Outlay	-	-	-	7,669
Total Expenditures	22,000	69,124	90	7,669
Net Changes in Fund Balances	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances - End of Year	\$ -	-	-	-

The accompanying notes are an integral part of these financial statements

Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	7,669
62,213	2,458	916,113
-	-	108,016
-	-	8,409
<u>62,213</u>	<u>2,458</u>	<u>1,040,207</u>
-	-	597,470
-	-	83,368
-	-	89,584
-	-	72,462
-	-	32,276
-	-	39,892
-	-	42,850
-	-	41,981
<u>62,213</u>	<u>2,458</u>	<u>72,340</u>
<u>62,213</u>	<u>2,458</u>	<u>1,072,223</u>
-	-	(32,016)
-	-	117,939
-	-	85,923

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balance-Total Governmental Funds **\$ (32,016)**

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlays	-		
Depreciation Expense	(8,784)		(8,784)

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability			(61,949)
			<u>(61,949)</u>

Change in Net Position-Total Governmental Activities **\$ (102,749)**

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	3-20 years
Leasehold Improvements	5-25 years

Capital assets for Red River Valley Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Leasehold improvements	\$ 189,948	-	-	189,948
Furniture, Fixtures and Equipment	206,215	-	-	206,215
<i>Total</i>	<u>396,163</u>	<u>-</u>	<u>-</u>	<u>396,163</u>
<i>Less: Accumulated Depreciation</i>				
Leasehold improvements	(60,965)	(7,642)	-	(68,607)
Furniture, Fixtures and Equipment	(197,297)	(1,142)	-	(198,439)
<i>Total</i>	<u>(258,262)</u>	<u>(8,784)</u>	<u>-</u>	<u>(267,046)</u>
Capital Assets, Net	<u>\$ 137,901</u>	<u>(8,784)</u>	<u>-</u>	<u>129,117</u>

Depreciation expense for the year ended June 30, 2016 was expensed to the following function:

Instruction	\$ 8,784
Total	<u>\$ 8,784</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The school leased facilities under a short-term cancelable operating lease. Rental expense for the year was \$62,213. The school's minimum future payments are based on the total allocation from the Public School Capital Outlay Funds.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Red River Valley Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Red River Valley Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from Red River Valley Charter School were \$72,309 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. Therefore, the employer's portion was established as of the measurement date of June 30, 2015. At June 30, 2016, Red River Valley Charter School reported a liability of \$1,059,033 for its proportionate share of the net pension liability. Red River Valley Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Red River Valley Charter School's proportion was 0.01635%, which was an increase of 0.00342% from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Red River Valley Charter School recognized pension expense of \$134,110. At June 30, 2016, Red River Valley Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(19,633)
Changes in assumptions	36,426	-
Net difference between projected and actual earnings on pension plan investments	-	(4,767)
Changes in proportion	160,375	(2,498)
Fiscal year 2016 employer contributions	<u>72,109</u>	<u>-</u>
Total	<u>\$ 268,910</u>	<u>(26,898)</u>

The amount of \$72,109 reported as deferred outflows of resources related to pensions resulting from Red River Valley Charter School's contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (51,134)
2018	(51,873)
2019	(52,186)
2020	<u>(14,710)</u>
Total	<u>\$ (169,903)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Notes to the Financial Statements
 June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Red River Valley Charter School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 1,425,000</u>	<u>1,059,033</u>	<u>751,583</u>

Payables to the pension plan. At June 30, 2016, Red River Valley Charter School owed \$0 to ERB for fiscal year 2016 contributions.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 June 30, 2016

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data*
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.01%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 738	1,059	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 356	446	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.05%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 74	72	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	65	72	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 9	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Deferred	Amortization Years										
2014	\$ 82	5		22	22	21	17	-				
2015	(170)	5			(51)	(52)	(52)	(15)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ (88)			\$ 22	\$ (29)	(31)	(35)	(15)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 723,762	725,559	725,555	(4)
Charges for Services	50	50	3,988	3,938
Total Revenues	<u>723,812</u>	<u>725,609</u>	<u>729,543</u>	<u>3,934</u>
EXPENDITURES				
Current:				
Instruction	461,905	493,422	491,686	1,736
Support Services:				
Students	63,764	42,769	31,551	11,218
General Administration	73,692	91,127	89,584	1,543
School Administration	88,397	87,715	72,462	15,253
Central Services	-	32,359	32,276	83
Operation & Maintenance of Plant	113,382	51,054	39,892	11,162
Food Services Operations	-	4,491	1,762	2,729
Total Expenditures	<u>801,140</u>	<u>802,937</u>	<u>759,213</u>	<u>43,724</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(77,328)</u>	<u>(77,328)</u>	<u>(29,670)</u>	<u>47,658</u>
Other Financing Sources (Uses):				
Transfers	-	-	-	-
Designated Cash	77,328	77,328	-	(77,328)
Total Other Financing Sources (Uses):	<u>77,328</u>	<u>77,328</u>	<u>-</u>	<u>(77,328)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(29,670)</u>	<u>(29,670)</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>79,626</u>	<u>79,626</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>49,956</u>	<u>49,956</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (29,670)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (29,670)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	30,244	30,244	-
Total Revenues	<u>-</u>	<u>30,244</u>	<u>30,244</u>	<u>-</u>
EXPENDITURES				
Current:				
Student Transportation	-	40,000	37,850	2,150
Total Expenditures	<u>-</u>	<u>40,000</u>	<u>37,850</u>	<u>2,150</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(9,756)</u>	<u>(7,606)</u>	<u>2,150</u>
Other financing sources (uses):				
Designated Cash	-	9,756	-	(9,756)
Total other financing sources (uses):	<u>-</u>	<u>9,756</u>	<u>-</u>	<u>(9,756)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(7,606)</u>	<u>(7,606)</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>9,756</u>	<u>9,756</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,150</u>	<u>2,150</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,606)	
Adjustments to revenues			(1,075)	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (8,681)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 4,702	4,785	5,504	719
Total Revenues	<u>4,702</u>	<u>4,785</u>	<u>5,504</u>	<u>719</u>
EXPENDITURES				
Current:				
Instruction	4,702	4,785	20	4,765
Total Expenditures	<u>4,702</u>	<u>4,785</u>	<u>20</u>	<u>4,765</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,484	5,484
Net Change in Fund Balance	-	-	5,484	5,484
Cash or Fund Balance - Beginning of Year	-	-	7,802	7,802
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>13,286</u>	<u>13,286</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,484	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 5,484</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	-	-	-
Charges for Services	22,000	24,775	36,429	11,654
Total Revenues	<u>22,000</u>	<u>24,775</u>	<u>36,429</u>	<u>11,654</u>
EXPENDITURES				
Current:				
Food Services Operations	36,091	38,866	35,578	3,288
Total Expenditures	<u>36,091</u>	<u>38,866</u>	<u>35,578</u>	<u>3,288</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(14,091)</u>	<u>(14,091)</u>	<u>851</u>	<u>14,942</u>
Other Financing Sources (Uses):				
Designated Cash	14,091	14,091	-	(14,091)
Total Other Financing Sources (Uses):	<u>14,091</u>	<u>14,091</u>	<u>-</u>	<u>(14,091)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>851</u>	<u>851</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>20,755</u>	<u>20,755</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>21,606</u>	<u>21,606</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 851	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 851</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 13,133	39,458	20,211	(19,247)
Total Revenues	<u>13,133</u>	<u>39,458</u>	<u>20,211</u>	<u>(19,247)</u>
EXPENDITURES				
Current:				
Instruction	13,133	39,458	16,469	22,989
Total Expenditures	<u>13,133</u>	<u>39,458</u>	<u>16,469</u>	<u>22,989</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	3,742	3,742
Net Change in Fund Balance	-	-	3,742	3,742
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,742</u>	<u>3,742</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,742	
Adjustments to Revenues			(3,742)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 16,447	18,118	18,118	-
Total Revenues	<u>16,447</u>	<u>18,118</u>	<u>18,118</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	1,000	-	-	-
Support Services:				
Students	15,447	18,118	18,118	-
Total Expenditures	<u>16,447</u>	<u>18,118</u>	<u>18,118</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	33,717	26,332	(7,385)
Total Revenues	<u>-</u>	<u>33,717</u>	<u>26,332</u>	<u>(7,385)</u>
EXPENDITURES				
Current:				
Instruction	-	18	18	-
Support Services:				
Students	-	33,699	33,699	-
Total Expenditures	<u>-</u>	<u>33,717</u>	<u>33,717</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(7,385)</u>	<u>(7,385)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(7,385)</u>	<u>(7,385)</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,385)</u>	<u>(7,385)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,385)	
Adjustments to Revenues			7,385	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 4,001	4,001	5,003	1,002
Total Revenues	<u>4,001</u>	<u>4,001</u>	<u>5,003</u>	<u>1,002</u>
EXPENDITURES				
Current:				
Instruction	4,001	4,001	1,160	2,841
Total expenditures	<u>4,001</u>	<u>4,001</u>	<u>1,160</u>	<u>2,841</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	3,843	3,843
Net change in Fund Balance	-	-	3,843	3,843
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,843</u>	<u>3,843</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,843	
Adjustments to Revenues			(3,843)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
USDA 24183
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	5,000	-	(5,000)
Total Revenues	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
EXPENDITURES				
Current:				
Food Services Operations	-	5,000	4,551	449
Total Expenditures	<u>-</u>	<u>5,000</u>	<u>4,551</u>	<u>449</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,551)</u>	<u>(4,551)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(4,551)</u>	<u>(4,551)</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,551)</u>	<u>(4,551)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,551)	
Adjustments to Revenues			4,551	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Rural Education Achievement 25233
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	13,681	4,543	(9,138)
Total Revenues	<u>-</u>	<u>13,681</u>	<u>4,543</u>	<u>(9,138)</u>
EXPENDITURES				
Current:				
Instruction	-	13,681	1,993	11,688
Total Expenditures	<u>-</u>	<u>13,681</u>	<u>1,993</u>	<u>11,688</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>2,550</u>	<u>2,550</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>2,550</u>	<u>2,550</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,550</u>	<u>2,550</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,550	
Adjustments to Revenues			(2,550)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Reads to Leads 27114
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 22,000	22,000	13,119	(8,881)
Total Revenues	<u>22,000</u>	<u>22,000</u>	<u>13,119</u>	<u>(8,881)</u>
EXPENDITURES				
Current:				
Instruction	22,000	22,000	22,000	-
Total Expenditures	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(8,881)	(8,881)
Net Change in Fund Balance	-	-	(8,881)	(8,881)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>(8,881)</u>	<u>(8,881)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (8,881)	
Adjustments to Revenues			8,881	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Pre-K Initiative 27149
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 37,062	69,124	104,124	35,000
Total Revenues	<u>37,062</u>	<u>69,124</u>	<u>104,124</u>	<u>35,000</u>
EXPENDITURES				
Current:				
Instruction	37,062	64,124	64,124	-
Student Transportation	-	5,000	5,000	-
Total Expenditures	<u>37,062</u>	<u>69,124</u>	<u>69,124</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	35,000	35,000
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>35,000</u>	<u>35,000</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>35,000</u>	<u>35,000</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 35,000	
Adjustments to Revenues			(35,000)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 NM Grown Fruits & Vegetables 27183
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	90	90	-
Total Revenues	<u>-</u>	<u>90</u>	<u>90</u>	<u>-</u>
EXPENDITURES				
Current:				
Food Services Operations	-	90	90	-
Total Expenditures	<u>-</u>	<u>90</u>	<u>90</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Taos County EGRT Bond 31100
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ 170,121	170,121	25,851	(144,270)
Total Revenues	<u>170,121</u>	<u>170,121</u>	<u>25,851</u>	<u>(144,270)</u>
EXPENDITURES				
Capital Outlay	170,121	170,121	7,669	162,452
Total Expenditures	<u>170,121</u>	<u>170,121</u>	<u>7,669</u>	<u>162,452</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	18,182	18,182
Net Change in Fund Balance	-	-	18,182	18,182
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>18,182</u>	<u>18,182</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 18,182	
Adjustments to Revenues			(18,182)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	62,213	61,069	(1,144)
Total Revenues	<u>-</u>	<u>62,213</u>	<u>61,069</u>	<u>(1,144)</u>
EXPENDITURES				
Capital Outlay	-	62,213	62,213	-
Total Expenditures	<u>-</u>	<u>62,213</u>	<u>62,213</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,144)	(1,144)
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(1,144)</u>	<u>(1,144)</u>
Cash or Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,144)</u>	<u>(1,144)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,144)	
Adjustments to Revenues			1,144	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 4,775	4,775	3,250	(1,525)
Total Revenues	<u>4,775</u>	<u>4,775</u>	<u>3,250</u>	<u>(1,525)</u>
EXPENDITURES				
Capital Outlay	4,775	4,775	2,458	2,317
Total Expenditures	<u>4,775</u>	<u>4,775</u>	<u>2,458</u>	<u>2,317</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	792	792
Net Change in Fund Balance	-	-	792	792
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	<u>\$ -</u>	<u>-</u>	<u>792</u>	<u>792</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 792	
Adjustments to Revenues			(792)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -
				\$ -

Total Cash per Schedule of Cash Accounts:	\$	50,714
Less: FDIC coverage:		<u>(50,714)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Peoples Bank</u>
Checking - Operational Account	\$ 50,714
<i>Total on Deposit</i>	50,714
Reconciling Items	<u>(16,177)</u>
Reconciled Balance June 30, 2016	<u>\$ 34,537</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Cash Reconciliation
June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2015	\$ -	11,698	7,802	-
Add:				
2015-16 revenues	<u>729,543</u>	<u>30,244</u>	<u>5,504</u>	<u>36,429</u>
Total Cash Available	729,543	41,942	13,306	36,429
Less:				
2015-16 expenditures	(759,213)	(37,850)	(20)	(35,578)
Receivables/Payables	13,586	(9,756)	-	-
Outstanding Loans	<u>16,184</u>	<u>7,814</u>	<u>(2,605)</u>	<u>20,755</u>
Cash June 30, 2016	<u>100</u>	<u>2,150</u>	<u>10,681</u>	<u>21,606</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>100</u>	<u>2,150</u>	<u>10,681</u>	<u>21,606</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>49,856</u>	<u>(1,075)</u>	<u>2,605</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 49,956</u>	<u>1,075</u>	<u>13,286</u>	<u>21,606</u>

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	Federal Direct Account 25000	State Account 27000	Bond Building 31100	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	-	19,500
<u>69,664</u>	<u>4,543</u>	<u>117,333</u>	<u>25,851</u>	<u>61,069</u>	<u>3,250</u>	<u>1,083,430</u>
69,664	4,543	117,333	25,851	61,069	3,250	1,102,930
(74,015)	(1,993)	(91,214)	(7,669)	(62,213)	(2,458)	(1,072,223)
-	-	-	-	-	-	3,830
<u>4,351</u>	<u>(2,550)</u>	<u>(26,119)</u>	<u>(18,182)</u>	<u>1,144</u>	<u>(792)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,537</u>
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,537</u>
-	-	-	-	-	-	51,386
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>85,923</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 82,843
Receivables	
Due from Other Governments	91,609
Deposits	10,000
Total Current Assets	<u>184,452</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	23,261
Less: Accumulated Depreciation	<u>(16,557)</u>
Total Noncurrent Assets	<u>6,704</u>
Total Assets	<u>191,156</u>

Deferred Outflows - Pension Related	<u>190,385</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	69,930
Accrued Liabilities	90,205
Total Current Liabilities	<u>160,135</u>

Noncurrent Liabilities:

Net Pension Liability	1,412,692
Total Noncurrent Liabilities	<u>1,412,692</u>
Total Liabilities	<u>1,572,827</u>

Deferred Inflows - Pension Related	<u>35,596</u>
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NET POSITION

Investment in Capital Assets	6,704
Restricted	21,266
Unrestricted (Deficit)	<u>(1,254,852)</u>
Total Net Position	<u>\$ (1,226,882)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 951,100	-	127,156	-	(823,944)
Support Services:					
Students	100,753	-	-	-	(100,753)
Instruction	33,094	-	-	-	(33,094)
General Administration	87,166	-	-	-	(87,166)
School Administration	198,745	-	-	-	(198,745)
Central Services	97,268	-	-	-	(97,268)
Operation & Maintenance of Plant	122,264	-	-	-	(122,264)
Facilities Materials, Supplies & Other Services	161,975	-	-	161,975	-
Total Governmental Activities	\$ 1,752,365	-	127,156	161,975	(1,463,234)
General Revenues:					
State Equalization Guarantee					\$ 1,412,605
Total General Revenues					1,412,605
Change in Net Position					(50,629)
Net Position (deficit), Beginning					(1,176,253)
Net position (deficit), Ending					\$ (1,226,882)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 63,510	19,333	-	-
Accounts Receivable				
Due from Government	-	-	25,433	8,906
Due from Other Funds	83,702	-	-	-
Deposits	10,000	-	-	-
Total Assets	<u>\$ 157,212</u>	<u>19,333</u>	<u>25,433</u>	<u>8,906</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 61,863	\$ 8,067	-	-
Accrued Expenditures	82,298	-	1,895	288
Due to Other Funds	-	-	23,538	8,618
Total Liabilities	<u>144,161</u>	<u>8,067</u>	<u>25,433</u>	<u>8,906</u>
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	10,000	-	-	-
Restricted for:				
Instruction	-	11,266	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	3,051	-	-	-
Total Fund Balance	<u>13,051</u>	<u>11,266</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 157,212</u>	<u>19,333</u>	<u>25,433</u>	<u>8,906</u>

The accompanying notes are an integral part of these financial statements

Teacher Principal Training 24154	Literacy for Children 27107	Reads to Leads 27114	Public School Capital Outlay 31200	Total
-	-	-	-	82,843
-	3,333	13,443	40,494	91,609
-	-	-	-	83,702
-	-	-	-	10,000
<u>-</u>	<u>3,333</u>	<u>13,443</u>	<u>40,494</u>	<u>268,154</u>
-	-	-	-	69,930
-	-	5,724	-	90,205
-	3,333	7,719	40,494	83,702
<u>-</u>	<u>3,333</u>	<u>13,443</u>	<u>40,494</u>	<u>243,837</u>
-	-	-	-	10,000
-	-	-	-	11,266
-	-	-	-	3,051
-	-	-	-	24,317
<u>-</u>	<u>3,333</u>	<u>13,443</u>	<u>40,494</u>	<u>268,154</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds **\$ 24,317**

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

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

Capital Assets	23,261	
Accumulated Depreciation	<u>(16,557)</u>	
		6,704

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		190,385
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(35,596)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(1,412,692)</u>
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Net Position-Total Governmental Activities		<u><u>\$ (1,226,882)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
State Grant	\$ 1,412,605	15,076	-	-
Federal Grant	-	-	25,433	38,989
Total Revenues	<u>1,412,605</u>	<u>15,076</u>	<u>25,433</u>	<u>38,989</u>
EXPENDITURES				
Current:				
Instruction	802,523	10,647	25,433	31,210
Support Services:				
Students	92,974	-	-	7,779
Instruction	29,761	-	-	-
General Administration	87,166	-	-	-
School Administration	198,745	-	-	-
Central Services	97,268	-	-	-
Operation & Maintenance of Plant	117,605	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,426,042</u>	<u>10,647</u>	<u>25,433</u>	<u>38,989</u>
Net Changes in Fund Balances	<u>(13,437)</u>	<u>4,429</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>26,488</u>	<u>6,837</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 13,051</u>	<u>11,266</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Teacher Principal Training 24154	Literacy for Children @ Risk PED 27107	Reads to Leads 27114	Public School Capital Outlay 31200	Total
-	3,333	44,325	161,975	1,637,314
-	-	-	-	64,422
-	3,333	44,325	161,975	1,701,736
-	-	44,325	-	914,138
-	-	-	-	100,753
-	3,333	-	-	33,094
-	-	-	-	87,166
-	-	-	-	198,745
-	-	-	-	97,268
-	-	-	-	117,605
-	-	-	161,975	161,975
-	3,333	44,325	161,975	1,710,744
-	-	-	-	(9,008)
-	-	-	-	33,325
-	-	-	-	24,317

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ (9,008)**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Depreciation Expense (4,659)

Changes in deferred outflows of resources-pension related,
 deferred inflows of resources-pension related, and the net
 pension liability

(36,962)

Change in Net Position-Total Governmental Activities

\$ (50,629)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 25,977
Total Assets	<u>\$ 25,977</u>
LIABILITIES	
Deposits Held for Others	\$ 25,977
Total Liabilities	<u>\$ 25,977</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 13,851	23,268	(11,142)	25,977
Total Assets	<u>\$ 13,851</u>	<u>23,268</u>	<u>(11,142)</u>	<u>25,977</u>
LIABILITIES				
Deposits Held for Others	\$ 13,851	23,268	(11,142)	25,977
Total Liabilities	<u>\$ 13,851</u>	<u>23,268</u>	<u>(11,142)</u>	<u>25,977</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
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Capital assets for Sage Montessori Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 23,261	-	-	23,261
<i>Total</i>	<u>23,261</u>	<u>-</u>	<u>-</u>	<u>23,261</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(11,898)	(4,659)	-	(16,557)
<i>Total</i>	<u>(11,898)</u>	<u>(4,659)</u>	<u>-</u>	<u>(16,557)</u>
Capital Assets, Net	<u>\$ 11,363</u>	<u>(4,659)</u>	<u>-</u>	<u>6,704</u>

Depreciation expense for the year ended June 30, 2016 was expensed to the following function:

Operations and Maintenance of Plant	\$ 4,659
Total	<u>\$ 4,659</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Sage Montessori Charter School leases equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$168,141. Sage Montessori Charter School's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ 250,000
Total	<u>\$ 250,000</u>

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

In December 2014, Sage Montessori Charter School ceased making payments on one of its building leases and subsequently vacated the property. The School paid the November 2014 lease payment however the payment was placed into a trust. The lease spanned from August 1, 2012 through June 30, 2017, and provided for annual rents of \$233,036 in fiscal year 2015, \$239,984 in fiscal year 2016, and \$246,932 in fiscal year 2017. In May 2015, the property manager's attorney sent the School a letter stating all rent payments due from November 1, 2014 through present remain outstanding. As of the date of the letter, May 12, 2015, the School was in default of rent payments in the amount of \$135,938. Another demand letter was sent on July 24, 2015 stating \$176,558 is still due. If the School is liable, the damages awarded likely would be rent the School owes under the lease from November 1, 2014 through the date of any judgment or the end of the lease, whichever is earlier, plus late charges and maintenance charges. The School does not intend on paying the amount demanded and has retained legal counsel to advise the School on this matter. The School has not recorded a liability related to this issue.

CenturyLink provided fiber optic internet service to the School while at the School's previous location under a multi-year contract. When the School relocated, CenturyLink informed the School that CenturyLink could not provide service to that new location and the School did not receive service from January of 2015 through May of 2016. The School stopped paying pursuant to the contract beginning in November of 2015. CenturyLink took the position that as of May 2016, the School owed \$7,443 pursuant to the contract plus an additional \$21,632 early termination charge. On May 16, 2016, the School sent a letter to CenturyLink disputing those charges. CenturyLink has not responded. The School does not intend on paying the amount demanded.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Sage Montessori Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Contributions. The contribution requirements of defined benefit plan members and Sage Montessori Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016, employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from Sage Montessori Charter School were \$87,759 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015 using generally accepted actuarial principles.

At June 30, 2016, Sage Montessori Charter School reported a liability of \$1,412,692 for its proportionate share of the net pension liability. Sage Montessori Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Sage Montessori Charter School's proportion was 0.02181%, which was an increase of 0.00116% from its proportion measured as of June 30, 2014. For the year ended June 30, 2016, Sage Montessori Charter School recognized pension expense of \$124,746.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

At June 30, 2016, Sage Montessori Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(26,190)
Changes in assumptions	48,590	-
Net difference between projected and actual earnings on pension plan investments	-	(6,359)
Changes in proportion	54,036	(3,047)
Fiscal year 2016 employer contributions	<u>87,759</u>	<u>-</u>
Total	<u>\$ 190,385</u>	<u>(35,596)</u>

\$87,759 reported as deferred outflows of resources related to pensions resulting from Sage Montessori Charter School contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (13,604)
2018	(14,570)
2019	(19,235)
2020	<u>(19,621)</u>
Total	<u>\$ (67,030)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Sage Montessori Charter School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents Sage Montessori Charter School’ net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 1,900,871</u>	<u>1,412,692</u>	<u>1,002,570</u>

Payables to the pension plan. At June 30, 2016, Sage Montessori Charter School owed \$19,047 to ERB for fiscal year 2016 contributions.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SAGE MONTESSORI CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.02%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,178	1,413	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 569	595	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.96%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SAGE MONTESSORI CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 98	88	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	86	88	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 12	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
2014	\$ 129	5		\$ 34	\$ 34	\$ 34	\$ 27	-					
2015	\$ (67)	5			(14)	(14)	(19)	(20)	-				
2016	-	5				-	-	-	-	-			
2017	-	5					-	-	-	-	-		
2018	-	5						-	-	-	-	-	
2019	-	5							-	-	-	-	-
2020	-	5								-	-	-	-
2021	-	5									-	-	-
2022	-	5										-	-
2023	-	5											-
	\$ 62			\$ 34	\$ 20	20	8	(20)	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 1,400,433	1,412,606	1,412,605	(1)
Total Revenues	<u>1,400,433</u>	<u>1,412,606</u>	<u>1,412,605</u>	<u>(1)</u>
EXPENDITURES				
Current:				
Instruction	829,125	796,336	776,764	19,572
Support Services:				
Students	53,086	109,092	93,382	15,710
Instruction	32,780	28,857	25,561	3,296
General Administration	24,840	74,169	73,000	1,169
School Administration	215,004	203,341	198,935	4,406
Central Services	78,812	115,515	105,618	9,897
Operation & Maintenance of Plant	166,786	152,463	125,874	26,589
Total Expenditures	<u>1,400,433</u>	<u>1,479,773</u>	<u>1,399,134</u>	<u>80,639</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(67,167)</u>	<u>13,471</u>	<u>80,638</u>
Other Financing Sources (Uses):				
Designated Cash	-	67,167	-	(67,167)
Total Other Financing Sources (Uses):	<u>-</u>	<u>67,167</u>	<u>-</u>	<u>(67,167)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>13,471</u>	<u>13,471</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>26,488</u>	<u>26,488</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>39,959</u>	<u>39,959</u>
Reconciliation to GAAP Basis:				
Net change in fund balance			\$ 13,471	
Adjustments to Revenues			-	
Adjustments to Expenditures			(26,908)	
NET CHANGE IN FUND BALANCE			<u>\$ (13,437)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 13,442	15,077	15,076	(1)
Total Revenues	<u>13,442</u>	<u>15,077</u>	<u>15,076</u>	<u>(1)</u>
EXPENDITURES				
Current:				
Instruction	13,442	21,914	2,580	19,334
Total Expenditures	<u>13,442</u>	<u>21,914</u>	<u>2,580</u>	<u>19,334</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(6,837)</u>	<u>12,496</u>	<u>19,333</u>
Other Financing Sources (Uses):				
Designated Cash	-	6,837	-	(6,837)
Total Other Financing Sources (Uses):	<u>-</u>	<u>6,837</u>	<u>-</u>	<u>(6,837)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>12,496</u>	<u>12,496</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>6,837</u>	<u>6,837</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>19,333</u>	<u>19,333</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 12,496	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(8,067)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 4,429</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 23,885	49,735	-	(49,735)
Total Revenues	<u>23,885</u>	<u>49,735</u>	<u>-</u>	<u>(49,735)</u>
EXPENDITURES				
Current:				
Instruction	23,885	49,735	25,433	24,302
Total Expenditures	<u>23,885</u>	<u>49,735</u>	<u>25,433</u>	<u>24,302</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(25,433)</u>	<u>(25,433)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(25,433)</u>	<u>(25,433)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(25,433)</u>	<u>(25,433)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (25,433)	
Adjustments to Revenues			25,433	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 35,648	38,989	35,059	(3,930)
Total Revenues	<u>35,648</u>	<u>38,989</u>	<u>35,059</u>	<u>(3,930)</u>
EXPENDITURES				
Current:				
Instruction	30,648	31,211	31,211	-
Support Services:				
Students	5,000	7,778	7,778	-
Total Expenditures	<u>35,648</u>	<u>38,989</u>	<u>38,989</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,930)	(3,930)
Net Changes in Fund Balances	-	-	(3,930)	(3,930)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,930)</u>	<u>(3,930)</u>
Reconciliation to GAAP Basis:				
<i>Net change in fund balance</i>			\$ (3,930)	
Adjustments to Revenues			3,930	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 5,234	11,830	675	(11,155)
Total Revenues	<u>5,234</u>	<u>11,830</u>	<u>675</u>	<u>(11,155)</u>
EXPENDITURES				
Current:				
Instruction	5,234	11,830	-	11,830
Total expenditures	<u>5,234</u>	<u>11,830</u>	<u>-</u>	<u>11,830</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>675</u>	<u>675</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>675</u>	<u>675</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>675</u>	<u>675</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 675	
Adjustments to Revenues			(675)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Literacy for Children @ Risk PED 27107
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 7,082	7,082	-	(7,082)
Total Revenues	<u>7,082</u>	<u>7,082</u>	<u>-</u>	<u>(7,082)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	7,082	7,082	3,333	3,749
Total Expenditures	<u>7,082</u>	<u>7,082</u>	<u>3,333</u>	<u>3,749</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,333)</u>	<u>(3,333)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,333)</u>	<u>(3,333)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,333)</u>	<u>(3,333)</u>
Reconciliation to GAAP Basis:				
<i>Net change in fund balance</i>			\$ (3,333)	
Adjustments to Revenues			3,333	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Reads to Leads 27114
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 50,000	50,000	30,882	(19,118)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>30,882</u>	<u>(19,118)</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	44,325	5,675
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>44,325</u>	<u>5,675</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(13,443)</u>	<u>(13,443)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(13,443)</u>	<u>(13,443)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(13,443)</u>	<u>(13,443)</u>
Reconciliation to GAAP Basis:				
<i>Net change in fund balance</i>			\$ (13,443)	
Adjustments to Revenues			13,443	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	161,975	155,981	(5,994)
Total Revenues	<u>-</u>	<u>161,975</u>	<u>155,981</u>	<u>(5,994)</u>
EXPENDITURES				
Capital Outlay	-	161,975	161,975	-
Total Expenditures	<u>-</u>	<u>161,975</u>	<u>161,975</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(5,994)	(5,994)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5,994)</u>	<u>(5,994)</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,994)</u>	<u>(5,994)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,994)	
Adjustments to Revenues			5,994	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	148,387
Less: FDIC coverage:		<u>(148,387)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Schedule of Cash Accounts
 June 30, 2016

Bank Account Type	Wells Fargo
Checking - Operational Account	\$ 148,387
Total on Deposit	148,387
Reconciling Items	(39,567)
Reconciled Balance June 30, 2016	108,820
Less Agency Funds	(25,977)
Total Cash	<u>\$ 82,843</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2015	\$ 92,913	6,837	13,851	-
Add:				
2015-16 revenues	<u>1,412,605</u>	<u>15,076</u>	<u>23,268</u>	<u>35,734</u>
Total Cash Available	1,505,518	21,913	37,119	35,734
Less:				
2015-16 expenditures	(1,399,134)	(2,580)	(11,142)	(64,422)
Receivables/Payables	(25,157)	-	-	(556)
Outstanding Loans	<u>(41,302)</u>	<u>-</u>	<u>-</u>	<u>29,244</u>
Cash June 30, 2016	<u>39,925</u>	<u>19,333</u>	<u>25,977</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>23,585</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>63,510</u>	<u>19,333</u>	<u>25,977</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(50,459)</u>	<u>(8,067)</u>	<u>(25,977)</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 13,051</u>	<u>11,266</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

State Account 27000	Public School Capital Outlay 31200	Total
-	-	113,601
<u>30,882</u>	<u>155,981</u>	<u>1,673,546</u>
30,882	155,981	1,787,147
(47,658)	(161,975)	(1,686,911)
10,712	-	(15,001)
<u>6,064</u>	<u>5,994</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>85,235</u>
-	-	23,585
<u>-</u>	<u>-</u>	<u>108,820</u>
	Less - Agency Fund:	<u>(25,977)</u>
		<u>\$ 82,843</u>
-	-	(84,503)
<u>-</u>	<u>-</u>	<u>\$ 24,317</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sandoval Academy for Bilingual Education
 Statement of Net Position
 June 30, 2016

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 39,743
Prepaid Expenditures	3,747
Receivables	
Due from Government	24,373
Total Current Assets	<u>67,863</u>

LIABILITIES

Current Liabilities:

Accounts Payable	9,519
Accrued Expenditures	42,028
Due to New Mexico Public Education Department	120,470
Total Current Liabilities	<u>172,017</u>

Total Liabilities	<u>172,017</u>
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NET POSITION

Restricted	11,592
Unrestricted (Deficit)	<u>(115,746)</u>
Total Net Position	<u>\$ (104,154)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 262,186	2,190	10,146	-	(249,850)
Support Services:					
Students	17,849	-	-	-	(17,849)
Instruction	13,644	-	-	-	(13,644)
General Administration	1,556	-	-	-	(1,556)
School Administration	142,335	-	-	-	(142,335)
Central Services	30,894	-	-	-	(30,894)
Operation & Maintenance of Plant	68,503	-	-	-	(68,503)
Other Support Services	5	-	-	-	(5)
Facilities Materials, Supplies & Other Services	81,766	-	-	88,350	6,584
Total Governmental Activities	\$ 618,738	2,190	10,146	88,350	(518,052)
General Revenues:					
State Equalization Guarantee					\$ 413,898
Total General Revenues					<u>413,898</u>
Change in Net Position					(104,154)
Net position, Beginning					<u>-</u>
Net position (Deficit), Ending					<u>\$ (104,154)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	Public School Capital Outlay 31200	Total
ASSETS					
Cash and Cash Equivalents	\$ 34,735	5,008	-	-	39,743
Prepaid Expenditures	3,747	-	-	-	3,747
Accounts Receivable					
Due from Government	-	-	2,286	22,087	24,373
Due from Other Funds	17,789	-	-	-	17,789
Total Assets	\$ 56,271	5,008	2,286	22,087	85,652
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 9,519	-	-	-	9,519
Accrued Expenditures	42,028	-	-	-	42,028
Due to Other Governments	120,470	-	-	-	120,470
Due to Other Funds	-	-	2,286	15,503	17,789
Total Liabilities	172,017	-	2,286	15,503	189,806
Fund Balances					
Fund Balance:					
Nonspendable:					
Prepaid Expenditures	3,747	-	-	-	3,747
Restricted for:					
Instruction	-	5,008	-	-	5,008
Capital Improvements	-	-	-	6,584	6,584
Unassigned (Deficit)	(119,493)	-	-	-	(119,493)
Total Fund Balance (Deficit)	(115,746)	5,008	-	6,584	(104,154)
Total Liabilities and Fund Balance	\$ 56,271	5,008	2,286	22,087	85,652

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance (Deficit) - Total Governmental Funds	<u>\$ (104,154)</u>
Deficit-Total Governmental Activities	<u><u>\$ (104,154)</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	Public School Capital Outlay 31200	Total
REVENUES					
State Grant	\$ 413,898	7,030	-	88,350	509,278
Federal Grant	-	-	3,116	-	3,116
Charges for Services	2,140	-	-	-	2,140
Miscellaneous Income	50	-	-	-	50
Total Revenues	<u>416,088</u>	<u>7,030</u>	<u>3,116</u>	<u>88,350</u>	<u>514,584</u>
EXPENDITURES					
Current:					
Instruction	260,164	2,022	-	-	262,186
Support Services:					
Students	14,733	-	3,116	-	17,849
Instruction	13,644	-	-	-	13,644
General Administration	1,556	-	-	-	1,556
School Administration	142,335	-	-	-	142,335
Central Services	30,894	-	-	-	30,894
Other Support Services Operations	5	-	-	-	5
Operation & Maintenance of Plant	68,503	-	-	-	68,503
Capital Outlay	-	-	-	81,766	81,766
Total Expenditures	<u>531,834</u>	<u>2,022</u>	<u>3,116</u>	<u>81,766</u>	<u>618,738</u>
Net Changes in Fund Balance	<u>(115,746)</u>	<u>5,008</u>	<u>-</u>	<u>6,584</u>	<u>(104,154)</u>
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance (Deficit) - End of Year	<u>\$ (115,746)</u>	<u>5,008</u>	<u>-</u>	<u>6,584</u>	<u>(104,154)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balance (Deficit)-Total Governmental Funds	<u>\$ (104,154)</u>
Change in Net Position-Total Governmental Activities	<u><u>\$ (104,154)</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sandoval Academy for Bilingual Education
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	<u>\$ 1,464</u>
Total Assets	<u><u>\$ 1,464</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 1,464</u>
Total Liabilities	<u><u>\$ 1,464</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sandoval Academy for Bilingual Education
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
ASSETS				
Cash in Bank	\$ -	1,484	(20)	1,464
Total Assets	<u>\$ -</u>	<u>1,484</u>	<u>(20)</u>	<u>1,464</u>
 LIABILITIES				
Deposits Held for Others	\$ -	1,484	(20)	1,464
Total Liabilities	<u>\$ -</u>	<u>1,484</u>	<u>(20)</u>	<u>1,464</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy of Bilingual Education
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

For fiscal year ended June 30, 2016, Sandoval Academy of Bilingual Education did not have any capital assets.

NOTE 2. COMMITMENTS AND LIABILITIES

The Sandoval Academy of Bilingual Education leased equipment and facilities under long-term non-cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$89,256. The Sandoval Academy of Bilingual Education's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 134,000
2018	180,000
2019	197,500
2020	212,500
Total	<u>\$ 724,000</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sandoval Academy of Bilingual Education
 Notes to the Financial Statements
 June 30, 2016

NOTE 3. OVERSPENT BUDGET LINE ITEMS

As stated in finding 2016-004, Sandoval Academy of Bilingual Education had expenditures in excess of the budget in the following funds:

Operational (11000)	
Instruction	\$ 5,388
Support Services:	
Students	5,226
Instruction	10,214
General Administration	1,556
School Administration	5,889
Central Services	28,892
Other Support Services Operation	5
Operation & Maintenance	53,271
 IDEA-B Entitlement (24106)	
Support Services:	
Students	\$ 3,116

NOTE 4. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2016:

Operational	\$ 115,746
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Sandoval Academy for Bilingual Education is addressing the negative fund balance and is planning on taking the appropriate action to eliminate the negative balance. The School plans on paying the amount due to New Mexico Public Education Department over the next six months after June 30, 2016 in monthly payments.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 869,054	413,898	413,898	-
Charges for Services	-	1,723	2,190	467
Total Revenues	869,054	415,621	416,088	467
EXPENDITURES				
Current:				
Instruction	509,654	252,437	257,825	(5,388)
Support Services:				
Students	45,300	7,773	12,999	(5,226)
Instruction	12,000	-	10,214	(10,214)
General Administration	9,500	-	1,556	(1,556)
School Administration	143,600	136,296	142,185	(5,889)
Central Services	69,500	2,000	30,892	(28,892)
Other Support Services Operations	-	-	5	(5)
Operation & Maintenance of Plant	79,500	17,115	70,386	(53,271)
Total Expenditures	869,054	415,621	526,062	(110,441)
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(109,974)	(109,974)
Net Changes in Fund Balances	-	-	(109,974)	(109,974)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(109,974)	(109,974)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (109,974)	
Adjustments to Revenues			-	
Adjustments to Expenditures			(5,772)	
NET CHANGE IN FUND BALANCE			\$ (115,746)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sandoval Academy for Bilingual Education
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 6,638	3,002	7,030	4,028
Total Revenues	<u>6,638</u>	<u>3,002</u>	<u>7,030</u>	<u>4,028</u>
EXPENDITURES				
Current:				
Instruction	6,638	3,002	2,022	980
Total Expenditures	<u>6,638</u>	<u>3,002</u>	<u>2,022</u>	<u>980</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,008	5,008
Net Changes in Fund Balances	-	-	5,008	5,008
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,008</u>	<u>5,008</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,008	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 5,008</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 21,868	6,148	830	(5,318)
Total Revenues	21,868	6,148	830	(5,318)
EXPENDITURES				
Current:				
Instruction	21,868	6,148	-	6,148
Support Services:				
Students	-	-	3,116	(3,116)
Total Expenditures	21,868	6,148	3,116	3,032
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,286)	(2,286)
Net Changes in Fund Balances	-	-	(2,286)	(2,286)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(2,286)	(2,286)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,286)	
Adjustments to Revenues			2,286	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	88,350	66,263	(22,087)
Total Revenues	-	88,350	66,263	(22,087)
EXPENDITURES				
Capital Outlay	-	88,350	81,766	6,584
Total Expenditures	-	88,350	81,766	6,584
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(15,503)	(15,503)
Net Changes in Fund Balances	-	-	(15,503)	(15,503)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(15,503)	(15,503)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (15,503)	
Adjustments to Revenues			22,087	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 6,584	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sandoval Academy for Bilingual Education
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N / A	N / A	N / A	N / A	\$ -
				-
				-
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	41,454
Less: FDIC coverage:		<u>(41,454)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sandoval Academy for Bilingual Education
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 41,454
<i>Total on Deposit</i>	41,454
Reconciling Items	<u>(247)</u>
Reconciled Balance June 30, 2016	<u>41,207</u>
Less Agency Funds	<u>(1,464)</u>
<i>Total Cash</i>	<u>\$ 39,743</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2015	\$ -	-	-	-
Add:				
2015-16 revenues	416,088	7,030	1,484	830
Total Cash Available	416,088	7,030	1,484	830
Less:				
2015-16 expenditures	(526,062)	(2,022)	(20)	(3,116)
Receivables/Payables	162,498	-	-	-
Outstanding Loans	(17,789)	-	-	2,286
Cash June 30, 2016	34,735	5,008	1,464	-
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	34,735	5,008	1,464	-
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(150,481)	-	-	-
Fund Balance, Modified Accrual Basis	<u>\$ (115,746)</u>	<u>5,008</u>	<u>1,464</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Public School Capital Outlay	
<u>31200</u>	<u>Total</u>
-	-
<u>66,263</u>	<u>491,695</u>
66,263	491,695
(81,766)	(612,986)
-	162,498
<u>15,503</u>	<u>-</u>
<u>-</u>	<u>41,207</u>
-	-
<u>-</u>	<u>41,207</u>
Less Agency Funds	<u>(1,464)</u>
	<u>\$ 39,743</u>
<u>6,584</u>	<u>(143,897)</u>
<u>6,584</u>	<u>(104,154)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current assets:

Cash and Cash Equivalents	\$ 774,248
Restricted cash	15,000
Receivables	
Due from Other Governments	416,427
Total current assets	<u>1,205,675</u>

Noncurrent assets:

Capital Assets	
Construction in Progress	85,319
Vehicles	216,719
Furniture, Fixtures, and Equipment	247,807
Less: Accumulated Depreciation	<u>(313,443)</u>
Total Noncurrent Assets	<u>236,402</u>

Total Assets 1,442,077

Deferred Outflows - Pension Related 732,885

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	3,989
Deferred Revenue	25,000
Current Portion of Compensated Absences	<u>6,407</u>
Total Current Liabilities	<u>35,396</u>

Noncurrent Liabilities:

Compensated Absences	19,222
Net Pension Liability	<u>3,550,829</u>
Total Noncurrent Liabilities	<u>3,570,051</u>

Total Liabilities 3,605,447

Deferred Inflows - Pension Related 262,819

NET POSITION

Investment in Capital Assets	236,402
Restricted	339,077
Unrestricted (Deficit)	<u>(2,268,783)</u>
Total Net Position	<u>\$ (1,693,304)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 1,738,081	16,318	480,463	-	(1,241,300)
Support Services:					
Students	538,657	-	-	-	(538,657)
Instruction	-	-	-	-	-
General Administration	67,274	-	-	-	(67,274)
School Administration	330,264	-	-	-	(330,264)
Central Services	57,698	-	-	-	(57,698)
Operation & Maintenance of Plant	547,900	-	-	-	(547,900)
Operation of Non-Instructional Services	99,528	-	-	-	(99,528)
Community Services Operations	-	-	-	-	-
Other Support Services	-	-	-	-	-
Student Transportation	10,904	-	135,246	-	124,342
Facilities Materials, Supplies & Other Services	319,339	-	-	277,567	(41,772)
Total Governmental Activities	\$ 3,709,645	16,318	615,709	277,567	(2,800,051)
			General Revenues:		
			State Equalization Guarantee	\$ 3,220,716	
			Miscellaneous	39,021	
			Total General Revenues	3,259,737	
			Change in Net Position		459,686
			Net Position, Beginning		(2,152,990)
			Net Position, Ending		\$ (1,693,304)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Balance Sheets - Governmental Funds
June 30, 2016

	<u>Operational 11000</u>	<u>Pupil Transportation 13000</u>	<u>Instructional Materials 14000</u>	<u>Title I IASA 24101</u>
ASSETS				
<i>Assets</i>				
Cash and Cash Equivalents	\$ 414,540	24,267	6,042	-
Restricted Cash	-	-	-	-
Accounts receivable				
Due from Government	366,963	11,451	-	14,416
Due from other funds	47,050	-	-	-
Total Assets	<u>\$ 828,553</u>	<u>35,718</u>	<u>6,042</u>	<u>14,416</u>
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts payable	\$ 3,989	-	-	-
Unspent grant revenue	-	-	-	-
Due to other funds	-	-	-	15,996
Total Liabilities	<u>3,989</u>	<u>-</u>	<u>-</u>	<u>15,996</u>
<i>Fund Balances</i>				
Fund Balance (Deficit):				
Non Spendable				
Restricted for:				
Instruction	-	35,718	6,042	(1,580)
Capital improvements	-	-	-	-
Unassigned	824,564	-	-	-
Total Fund Balance	<u>824,564</u>	<u>35,718</u>	<u>6,042</u>	<u>(1,580)</u>
Total Liabilities and Fund Balance	<u>\$ 828,553</u>	<u>35,718</u>	<u>6,042</u>	<u>14,416</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25153	Dual Credit 27103	2012 GO Bonds 27107
-	-	-	1,860	-	-
-	-	-	-	-	-
17,428	-	6,123	-	-	-
-	-	-	-	-	-
<u>17,428</u>	<u>-</u>	<u>6,123</u>	<u>1,860</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
24,885	-	6,123	-	-	-
<u>24,885</u>	<u>-</u>	<u>6,123</u>	<u>-</u>	<u>-</u>	<u>-</u>
(7,457)	-	-	1,860	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(7,457)</u>	<u>-</u>	<u>-</u>	<u>1,860</u>	<u>-</u>	<u>-</u>
<u>17,428</u>	<u>-</u>	<u>6,123</u>	<u>1,860</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	2013 Robotics 27116	Workforce Readiness 27179	Early College High School 27180	Public Schools Capital Outlay 31200
ASSETS				
<i>Assets</i>				
Cash and Cash Equivalents	\$ -	-	-	-
Restricted Cash	-	-	-	-
Accounts receivable				
Due from Government	-	46	-	-
Due from other funds	-	-	-	-
Total Assets	\$ -	46	-	-
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts payable	\$ -	-	-	-
Unspent grant revenue	-	-	-	-
Due to other funds	-	46	-	-
Total Liabilities	-	46	-	-
<i>Fund Balances</i>				
Fund Balance (Deficit):				
Non Spendable				
Restricted for:				
Instruction	-	-	-	-
Capital improvements	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	-	-	-	-
Total Liabilities and Fund Balance	\$ -	46	-	-

The accompanying notes are an integral part of these financial statements

Special Capital Outlay 31400	HB 33 Capital Outlay 31600	SB 9 Capital Improvements 31700	Foundation	Total Government
60,900	212,496	31,098	23,045	774,248
-	-	-	15,000	15,000
-	-	-	-	416,427
-	-	-	-	47,050
<u>60,900</u>	<u>212,496</u>	<u>31,098</u>	<u>38,045</u>	<u>1,252,725</u>
-	-	-	-	3,989
-	-	-	25,000	25,000
-	-	-	-	47,050
<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>76,039</u>
-	-	-	-	34,583
60,900	212,496	31,098	-	304,494
-	-	-	13,045	837,609
<u>60,900</u>	<u>212,496</u>	<u>31,098</u>	<u>13,045</u>	<u>1,176,686</u>
<u>60,900</u>	<u>212,496</u>	<u>31,098</u>	<u>38,045</u>	<u>1,252,725</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Reconciliation of the Balance Sheet Governmental Funds to the Statement of Net Position
June 30, 2016

Fund balances - Total Governmental Funds **\$ 1,176,686**

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

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

Capital assets	549,845	
Accumulated depreciation	(313,443)	
		236,402

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		732,885
--	--	---------

Compensated absences are not due in the current period and, therefore, are not reported in the funds.		(25,629)
--	--	----------

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds		(3,550,829)
--	--	-------------

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(262,819)

Net Position-Total Governmental Activities **\$ (1,693,304)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Title I IASA 24101
Revenues:				
Property Taxes	\$ -	-	-	-
State grant	3,220,716	135,246	26,950	-
Federal grant	-	-	-	47,659
Charges for services	16,318	-	-	-
Miscellaneous	27,599	-	-	-
Total Revenues	<u>3,264,633</u>	<u>135,246</u>	<u>26,950</u>	<u>47,659</u>
Expenditures:				
Current:				
Instruction	1,552,063	-	40,567	49,239
Support Services:				
Students	304,723	-	-	-
General Administration	42,239	-	-	-
School Administration	325,580	-	-	-
Central Services	57,698	-	-	-
Operation & Maintenance of Plant	547,900	-	-	-
Student Transportation	-	99,528	-	-
Community Services	10,386	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>2,840,589</u>	<u>99,528</u>	<u>40,567</u>	<u>49,239</u>
Net Changes in Fund Balances	<u>424,044</u>	<u>35,718</u>	<u>(13,617)</u>	<u>(1,580)</u>
Fund Balances (Deficit) - Beginning of Year	<u>400,520</u>	<u>-</u>	<u>19,660</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 824,564</u>	<u>35,718</u>	<u>6,043</u>	<u>(1,580)</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25153	Dual Credit 27103
-	-	-	-	-
-	-	-	6,438	3,112
74,486	-	15,428	-	-
-	-	-	-	-
-	-	-	-	-
<u>74,486</u>	<u>-</u>	<u>15,428</u>	<u>6,438</u>	<u>3,112</u>
-	-	15,428	-	3,112
80,443	-	-	11,841	-
1,500	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>81,943</u>	<u>-</u>	<u>15,428</u>	<u>11,841</u>	<u>3,112</u>
<u>(7,457)</u>	<u>-</u>	<u>-</u>	<u>(5,403)</u>	<u>-</u>
-	-	-	7,263	-
<u>(7,457)</u>	<u>-</u>	<u>-</u>	<u>1,860</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Governmental Funds (continued)
For The Year Ended June 30, 2016

	2012 Go Bonds 27107	2013 Robotics 27116	Workforce Readiness 27179	Early College High School 27180
Revenues:				
Property Taxes	\$ -	-	-	-
State grant	-	286	125,000	-
Federal grant	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>-</u>	<u>286</u>	<u>125,000</u>	<u>-</u>
Expenditures:				
Current:				
Instruction	-	286	-	-
Support Services:				
Students	-	-	125,000	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>286</u>	<u>125,000</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Public Schools Capital Outlay 31200	Special Capital Outlay 31400	HB 33 Capital Outlay 31600	SB 9 Capital Improvements 31700	Foundation	Total Government
-	-	160,214	20,890	-	181,104
277,567	-	-	-	-	3,795,315
-	-	-	-	-	137,573
-	-	-	-	-	16,318
-	-	-	-	11,422	39,021
<u>277,567</u>	<u>-</u>	<u>160,214</u>	<u>20,890</u>	<u>11,422</u>	<u>4,169,331</u>
-	-	-	-	-	1,660,695
-	-	-	-	3,398	525,405
-	-	-	-	1,250	44,989
-	-	-	-	-	325,580
-	-	-	-	-	57,698
-	-	-	-	-	547,900
-	-	-	-	-	99,528
-	-	-	-	-	10,386
<u>277,567</u>	<u>-</u>	<u>-</u>	<u>32,566</u>	<u>86,319</u>	<u>396,452</u>
<u>277,567</u>	<u>-</u>	<u>-</u>	<u>32,566</u>	<u>90,967</u>	<u>3,668,633</u>
<u>-</u>	<u>-</u>	<u>160,214</u>	<u>(11,676)</u>	<u>(79,545)</u>	<u>500,698</u>
<u>-</u>	<u>60,900</u>	<u>52,282</u>	<u>42,774</u>	<u>92,590</u>	<u>675,989</u>
<u>-</u>	<u>60,900</u>	<u>212,496</u>	<u>31,098</u>	<u>13,045</u>	<u>1,176,687</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For The Year Ended June 30, 2016

Net change in Fund Balances-Total Governmental Funds **\$ 500,698**

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

Change in compensated absences (3,577)

Change in net pension liability (95,011)

Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlays	86,318	
Depreciation Expense	(28,742)	
	57,576	57,576

Change in Net Position-Total Governmental Activities **\$ 459,686**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 16,426
Total Assets	<u>\$ 16,426</u>
LIABILITIES	
Deposits Held for Others	\$ 16,426
Total Liabilities	<u>\$ 16,426</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 School of Dreams Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 11,027	30,555	(25,156)	16,426
Total Assets	<u>\$ 11,027</u>	<u>30,555</u>	<u>(25,156)</u>	<u>16,426</u>
LIABILITIES				
Deposits Held for Others	\$ 11,027	30,555	(25,156)	16,426
Total Liabilities	<u>\$ 11,027</u>	<u>30,555</u>	<u>(25,156)</u>	<u>16,426</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets, which include property, plant, and equipment, are reported in the applicable governmental-wide financial statements. The School of Dreams Academy (SODA) defines capital assets as assets with an initial, individual cost of more than \$5,000 and an initial useful life extending beyond a single reporting period. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Furniture, fixtures and equipment	5-10 years
Vehicles	8 years

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets not being Depreciated:</i>				
Construction in progress	\$ -	85,319	-	85,319
<i>Total</i>	-	85,319	-	85,319
<i>Capital Assets being Depreciated:</i>				
Furniture, fixtures and equipment	247,807	1,000	-	248,807
Vehicles	215,719	-	-	215,719
<i>Total</i>	463,526	1,000	-	464,526
<i>Less: Accumulated Depreciation</i>	(284,701)	(28,742)	-	(313,443)
<i>Total</i>	178,825	(27,742)	-	151,083
Capital Assets, Net	\$ 178,825	57,577	-	236,402

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 5,709
School Administration	12,021
Operation & Maintenance of Plant	1,806
Capital Outlay	9,205
Total	\$ 28,742

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Notes to the Financial Statements
June 30, 2016

NOTE 3. COMMITMENTS AND LIABILITIES

SODA leased buildings and equipment under short-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$543,311. SODA's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ 141,874
2018	2,912
2019	70
2020	-
Total minimum lease payments	\$ <u>144,856</u>

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the School of Dreams Academy (SODA) and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and SODA are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2016, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from SODA were \$214,426 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, SODA reported a liability of \$3,550,837 for its proportionate share of the net pension liability. SODA's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, SODA's proportion was 0.05482% percent, which was an increase of 0.00842% from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, SODA recognized pension expense of \$309,455. At the June 30, 2015, SODA reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	(65,875)
Changes in assumptions	122,132	-
Net difference between projected and actual earnings on pension plan investments	-	(15,983)
Changes in proportion and differences between SODA contributions and proportionate share of contributions	396,387	(180,961)
SODA contributions subsequent to the measurement date	<u>214,366</u>	<u>-</u>
Total	<u>\$ 732,885</u>	<u>(262,819)</u>

The amount of \$214,366 reported as deferred outflows of resources related to pensions resulting from SODA's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2017	\$	(31,243)
2018		(44,735)
2019		(130,444)
2020		<u>(49,278)</u>
Total	\$	<u>(255,700)</u>

Sensitivity of SODA's proportionate share of the net pension liability to changes in the discount rate.

The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 School of Dreams Academy
 Notes to the Financial Statements
 June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
SODA’s proportionate share of the net pension liability	\$ 4,777,889	3,550,837	2,519,986

Payables to the pension plan. SODA did not accrue any payables for the pension plan at June 30, 2016. All 10-month teacher contracts for the school year are paid in full by fiscal year end.

NOTE 5. DEFICIT FUND BALANCE

The following funds had a deficit balance at June 30, 2016:

24101 Title 1 IASA	\$	1,580
24106 IDEA-B Entitlement		<u>7,457</u>
	\$	<u>6,337</u>

School of Dreams Academy is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

As stated in the finding, 2015-002, SODA had expended in excess of the budget.

Operational (11000)		
Instruction		\$ (4,506)

NOTE 7. RELATED PARTIES

During the fiscal year, the Business Manager also provided services for Las Montana’s Charter High School, a Las Cruces Charter School.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy**

**SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.05%	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,645	2,520	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,278	1,497	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.96%	168.34%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*These amounts presented for each fiscal year were determined as of June 30, 2015

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 168	247	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	168	217	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	30	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
			2014	\$ 557	5		\$ 170	170	157	60	-	
2015	\$ 255	5			31	45	130	49	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	<u>\$ 812</u>			<u>\$ 170</u>	<u>201</u>	<u>202</u>	<u>190</u>	<u>49</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State grant	\$ 2,846,685	2,853,753	2,853,753	-
Charges for services	-	-	16,318	16,318
Miscellaneous	-	-	18,684	18,684
Total Revenues	2,846,685	2,853,753	2,888,755	35,002
Expenditures:				
Current:				
Instruction	1,540,334	1,547,402	1,551,908	(4,506)
Support Services:				
Students	366,952	327,269	304,723	22,546
General Administration	62,000	70,840	42,239	28,601
School Administration	341,603	346,891	325,580	21,311
Central Services	58,500	58,500	57,698	802
Operation & Maintenance of Plant	665,425	690,980	543,911	147,069
Community Services	14,907	14,907	10,386	4,521
Total Expenditures	3,049,721	3,056,789	2,836,445	220,344
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(203,036)</u>	<u>(203,036)</u>	<u>52,310</u>	<u>255,346</u>
Net Changes in Fund Balances	<u>(203,036)</u>	<u>(203,036)</u>	<u>52,310</u>	<u>255,346</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>407,700</u>	<u>407,700</u>
Cash or Fund Balances - End of Year	<u>\$ (203,036)</u>	<u>(203,036)</u>	<u>460,010</u>	<u>663,046</u>
Reconciliation to GAAP Basis:				
<i>Excess Revenues Over (Under) Expenditures</i>			\$ 52,310	
Adjustments to Revenues			366,963	
Adjustments to Expenditures			4,771	
NET CHANGE IN FUND BALANCE			<u>\$ 424,044</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State grant	\$ -	123,795	135,246	11,451
Total Revenues	<u>-</u>	<u>123,795</u>	<u>135,246</u>	<u>11,451</u>
Expenditures:				
Current:				
Support Services:				
Student Transportation	-	123,795	99,528	24,267
Total Expenditures	<u>-</u>	<u>123,795</u>	<u>99,528</u>	<u>24,267</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>35,718</u>	<u>35,718</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>35,718</u>	<u>35,718</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>35,718</u>	<u>35,718</u>
Reconciliation to GAAP Basis:				
<i>Excess Revenues Over (Under) Expenditures</i>			\$ 35,718	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 35,718</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State grant	\$ 20,909	24,430	26,950	2,520
Total Revenues	<u>20,909</u>	<u>24,430</u>	<u>26,950</u>	<u>2,520</u>
Expenditures:				
Current:				
Instruction	40,568	44,089	40,567	3,522
Total Expenditures	<u>40,568</u>	<u>44,089</u>	<u>40,567</u>	<u>3,522</u>
<i>Excess (deficiency) of Revenues Over (Under) Expenditures</i>	<u>(19,659)</u>	<u>(19,659)</u>	<u>(13,617)</u>	<u>6,042</u>
Net Changes in Fund Balances	<u>(19,659)</u>	<u>(19,659)</u>	<u>(13,617)</u>	<u>6,042</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>19,660</u>	<u>19,660</u>
Cash or fund balances - End of Year	<u>\$ (19,659)</u>	<u>(19,659)</u>	<u>6,043</u>	<u>25,702</u>
Reconciliation to GAAP Basis:				
<i>Excess Revenues Over (Under) Expenditures</i>			\$ (13,617)	
Adjustments to Revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (13,617)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Revenues:				
Federal grant	\$ 47,270	113,599	47,659	(65,940)
Total Revenues	<u>47,270</u>	<u>113,599</u>	<u>47,659</u>	<u>(65,940)</u>
Expenditures:				
Current:				
Instruction	47,270	113,599	49,239	64,360
Total Expenditures	<u>47,270</u>	<u>113,599</u>	<u>49,239</u>	<u>64,360</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,580)</u>	<u>(1,580)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,580)</u>	<u>(1,580)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(11,606)</u>	<u>(11,606)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(13,186)</u>	<u>(13,186)</u>
Reconciliation to GAAP Basis:				
<i>Excess Revenues Over (Under) Expenditures</i>			\$ (1,580)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (1,580)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 School of Dreams Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Federal Grant	\$ 51,909	121,539	74,486	(47,053)
Total Revenues	<u>51,909</u>	<u>121,539</u>	<u>74,486</u>	<u>(47,053)</u>
Expenditures:				
Current:				
Instruction	1,909	1,909	-	1,909
Support Services:				
Students	48,000	117,630	80,443	37,187
General Administration	2,000	2,000	1,500	500
Total expenditures	<u>51,909</u>	<u>121,539</u>	<u>81,943</u>	<u>39,596</u>
Excess (Deficiency) of revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(7,457)</u>	<u>(7,457)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(7,457)</u>	<u>(7,457)</u>
Cash or fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(3,141)</u>	<u>(3,141)</u>
Cash or fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(10,598)</u>	<u>(10,598)</u>
Reconciliation to GAAP Basis:				
Excess Revenues Over (Under) Expenditures			\$ (7,457)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (7,457)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 School of Dreams Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Federal Grant	\$ -	73	-	(73)
Total Revenues	<u>-</u>	<u>73</u>	<u>-</u>	<u>(73)</u>
Expenditures:				
Current:				
Support Services:				
Students	-	73	-	73
Total expenditures	<u>-</u>	<u>73</u>	<u>-</u>	<u>73</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess Revenues Over (Under) expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 School of Dreams Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Federal Grant	\$ 12,712	29,365	20,283	(9,082)
Total Revenues	<u>12,712</u>	<u>29,365</u>	<u>20,283</u>	<u>(9,082)</u>
Expenditures:				
Current:				
Instruction	12,712	29,365	15,428	13,937
Support Services:				
Total Expenditures	<u>12,712</u>	<u>29,365</u>	<u>15,428</u>	<u>13,937</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>4,855</u>	<u>4,855</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>4,855</u>	<u>4,855</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,855</u>	<u>4,855</u>
Reconciliation to GAAP Basis:				
Excess Revenues Over (Under) Expenditures			\$ 4,855	
Adjustments to Revenues			(4,855)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25153
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State Grant	\$ 13,000	13,000	6,438	(6,562)
Total Revenues	13,000	13,000	6,438	(6,562)
Expenditures:				
Current:				
Support Services:				
Students	13,000	13,000	11,841	1,159
Total Expenditures	13,000	13,000	11,841	1,159
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(5,403)	(5,403)
Other Financing Sources (Uses):				
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes in Fund Balances	-	-	(5,403)	(5,403)
Cash or Fund Balances - Beginning of Year	-	-	7,263	7,263
Cash or Fund Balances - End of Year	\$ -	-	1,860	1,860
Reconciliation to GAAP Basis:				
<i>Excess Revenues Over (Under) Expenditures</i>			\$ (5,403)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (5,403)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 School of Dreams Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Dual Credit 27103
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State Grant	\$ -	3,661	3,112	(549)
Total Revenues	<u>-</u>	<u>3,661</u>	<u>3,112</u>	<u>(549)</u>
Expenditures:				
Current:				
Instruction	-	3,661	3,112	549
Total Expenditures	<u>-</u>	<u>3,661</u>	<u>3,112</u>	<u>549</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
2012 GO Bonds 27107
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State Grant	\$ 4,019	4,019	-	(4,019)
Total Revenues	<u>4,019</u>	<u>4,019</u>	<u>-</u>	<u>(4,019)</u>
Expenditures:				
Current:				
Support Services:				
Students	4,019	4,019	-	4,019
Total Expenditures	<u>4,019</u>	<u>4,019</u>	<u>-</u>	<u>4,019</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 School of Dreams Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 2013 Robotics 27116
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State Grant	\$ 286	286	286	-
Total Revenues	<u>286</u>	<u>286</u>	<u>286</u>	<u>-</u>
Expenditures:				
Current:				
Instruction	286	286	286	-
Total Expenditures	<u>286</u>	<u>286</u>	<u>286</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Workforce Readiness 27179
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State Grant	\$ -	125,000	125,000	-
Total Revenues	-	125,000	125,000	-
Expenditures:				
Current:				
Support Services:				
Students	-	125,000	125,000	-
Total Expenditures	-	125,000	125,000	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 School of Dreams Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Early College High School - 27180
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
<i>Total Revenues</i>	\$ -	-	-	-
Expenditures:				
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	(102,109)	(102,109)
Cash or Fund Balances - End of Year	\$ -	-	(102,109)	(102,109)
Reconciliation to GAAP Basis:				
<i>Excess Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public Schools Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State Grant	\$ -	277,567	277,567	-
Total Revenues	-	277,567	277,567	-
Expenditures:				
Current:				
Capital outlay	-	277,567	277,567	-
Total Expenditures	-	277,567	277,567	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 School of Dreams Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay 31400
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
<i>Total Revenues</i>	\$ -	-	-	-
Expenditures:				
Current:				
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	60,900	60,900
Cash or Fund Balances - End of Year	\$ -	-	60,900	60,900
Reconciliation to GAAP Basis:				
<i>Excess Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
HB 33 Capital Outlay 31600
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Property Taxes	\$ 102,034	102,034	160,214	58,180
Total Revenues	<u>102,034</u>	<u>102,034</u>	<u>160,214</u>	<u>58,180</u>
Expenditures:				
Current:				
Capital Outlay	216,074	216,074	-	216,074
Total Expenditures	<u>216,074</u>	<u>216,074</u>	<u>-</u>	<u>216,074</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(114,040)</u>	<u>(114,040)</u>	<u>160,214</u>	<u>274,254</u>
Net Changes in Fund Balances	<u>(114,040)</u>	<u>(114,040)</u>	<u>160,214</u>	<u>274,254</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>52,282</u>	<u>52,282</u>
Cash or Fund Balances - End of Year	<u>\$ (114,040)</u>	<u>(114,040)</u>	<u>212,496</u>	<u>326,536</u>
Reconciliation to GAAP Basis:				
<i>Excess revenues over (under) expenditures</i>			\$ 160,214	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 160,214</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB 9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Property Taxes	\$ 127,537	127,537	20,890	(106,647)
Prior Year Balances	20,890	20,890	-	(20,890)
Total Revenues	148,427	148,427	20,890	(127,537)
Expenditures:				
Current:				
Capital Outlay	148,427	148,427	32,566	115,861
Total Expenditures	148,427	148,427	32,566	115,861
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(11,676)	(11,676)
Other Financing Sources (Uses):				
Designated Cash			-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes in Fund Balances	-	-	(11,676)	(11,676)
Cash or Fund Balances - Beginning of Year	-	-	42,774	42,774
Cash or Fund Balances - End of Year	\$ -	-	31,098	31,098
Reconciliation to GAAP Basis:				
<i>Excess Revenues Over (Under) Expenditures</i>			\$ (11,676)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (11,676)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Collateral Pledged by Depository
For Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
The Bank of New York Mellon	FNMA	3138E04T3	2/1/2042	\$ 448,091
				<u>\$ 448,091</u>

Total cash in bank per Schedule of Cash Accounts:	\$	858,196
Less: FDIC coverage:		<u>(250,000)</u>
Uninsured public funds:		608,196
Collateral requirement:		304,098
Pledged collateral held by pledging financial institution:		<u>448,091</u>
Balance over-collateralized:	\$	<u>143,993</u>
Balance uninsured and uncollateralized at June 30, 2016:	\$	<u>160,105</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Cash Accounts
June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 858,196
<i>Total on Deposit</i>	858,196
Reconciling Items	<u>(90,567)</u>
Reconciled Balance June 30, 2016	<u>767,629</u>
Less Agency Funds	<u>(16,426)</u>
<i>Total Cash</i>	<u><u>\$ 751,203</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Cash Reconciliation
June 30, 2016

	<u>Operational 11000</u>	<u>Instructional Transportation 13000</u>	<u>Instructional Materials 14000</u>	<u>Non Instruct Fund 23000</u>	<u>Federal Flowthrough 24000</u>
Cash, June 30, 2015	\$ 407,700	-	19,660	11,025	(14,747)
Add:					
2015-16 revenues	<u>2,888,755</u>	<u>123,795</u>	<u>26,950</u>	<u>30,555</u>	<u>112,620</u>
Total Cash Available	3,296,455	123,795	46,610	41,580	97,873
Less:					
2015-16 expenditures	(2,836,492)	(99,528)	(40,568)	(25,156)	(145,031)
Recievables/Payables	1,735	-	-	-	-
Outstanding Loans	<u>(47,204)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,158</u>
Cash June 30, 2016	<u>414,494</u>	<u>24,267</u>	<u>6,042</u>	<u>16,424</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:					
Audit reclassifications to cash	46	-	-	-	-
Cash per Books	<u>414,540</u>	<u>24,267</u>	<u>6,042</u>	<u>16,424</u>	<u>-</u>
Fund Balance (Deficit) Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	410,024	11,451	-	(16,424)	(9,037)
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 824,564</u>	<u>35,718</u>	<u>6,042</u>	<u>-</u>	<u>(9,037)</u>

*Foundation is not required to be reported to PED, and is therefore not included in the cash report

The accompanying notes are an integral part of these financial statements

<u>Federal Direct 25000</u>	<u>State Flowthrough 27000</u>	<u>Public School Capital Outlay 31200</u>	<u>Special Capital Outlay-State 31400</u>	<u>Capital Improv. HB 33 31600</u>	<u>Capital Improv. SB 9 31700</u>	<u>Total</u>
7,263	(102,109)	-	60,900	52,282	42,774	484,748
<u>6,439</u>	<u>230,461</u>	<u>277,566</u>	<u>-</u>	<u>160,214</u>	<u>20,890</u>	<u>3,878,245</u>
13,702	128,352	277,566	60,900	212,496	63,664	4,362,993
(11,842)	(128,398)	(277,566)	-	-	(32,566)	(3,597,147)
-	-	-	-	-	-	1,735
-	46	-	-	-	-	-
<u>1,860</u>	<u>-</u>	<u>-</u>	<u>60,900</u>	<u>212,496</u>	<u>31,098</u>	<u>767,581</u>
-	-	-	-	-	-	46
<u>1,860</u>	<u>-</u>	<u>-</u>	<u>60,900</u>	<u>212,496</u>	<u>31,098</u>	<u>767,627</u>
					Foundation:	38,045
					Agency:	(16,426)
					Total cash per books:	<u>\$ 789,246</u>
-	-	-	-	-	-	396,014
<u>1,860</u>	<u>-</u>	<u>-</u>	<u>60,900</u>	<u>212,496</u>	<u>31,098</u>	<u>1,163,641</u>
					Foundation:	13,045
					Total Fund Balance (Deficit), Modified Accrual Basis:	<u>\$ 1,176,686</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Statement of Net Position
 June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 126,010
Receivables	
Due from Other Governments	110,795
Deposits	<u>25,125</u>
Total Current Assets	<u>261,930</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	6,344
Less: Accumulated Depreciation	<u>(6,344)</u>
Total Noncurrent Assets	<u>-</u>

Total Assets	<u>261,930</u>
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Deferred Outflows - Pension Related	<u>211,204</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	16,065
Accrued Liabilities	52,487
Compensated Absences	<u>1,854</u>
Total Current Liabilities	<u>70,406</u>

Noncurrent Liabilities:

Net Pension Liability	<u>1,596,646</u>
Total Noncurrent Liabilities	<u>1,596,646</u>

Total Liabilities	<u>1,667,052</u>
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Deferred Inflows - Pension Related	<u>91,383</u>
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NET POSITION

Restricted	105,073
Unrestricted (Deficit)	<u>(1,390,374)</u>
Total Net Position	<u>\$ (1,285,301)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 854,898	-	164,121	-	(690,777)
Support Services:					
Students	94,313	-	-	-	(94,313)
Instruction	2,657	-	-	-	(2,657)
General Administration	21,348	-	-	-	(21,348)
School Administration	219,480	-	-	-	(219,480)
Central Services	95,114	-	-	-	(95,114)
Operation & Maintenance of Plant	118,854	-	-	-	(118,854)
Food Services	98,908	1,913	92,815	-	(4,180)
Facilities Materials, Supplies & Other Services	134,216	-	-	99,177	(35,039)
Total Governmental Activities	\$ 1,639,788	1,913	256,936	99,177	(1,281,762)
General Revenues:					
Property Taxes					\$ 45,511
State Equalization Guarantee					1,195,559
Total General Revenues					<u>1,241,070</u>
Change in Net Position					(40,692)
Net Position (Deficit), Beginning of Year					<u>(1,244,609)</u>
Net Position (Deficit), Ending					<u>\$ (1,285,301)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 46,626	1,032	-	-
Accounts Receivable				
Due from Government	-	-	-	25,809
Due from Other Funds	102,039	-	-	-
Deposits	-	-	-	-
Total Assets	\$ 148,665	1,032	-	25,809
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 16,065	-	-	-
Accrued Expenditures	42,908	-	-	4,088
Unspent Grant Revenue	-	-	-	-
Due to Other Funds	-	-	-	21,721
Total Liabilities	58,973	-	-	25,809
Fund Balances (Deficit)				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Restricted for:				
Instruction	-	1,032	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	89,692	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balance (Deficit)	89,692	1,032	-	-
Total Liabilities and Fund Balances	\$ 148,665	1,032	-	25,809

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

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Federal Charter School Planning 24146	Teacher Principal Training 24154	Medicaid Ancillary 25152	Elementary & Middle School Initiative 26177
-	-	-	-	1,200	-
4,692	-	-	-	-	9,200
-	-	-	-	-	-
-	-	25,125	-	-	-
<u>4,692</u>	<u>-</u>	<u>25,125</u>	<u>-</u>	<u>1,200</u>	<u>9,200</u>
-	-	-	-	-	-
776	-	-	-	-	41
-	-	-	-	-	-
3,916	-	-	1,284	-	9,159
<u>4,692</u>	<u>-</u>	<u>-</u>	<u>1,284</u>	<u>-</u>	<u>9,200</u>
-	-	25,125	-	-	-
-	-	-	-	1,200	-
-	-	-	-	-	-
-	-	-	(1,284)	-	-
-	-	25,125	(1,284)	1,200	-
<u>4,692</u>	<u>-</u>	<u>25,125</u>	<u>-</u>	<u>1,200</u>	<u>9,200</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Balance Sheets - Governmental Funds - (Continued)
June 30, 2016

	Robot Systems 27115	After School and Summer Enrichment 27168	NM Meal Program 27183	Public School Capital Outlay 31200
ASSETS				
Cash and Cash Equivalents	\$ 16	-	-	-
Accounts Receivable				
Due from Government	-	46,448	-	24,646
Due from Other Funds	-	-	-	-
Deposits	-	-	-	-
Total Assets	\$ 16	46,448	-	24,646
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	16	4,658	-	-
Unspent Grant Revenue	-	-	-	-
Due to Other Funds	-	41,790	103	24,066
Total Liabilities	16	46,448	103	24,066
Fund Balances (Deficit)				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Capital Improvements	-	-	-	580
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Unassigned (Deficit)	-	-	(103)	-
Total Fund Balance (Deficit)	-	-	(103)	580
Total Liabilities and Fund Balances	\$ 16	46,448	-	24,646

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

SB-9 Capital Improvements 31700	Total
77,136	126,010
-	110,795
-	102,039
-	25,125
<u>77,136</u>	<u>363,969</u>

-	16,065
-	52,487
-	-
-	102,039
<u>-</u>	<u>170,591</u>

-	25,125
-	2,232
77,136	77,716

-	89,692
-	(1,387)
<u>77,136</u>	<u>193,378</u>
<u>77,136</u>	<u>363,969</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balance - Total Governmental Funds **\$ 193,378**

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

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

Capital Assets	6,344	
Accumulated Depreciation	<u>(6,344)</u>	-

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.

211,204

Long-term liabilities are not due in the current period and, therefore are not reported in the funds.

Compensated absences		(1,854)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.

(1,596,646)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.

(91,383)

Net Position (Deficit) - Total Governmental Activities **\$ (1,285,301)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	1,414	-	-	25,809
State Grant	1,195,559	10,222	-	-
Federal Grant	-	-	92,815	34,418
Charges for Services	-	-	1,913	-
Total Revenues	1,196,973	10,222	94,728	60,227
EXPENDITURES				
Current:				
Instruction	674,960	24,318	-	60,228
Support Services:				
Students	64,822	-	-	-
Instruction	2,657	-	-	-
General Administration	20,898	-	-	-
School Administration	212,399	-	-	-
Central Services	95,114	-	-	-
Operation & Maintenance of Plant	118,777	-	-	-
Food Services Operations	322	-	98,483	-
Capital Outlay	-	-	-	-
Total Expenditures	1,189,949	24,318	98,483	60,228
Net Changes in Fund Balances	7,024	(14,096)	(3,755)	(1)
Fund Balances - Beginning of Year	82,668	15,128	3,755	1
Fund Balances (Deficit) - End of Year	\$ 89,692	1,032	-	-

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

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Federal Charter School Planning 24146	Teacher Principal Training 24154	Medicaid Ancillary 25152	Elementary & Middle School Initiative 26177
-	-	-	-	-	-
4,692	-	-	-	-	9,200
-	-	-	-	1,926	-
19,836	-	-	10,156	-	-
-	-	-	-	-	-
<u>24,528</u>	<u>-</u>	<u>-</u>	<u>10,156</u>	<u>1,926</u>	<u>9,200</u>
-	-	-	11,140	-	9,200
24,529	-	-	-	2,698	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	300	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>24,529</u>	<u>-</u>	<u>-</u>	<u>11,440</u>	<u>2,698</u>	<u>9,200</u>
<u>(1)</u>	<u>-</u>	<u>-</u>	<u>(1,284)</u>	<u>(772)</u>	<u>-</u>
<u>1</u>	<u>-</u>	<u>25,125</u>	<u>-</u>	<u>1,972</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>25,125</u>	<u>(1,284)</u>	<u>1,200</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	Robot Systems 27115	After School and Summer Enrichment 27168	NM School Meal Program 27183	Public School Capital Outlay 31200
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	46,448	-	584
State Grant	-	-	-	98,593
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	-	46,448	-	99,177
EXPENDITURES				
Current:				
Instruction	-	46,448	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Food Services Operations	-	-	103	-
Capital Outlay	-	-	-	98,597
Total Expenditures	-	46,448	103	98,597
Net Changes in Fund Balances	-	-	(103)	580
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances (Deficit) - End of Year	\$ -	-	(103)	580

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

SB-9 Capital Improvements 31700	Total
45,511	45,511
-	88,147
-	1,306,300
-	157,225
-	1,913
45,511	1,599,096
-	826,294
-	92,049
-	2,657
450	21,348
-	212,699
-	95,114
-	118,777
-	98,908
35,619	134,216
36,069	1,602,062
9,442	(2,966)
67,694	196,344
77,136	193,378

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balance - Total Governmental Funds	\$ (2,966)
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
Change in Compensated Absences	(1,854)
Changes in deferred outflows resources-pension related, deferred inflows of resources-pension related and the net pension liability	<u>(35,872)</u>
Change in Net Position - Total Governmental Activities	<u><u>\$ (40,692)</u></u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 22
Total Assets	<u>\$ 22</u>
 LIABILITIES	
Deposits Held for Others	\$ 22
Total Liabilities	<u>\$ 22</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 5,027	39,534	(44,539)	22
Total Assets	<u>\$ 5,027</u>	<u>39,534</u>	<u>(44,539)</u>	<u>22</u>
LIABILITIES				
Deposits Held for Others	\$ 5,027	39,534	(44,539)	22
Total Liabilities	<u>\$ 5,027</u>	<u>39,534</u>	<u>(44,539)</u>	<u>22</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment 5 years

Capital assets for the South Valley Preparatory School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 6,344	-	-	6,344
<i>Total</i>	6,344	-	-	6,344
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(6,344)	-	-	(6,344)
<i>Total</i>	(6,344)	-	-	(6,344)
Capital Assets, Net	\$ -	-	-	-

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Notes to the Financial Statements
 June 30, 2016

NOTE 3. COMMITMENTS AND LIABILITIES

South Valley Preparatory School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$100,843. South Valley Preparatory School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 66,000
2018	66,000
2019	66,000
2020	66,000
2021	66,000
Total	<u>\$ 330,000</u>

NOTE 4. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2016:

Teacher Principal Training 24154	\$1,284
NM Meal Program 27183	\$ 103

South Valley Preparatory School is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 5. RELATED PARTY TRANSACTIONS

The business manager services are performed by an outside manager, which performed services for multiple state charter schools.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to South Valley Preparatory School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and South Valley Preparatory School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal year ended June 30, 2015 and 2016 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from South Valley Preparatory School were \$97,898 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. At June 30, 2016, South Valley Preparatory School reported a liability of \$1,596,646 for its proportionate share of the net pension liability. South Valley Preparatory School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, South Valley Preparatory School's proportion was 0.02465%, which was a decrease of 0.00115% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, South Valley Preparatory School recognized pension expense of \$133,751. At the June 30, 2016, South Valley Preparatory School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Notes to the Financial Statements
June 30, 2016

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (29,601)
Changes in assumptions	54,917	-
Net difference between projected and actual earnings on pension plan investments	58,389	(7,186)
Changes in proportion	-	(54,,596)
Fiscal year 2016 employer contributions	<u>97,898</u>	<u>-</u>
Ending balance	<u>\$ 211,204</u>	<u>\$ (91,383)</u>

The amount of \$97,898 reported as deferred outflows of resources related to pensions resulting from South Valley Preparatory School contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (8,653)
2018	(5,798)
2019	14,703
2020	<u>(22,175)</u>
Total	<u>\$ (21,923)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Notes to the Financial Statements
June 30, 2016

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of South Valley Preparatory School's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
South Valley Preparatory School's proportionate share of the net pension liability	<u>\$ 2,148,394</u>	<u>1,596,646</u>	<u>1,133,120</u>

Payables to the pension plan. For the year ending June 30, 2016, South Valley Preparatory School's accrued liability due to ERB was \$ 24,773 for payroll paid in July 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,472	1,596	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 711	673	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.98%	237.15%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the prior year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SOUTH VALLEY PREPARATORY SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 111	98	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	97	98	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 14	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (66)	5		\$ (10)	(10)	(13)	(33)	-				
2015	\$ (22)	5			(9)	(6)	15	(22)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ (88)			\$ (10)	(19)	(19)	(18)	(22)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	1,414	1,414
State Grant	1,150,217	1,195,559	1,195,559	-
Total Revenues	<u>1,150,217</u>	<u>1,195,559</u>	<u>1,196,973</u>	<u>1,414</u>
EXPENDITURES				
Current:				
Instruction	720,722	720,722	674,114	46,608
Support Services:				
Students	66,271	71,271	64,117	7,154
Instruction	-	4,453	2,657	1,796
General Administration	20,500	24,500	20,781	3,719
School Administration	187,705	211,205	211,004	201
Central Services	76,400	98,967	87,620	11,347
Operation & Maintenance of Plant	108,274	128,163	112,423	15,740
Food Services Operations	-	500	322	178
Capital outlay	20,345	20,345	-	20,345
Total Expenditures	<u>1,200,217</u>	<u>1,280,126</u>	<u>1,173,038</u>	<u>107,088</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(50,000)</u>	<u>(84,567)</u>	<u>23,935</u>	<u>108,502</u>
Other Financing Sources (Uses):				
Designated Cash	50,000	84,567	-	(84,567)
Total Other Financing Sources (Uses):	<u>50,000</u>	<u>84,567</u>	<u>-</u>	<u>(84,567)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>23,935</u>	<u>23,935</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>23,935</u>	<u>23,935</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 23,935	
Adjustments to Revenues			-	
Adjustments to Expenditures			(16,911)	
NET CHANGE IN FUND BALANCE			<u>\$ 7,024</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 8,533	10,223	10,222	(1)
Total Revenues	<u>8,533</u>	<u>10,223</u>	<u>10,222</u>	<u>(1)</u>
EXPENDITURES				
Current:				
Instruction	8,533	25,351	24,318	1,033
Total Expenditures	<u>8,533</u>	<u>25,351</u>	<u>24,318</u>	<u>1,033</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(15,128)</u>	<u>(14,096)</u>	<u>1,032</u>
Other Financing Sources (Uses):				
Designated Cash	-	15,128	-	(15,128)
Total Other Financing Sources (Uses):	<u>-</u>	<u>15,128</u>	<u>-</u>	<u>(15,128)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(14,096)</u>	<u>(14,096)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(14,096)</u>	<u>(14,096)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (14,096)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (14,096)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 100,000	100,000	92,815	(7,185)
Charges for Services	-	-	1,913	1,913
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>94,728</u>	<u>(5,272)</u>
EXPENDITURES				
Current:				
Food Services Operations	100,000	103,755	98,483	5,272
Total Expenditures	<u>100,000</u>	<u>103,755</u>	<u>98,483</u>	<u>5,272</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(3,755)</u>	<u>(3,755)</u>	<u>-</u>
Other Financing Sources (Uses):				
Designated Cash	-	3,755	-	(3,755)
Total Other Financing Sources (Uses):	<u>-</u>	<u>3,755</u>	<u>-</u>	<u>(3,755)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,755)</u>	<u>(3,755)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,755)</u>	<u>(3,755)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,755)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (3,755)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	37,317	37,317
Federal Grant	58,489	66,706	34,418	(32,288)
Total Revenues	<u>58,489</u>	<u>66,706</u>	<u>71,735</u>	<u>5,029</u>
EXPENDITURES				
Current:				
Instruction	58,489	66,706	60,228	6,478
Total Expenditures	<u>58,489</u>	<u>66,706</u>	<u>60,228</u>	<u>6,478</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	11,507	11,507
Net Changes in Fund Balances	-	-	11,507	11,507
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>11,507</u>	<u>11,507</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 11,507	
Adjustments to Revenues			(11,508)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (1)</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	24,915	24,915
Federal Grant	24,529	24,529	19,836	(4,693)
Total Revenues	<u>24,529</u>	<u>24,529</u>	<u>44,751</u>	<u>20,222</u>
EXPENDITURES				
Current:				
Support Services:				
Students	24,529	24,529	24,529	-
Total Expenditures	<u>24,529</u>	<u>24,529</u>	<u>24,529</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	20,222	20,222
Net Changes in Fund Balances	-	-	20,222	20,222
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>20,222</u>	<u>20,222</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 20,222	
Adjustments to Revenues			(20,223)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (1)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	34	34
Total Revenues	-	-	34	34
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	34	34
Net Changes in Fund Balances	-	-	34	34
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	34	34
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 34	
Adjustments to Revenues			(34)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	3,186	3,186
Federal Grant	8,085	17,573	10,156	(7,417)
Total Revenues	<u>8,085</u>	<u>17,573</u>	<u>13,342</u>	<u>(4,231)</u>
EXPENDITURES				
Current:				
Instruction	7,000	17,273	11,140	6,133
Support Services:				
School Administration	1,085	300	300	-
Total expenditures	<u>8,085</u>	<u>17,573</u>	<u>11,440</u>	<u>6,133</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,902	1,902
Net changes in Fund Balances	-	-	1,902	1,902
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,902</u>	<u>1,902</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,902	
Adjustments to Revenues			(3,186)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (1,284)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Medicaid Ancillary 25152
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	1,926	1,926
Federal Grant	-	727	-	(727)
Total Revenues	<u>-</u>	<u>727</u>	<u>1,926</u>	<u>1,199</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	2,699	2,698	1
Total Expenditures	<u>-</u>	<u>2,699</u>	<u>2,698</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(1,972)</u>	<u>(772)</u>	<u>1,200</u>
Other financing sources (uses):				
Designated Cash	-	1,972	-	(1,972)
Total other financing sources (uses):	<u>-</u>	<u>1,972</u>	<u>-</u>	<u>(1,972)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(772)</u>	<u>(772)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(772)</u>	<u>(772)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (772)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (772)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Elementary & Middle School Initiative 26177
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	9,200	-	(9,200)
Total Revenues	<u>-</u>	<u>9,200</u>	<u>-</u>	<u>(9,200)</u>
EXPENDITURES				
Current:				
Instruction	-	9,200	9,200	-
Total Expenditures	<u>-</u>	<u>9,200</u>	<u>9,200</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(9,200)</u>	<u>(9,200)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(9,200)</u>	<u>(9,200)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(9,200)</u>	<u>(9,200)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,200)	
Adjustments to revenues			9,200	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Robot Systems 27115
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 1,178	9,919	5,583	(4,336)
Total Revenues	<u>1,178</u>	<u>9,919</u>	<u>5,583</u>	<u>(4,336)</u>
EXPENDITURES				
Current:				
Instruction	1,178	9,919	-	9,919
Total Expenditures	<u>1,178</u>	<u>9,919</u>	<u>-</u>	<u>9,919</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>5,583</u>	<u>5,583</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>5,583</u>	<u>5,583</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,583</u>	<u>5,583</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,583	
Adjustments to Revenues			(5,583)	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Budgetary Comparisons - Budgetary Basis
 After School and Summer Enrichment 27168
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	48,491	71,470	22,979
Total Revenues	<u>-</u>	<u>48,491</u>	<u>71,470</u>	<u>22,979</u>
EXPENDITURES				
Current:				
Instruction	-	48,491	46,448	2,043
Total Expenditures	<u>-</u>	<u>48,491</u>	<u>46,448</u>	<u>2,043</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>25,022</u>	<u>25,022</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>25,022</u>	<u>25,022</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>25,022</u>	<u>25,022</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 25,022	
Adjustments to Revenues			(25,022)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
NM School Meal Program 27183
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	161	-	(161)
Total Revenues	<u>-</u>	<u>161</u>	<u>-</u>	<u>(161)</u>
EXPENDITURES				
Current:				
Food Services Operations	-	161	103	58
Total Expenditures	<u>-</u>	<u>161</u>	<u>103</u>	<u>58</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(103)</u>	<u>(103)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(103)</u>	<u>(103)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(103)</u>	<u>(103)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (103)	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (103)</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	22,870	22,870
State Grant	-	98,597	73,947	(24,650)
Total Revenues	<u>-</u>	<u>98,597</u>	<u>96,817</u>	<u>(1,780)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	98,597	98,597	-
Total Expenditures	<u>-</u>	<u>98,597</u>	<u>98,597</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,780)</u>	<u>(1,780)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,780)</u>	<u>(1,780)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,780)</u>	<u>(1,780)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,780)	
Adjustments to Revenues			\$ 2,360	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 580</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 45,000	45,000	45,511	511
State Grant	11,735	15,161	-	(15,161)
Total Revenues	<u>56,735</u>	<u>60,161</u>	<u>45,511</u>	<u>(14,650)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	450	450	-
Capital Outlay	83,179	127,405	35,619	91,786
Total Expenditures	<u>83,179</u>	<u>127,855</u>	<u>36,069</u>	<u>91,786</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(26,444)</u>	<u>(67,694)</u>	<u>9,442</u>	<u>77,136</u>
Other Financing Sources (Uses):				
Designated Cash	26,444	67,694	-	(67,694)
Total Other Financing Sources (Uses):	<u>26,444</u>	<u>67,694</u>	<u>-</u>	<u>(67,694)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>9,442</u>	<u>9,442</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>9,442</u>	<u>9,442</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 9,442	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 9,442</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -
				\$ -

Total Cash per Schedule of Cash Accounts:	\$	192,219
Less: FDIC coverage:		<u>(192,219)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 192,219
<i>Total on Deposit</i>	192,219
Reconciling Items	<u>(66,187)</u>
Reconciled Balance June 30, 2016	<u>126,032</u>
Less Agency Funds	<u>(22)</u>
<i>Total Cash</i>	<u><u>\$ 126,010</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ (20,849)	15,128	3,755	5,027
Add:				
2015-16 revenues	<u>1,196,973</u>	<u>10,222</u>	<u>94,728</u>	<u>39,534</u>
Total Cash Available	1,176,124	25,350	98,483	44,561
Less:				
2015-16 expenditures	(1,173,038)	(24,318)	(98,483)	(44,539)
Receivables/Payables	99,044	-	-	-
Outstanding Loans	<u>(55,504)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>46,626</u>	<u>1,032</u>	<u>-</u>	<u>22</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>46,626</u>	<u>1,032</u>	<u>-</u>	<u>22</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	43,066	-	-	(22)
Fund Balance, Modified Accrual Basis	<u>\$ 89,692</u>	<u>1,032</u>	<u>-</u>	<u>-</u>

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

Federal Projects Account 24000	Federal Direct 25000	Local Grants 26000	State Account 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
10,301	1,972	-	-	-	67,694	83,028
<u>129,862</u>	<u>1,926</u>	<u>-</u>	<u>77,053</u>	<u>96,817</u>	<u>45,511</u>	<u>1,692,626</u>
140,163	3,898	-	77,053	96,817	113,205	1,775,654
(96,197)	(2,698)	(9,200)	(46,551)	(98,597)	(36,069)	(1,629,690)
(75,249)	-	18,359	(65,646)	3,560	-	(19,932)
<u>31,283</u>	<u>-</u>	<u>(9,159)</u>	<u>35,160</u>	<u>(1,780)</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>1,200</u>	<u>-</u>	<u>16</u>	<u>-</u>	<u>77,136</u>	<u>126,032</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>1,200</u>	<u>-</u>	<u>16</u>	<u>-</u>	<u>77,136</u>	<u>126,032</u>
					Less: Agency Fund	<u>(22)</u>
						<u>\$ 126,010</u>
<u>23,841</u>	<u>-</u>	<u>-</u>	<u>(119)</u>	<u>580</u>	<u>-</u>	<u>67,346</u>
<u>23,841</u>	<u>1,200</u>	<u>-</u>	<u>(103)</u>	<u>580</u>	<u>77,136</u>	<u>193,378</u>
					Balance Sheets - Governmental Funds:	<u>\$ 193,378</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,123,803
Receivables	
Taxes Receivable	1,352
Due from Other Governments	66,524
Due From Agency Funds	974
Total Current Assets	<u>1,192,653</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures and Equipment	286,257
Less: Accumulated Depreciation	<u>(78,070)</u>
Total Noncurrent Assets	<u>208,187</u>
Total Assets	<u>1,400,840</u>

Deferred Outflows - Pension Related	<u>265,870</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	23,230
Accrued Liabilities	103,484
Total Current Liabilities	<u>126,714</u>

Noncurrent Liabilities:

Net Pension Liability	1,716,476
Total Noncurrent Liabilities	<u>1,716,476</u>
Total Liabilities	<u>1,843,190</u>

Deferred Inflows - Pension Related	<u>39,548</u>
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NET POSITION

Net Investment in Capital Assets	208,187
Restricted	337,273
Unrestricted (Deficit)	<u>(761,488)</u>
Total Net Position	<u>\$ (216,028)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 890,319	5,143	96,977	-	(788,199)
Support Services:					
Students	107,993	-	-	-	(107,993)
Instruction	222,837	-	-	-	(222,837)
General Administration	123,717	-	-	-	(123,717)
School Administration	297,059	-	-	-	(297,059)
Central Services	135,370	-	-	-	(135,370)
Operation & Maintenance of Plant	588,846	-	-	-	(588,846)
Other Support Services	-	-	-	-	-
Student Transportation	189,693	-	189,817	-	124
Food Services	811	-	-	-	(811)
Facilities Materials, Supplies & Other Services	103,732	-	-	204,678	100,946
Total Governmental Activities	\$ 2,660,377	5,143	286,794	204,678	(2,163,762)
General Revenues:					
Property Taxes					\$ 84,153
State Equalization Guarantee					2,179,070
Miscellaneous					7,024
Total General Revenues					<u>2,270,247</u>
Change in Net Position					106,485
Net Position- Beginning					(322,513)
Net position, Ending					<u>\$ (216,028)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 787,883	195,049	49,509	-
Accounts Receivable				
Due from Governments	-	-	-	4,148
Taxes Receivable	-	-	-	-
Due from Other Funds	181,061	-	-	-
Total Assets	\$ 968,944	195,049	49,509	4,148
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 20,977	-	-	-
Accrued Expenditures	98,950	-	-	2,811
Due to Other Funds	-	-	-	4,344
Total Liabilities	119,927	-	-	7,155
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	49,509	-
Student Transportation	-	195,049	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	849,017	-	-	(3,007)
Total Fund Balance (Deficit)	849,017	195,049	49,509	(3,007)
Total Liabilities and Fund Balances (Deficit)	\$ 968,944	195,049	49,509	4,148

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Charter Schools 24146	Teacher Principal Training 24154	Dual Credits Instructional Materials 27103	Literacy for Children at Risk PED 27107
-	-	4,588	-	-	-
7,743	53	-	3,410	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>7,743</u>	<u>53</u>	<u>4,588</u>	<u>3,410</u>	<u>-</u>	<u>-</u>
-	-	-	2,253	-	-
1,723	-	-	-	-	-
6,019	53	-	3,410	-	-
<u>7,742</u>	<u>53</u>	<u>-</u>	<u>5,663</u>	<u>-</u>	<u>-</u>
1	-	4,588	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(2,253)	-	-
<u>1</u>	<u>-</u>	<u>4,588</u>	<u>(2,253)</u>	<u>-</u>	<u>-</u>
<u>7,743</u>	<u>53</u>	<u>4,588</u>	<u>3,410</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Robot Systems for Math Competitions <u>27115</u>	Public School Capital Outlay <u>31200</u>	Special Capital Outlay State <u>31400</u>	SB-9 Capital Improvements <u>31700</u>
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	86,774
Accounts Receivable				
Due from Governments	-	51,170	-	-
Taxes Receivable	-	-	-	1,352
Due from Other Funds	-	-	-	-
Total Assets	<u>\$ -</u>	<u>51,170</u>	<u>-</u>	<u>88,126</u>
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	-	132,746	33,515	-
Total Liabilities	<u>-</u>	<u>132,746</u>	<u>33,515</u>	<u>-</u>
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	-
Student Transportation	-	-	-	-
Capital Improvements	-	-	-	88,126
Unassigned (Deficit)	-	(81,576)	(33,515)	-
Total Fund Balance (Deficit)	<u>-</u>	<u>(81,576)</u>	<u>(33,515)</u>	<u>88,126</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ -</u>	<u>51,170</u>	<u>-</u>	<u>88,126</u>

The accompanying notes are an integral part of these financial statements

Total

1,123,803

66,524

1,352

181,061

1,372,740

23,230

103,484

180,087

306,801

54,098

195,049

88,126

728,666

1,065,939

1,372,740

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 1,065,939**

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

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

Capital Assets	286,257	
Accumulated Depreciation	<u>(78,070)</u>	208,187

Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		265,870
--	--	---------

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability	<u>(1,716,476)</u>	(1,716,476)
-----------------------	--------------------	-------------

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds

		<u>(39,548)</u>
--	--	-----------------

Net Position-Total Governmental Activities **\$ (216,028)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	2,179,070	189,817	19,516	-
Federal Grant	3,208	-	-	48,126
Charges for Services	5,143	-	-	-
Miscellaneous Income	7,024	-	-	-
Total Revenues	2,194,445	189,817	19,516	48,126
EXPENDITURES				
Current:				
Instruction	755,601	-	7,764	51,134
Support Services:				
Students	96,855	-	-	-
Instruction	222,837	-	-	-
General Administration	123,717	-	-	-
School Administration	293,476	-	-	-
Central Services	135,370	-	-	-
Operation & Maintenance of Plant	588,846	-	-	-
Student Transportation	143	189,550	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	811	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	2,217,656	189,550	7,764	51,134
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(23,211)</u>	<u>267</u>	<u>11,752</u>	<u>(3,008)</u>
Net Changes in Fund Balances	(23,211)	267	11,752	(3,008)
Fund Balances(Deficit) - Beginning of Year	<u>872,228</u>	<u>194,782</u>	<u>37,757</u>	<u>1</u>
Fund Balances (Deficit) - End of Year	<u>\$ 849,017</u>	<u>195,049</u>	<u>49,509</u>	<u>(3,007)</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Charter Schools 24146	Teacher Principal Training 24154	Dual Credits Instructional Materials 27103	Literacy for Children at Risk PED 27107
-	-	-	-	-	-
-	-	-	-	2,774	-
19,890	53	-	3,410	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>19,890</u>	<u>53</u>	<u>-</u>	<u>3,410</u>	<u>2,774</u>	<u>-</u>
8,804	-	-	2,080	2,774	-
11,085	53	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	3,583	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>19,889</u>	<u>53</u>	<u>-</u>	<u>5,663</u>	<u>2,774</u>	<u>-</u>
<u>1</u>	<u>-</u>	<u>-</u>	<u>(2,253)</u>	<u>-</u>	<u>-</u>
<u>1</u>	<u>-</u>	<u>-</u>	<u>(2,253)</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>4,588</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1</u>	<u>-</u>	<u>4,588</u>	<u>(2,253)</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016

	Robot Systems for Math Competitions 27115	Public School Capital Outlay 31200	Special Capital Outlay State 31400	SB-9 Capital Improvements 31700
REVENUES				
Property Taxes	\$ -	-	-	84,153
State Grant	-	204,678	-	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>204,678</u>	<u>-</u>	<u>84,153</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	204,677	(10,092)	111,277
Total Expenditures	<u>-</u>	<u>204,677</u>	<u>(10,092)</u>	<u>111,277</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>1</u>	<u>10,092</u>	<u>(27,124)</u>
Net Changes in Fund Balances	<u>-</u>	<u>1</u>	<u>10,092</u>	<u>(27,124)</u>
Fund Balances(Deficit) - Beginning of Year	<u>-</u>	<u>(81,577)</u>	<u>(43,607)</u>	<u>115,250</u>
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>(81,576)</u>	<u>(33,515)</u>	<u>88,126</u>

The accompanying notes are an integral part of these financial statements

Total

84,153
2,595,855
74,687
5,143
7,024
2,766,862

828,157

107,993

222,837

123,717

297,059

135,370

588,846

189,693

-

811

305,862

2,800,345

(33,483)

(33,483)

1,099,422

1,065,939

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016**

Net Change in Fund Balances-Total Governmental Funds **\$ (33,483)**

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

Decrease in long-term debt	202,130
Change in net pension liability	<u>(62,162)</u>

Change in Net Position-Total Governmental Activities **\$ 106,485**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Aeronautics, Mathematics and Sciences
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2016

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ -
Total Assets	<u>\$ -</u>
LIABILITIES	
Deposits Held for Others	\$ (974)
Due to Governmental Funds	974
Total Liabilities	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Aeronautics, Mathematics and Sciences
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 1,693	14,835	(16,528)	-
Total Assets	<u>\$ 1,693</u>	<u>14,835</u>	<u>(16,528)</u>	<u>-</u>
 LIABILITIES				
Deposits Held for Others	\$ 1,693	13,861	(16,528)	(974)
Due to Governmental Funds	<u>-</u>	<u>974</u>	<u>-</u>	<u>974</u>
Total Liabilities	<u>\$ 1,693</u>	<u>14,835</u>	<u>(16,528)</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Aeronautics, Mathematics and Sciences
 Notes to the Financial Statements
 June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years
Vehicles	10 years

Capital assets for SAMS are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2016 are as follows:

Due from Other Governments:	
Title I	\$ 4,148
IDEA-B Entitlement	7,743
IDEA-B Risk Pool	53
Teacher / Principal Training	3,410
Public School Capital Outlay	<u>51,170</u>
Total Due from Other Governments	<u>\$ 66,524</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Notes to the Financial Statements
June 30, 2016

NOTE 2. RECEIVABLES (Continued)

Taxes Receivable:		
SB-9 Capital Improvements		\$ <u>1,352</u>
Total Taxes Receivable		\$ <u><u>1,352</u></u>

NOTE 3. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	<u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 286,257	-	-	286,257
<i>Total</i>	<u>286,257</u>	<u>-</u>	<u>-</u>	<u>286,257</u>
<i>Less: Accumulated Depreciation</i>	(78,070)	-	-	(78,070)
Capital Assets, Net	<u>\$ 208,187</u>	<u>-</u>	<u>-</u>	<u>208,187</u>

NOTE 4. COMMITMENTS AND LIABILITIES

Southwest Aeronautics, Mathematics and Science leased various facilities and equipment under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$379,792. Southwest Aeronautics, Mathematics and Science's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ <u>249,510</u>
Total minimum lease payments	<u>\$ <u>249,510</u></u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Notes to the Financial Statements
June 30, 2016**

NOTE 5. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2016:

24101 Title I	\$	3,007
24154 Teacher / Principal Training		2,253
31200 Public School Capital Outlay		81,576
31400 Special Capital Outlay State		<u>33,515</u>
Total funds with deficit balances	\$	<u>120,351</u>

SAMS is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

Southwest Aeronautics, Mathematics and Science did not have any funds with expenditures in excess of the budget during the year ended June 30, 2016.

NOTE 7. RELATED PARTY TRANSACTIONS

The same administration operates all four schools: Southwest Secondary, Intermediate and Primary Learning Centers and Southwest Aeronautics, Mathematics and Science Academy.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Southwest Aeronautics, Mathematics and Science and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Contributions. The contribution requirements of defined benefit plan members and Southwest Aeronautics, Mathematics and Science are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal years ended June 30, 2015 and June 30, 2016 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Southwest Aeronautics, Mathematics and Science were \$111,867 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Southwest Aeronautics, Mathematics and Science reported a liability of \$1,716,476 for its proportionate share of the net pension liability. Southwest Aeronautics, Mathematics and Science's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Southwest Aeronautics, Mathematics and Science's proportion was 0.02650% percent, which was an increase of 0.00081% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Southwest Aeronautics, Mathematics and Science recognized pension expense of \$174,029. As of June 30, 2016, Southwest Aeronautics, Mathematics and Science reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	31,822
Changes in assumptions	59,039	-
Net difference between projected and actual earnings on pension plan investments	-	7,726
Changes in proportion and differences between Southwest Aeronautics, Mathematics and Science's contributions and proportionate share of contributions	94,965	-
Southwest Aeronautics, Mathematics and Science's contributions subsequent to the measurement date	<u>111,867</u>	<u>-</u>
Total	<u>\$ 265,871</u>	<u>39,548</u>

\$111,867 reported as deferred outflows of resources related to pensions resulting from Southwest Aeronautics, Mathematics and Science's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ 39,425
2018	36,695
2019	14,495
2020	<u>23,841</u>
Total	<u>\$ 114,456</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Sensitivity of Southwest Aeronautics, Mathematics and Science’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Southwest Aeronautics, Mathematics and Science’s proportionate share of the net pension liability	<u>\$ 2,309,633</u>	<u>1,716,476</u>	<u>1,218,162</u>

Payables to the pension plan. Southwest Aeronautics, Mathematics and Science accrued \$26,218 in ERB benefits at June 30, 2016 for teachers with ten month contracts.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,466	1,716	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 708	724	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.06%	237.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*These amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 93	120	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	93	105	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	15	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods									
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 67	5		\$ 10	10	13	34	-				
2015	\$ 114	5			39	37	14	24	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	<u>\$ 181</u>			<u>\$ 10</u>	<u>49</u>	<u>50</u>	<u>48</u>	<u>24</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 2,173,673	2,179,070	2,179,070	-
Federal Grant	-	-	3,208	3,208
Charges for Services	-	-	5,143	5,143
Miscellaneous Income	-	-	7,024	7,024
Total Revenues	2,173,673	2,179,070	2,194,445	15,375
EXPENDITURES				
Current:				
Instruction	1,162,212	965,489	787,006	178,483
Support Services:				
Students	186,717	116,158	96,855	19,303
Instruction	133,426	234,474	222,837	11,637
General Administration	156,301	201,231	140,240	60,991
School Administration	265,704	298,103	293,476	4,627
Central Services	237,150	146,536	140,624	5,912
Operation & Maintenance of Plant	489,740	673,556	588,713	84,843
Student Transportation	-	200	143	57
Other Support Services Operations	155,945	155,945	-	155,945
Food Services Operations	-	900	811	89
Total Expenditures	2,787,195	2,792,592	2,270,705	521,887
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	(613,522)	(613,522)	(76,260)	537,262
Net Changes in Fund Balances	(613,522)	(613,522)	(76,260)	537,262
Cash or Fund Balances - Beginning of Year	-	-	946,254	946,254
Cash or Fund Balances - End of Year	\$ (613,522)	(613,522)	869,994	1,483,516
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (76,260)	
Adjustments to Revenues			-	
Adjustments to Expenditures			53,049	
NET CHANGE IN FUND BALANCE			\$ (23,211)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Student Transportation 13000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 178,726	189,817	189,817	-
Total Revenues	178,726	189,817	189,817	-
EXPENDITURES				
Current:				
Student Transportation	178,726	189,817	189,550	267
Total Expenditures	178,726	189,817	189,550	267
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	267	267
Net Changes in Fund Balances	-	-	267	267
Cash or Fund Balances - Beginning of Year	-	-	194,782	194,782
Cash or Fund Balances - End of Year	\$ -	-	195,049	195,049
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 267	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 267	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 15,811	15,811	19,516	3,705
Miscellaneous Income	-	-	-	-
Total Revenues	<u>15,811</u>	<u>15,811</u>	<u>19,516</u>	<u>3,705</u>
EXPENDITURES				
Current:				
Instruction	38,542	38,542	7,764	30,778
Total Expenditures	<u>38,542</u>	<u>38,542</u>	<u>7,764</u>	<u>30,778</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(22,731)</u>	<u>(22,731)</u>	<u>11,752</u>	<u>34,483</u>
Net Changes in Fund Balances	<u>(22,731)</u>	<u>(22,731)</u>	<u>11,752</u>	<u>34,483</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>37,757</u>	<u>37,757</u>
Cash or Fund Balances - End of Year	<u>\$ (22,731)</u>	<u>(22,731)</u>	<u>49,509</u>	<u>72,240</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 11,752	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 11,752</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 37,186	81,595	51,861	(29,734)
Total Revenues	<u>37,186</u>	<u>81,595</u>	<u>51,861</u>	<u>(29,734)</u>
EXPENDITURES				
Current:				
Instruction	21,107	65,516	51,134	14,382
Support Services:				
Students	16,079	16,079	-	16,079
Total Expenditures	<u>37,186</u>	<u>81,595</u>	<u>51,134</u>	<u>30,461</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	727	727
Net Changes in Fund Balances	-	-	727	727
Cash or Fund Balances - Beginning of Year	-	-	(7,882)	(7,882)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,155)</u>	<u>(7,155)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 727	
Adjustments to Revenues			(3,735)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (3,008)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 40,389	87,108	18,529	(68,579)
Total Revenues	<u>40,389</u>	<u>87,108</u>	<u>18,529</u>	<u>(68,579)</u>
EXPENDITURES				
Current:				
Instruction	28,361	43,063	8,804	34,259
Support Services:				
Students	12,028	44,045	11,085	32,960
Total Expenditures	<u>40,389</u>	<u>87,108</u>	<u>19,889</u>	<u>67,219</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,360)	(1,360)
Net Changes in Fund Balances	-	-	(1,360)	(1,360)
Cash or Fund Balances - Beginning of Year	-	-	(6,382)	(6,382)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,742)</u>	<u>(7,742)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,360)	
Adjustments to Revenues			1,361	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Aeronautics, Mathematics and Sciences
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B "Risk Pool" 24120
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	53	-	(53)
Total Revenues	<u>-</u>	<u>53</u>	<u>-</u>	<u>(53)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	53	53	-
Total Expenditures	<u>-</u>	<u>53</u>	<u>53</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(53)</u>	<u>(53)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(53)</u>	<u>(53)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(53)</u>	<u>(53)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (53)	
Adjustments to Revenues			53	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Charter Schools 24146
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
School Administration	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>4,588</u>	<u>4,588</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,588</u>	<u>4,588</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher / Principal Training 24154
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 7,364	16,755	-	(16,755)
Total Revenues	<u>7,364</u>	<u>16,755</u>	<u>-</u>	<u>(16,755)</u>
EXPENDITURES				
Current:				
Instruction	2,454	11,845	2,080	9,765
Support Services:				
School Administration	2,454	2,454	1,330	1,124
Central Services	2,456	2,456	-	2,456
Total Expenditures	<u>7,364</u>	<u>16,755</u>	<u>3,410</u>	<u>13,345</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,410)</u>	<u>(3,410)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,410)</u>	<u>(3,410)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,410)</u>	<u>(3,410)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,410)	
Adjustments to Revenues			3,410	
Adjustments to Expenditures			<u>(2,253)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (2,253)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Aeronautics, Mathematics and Sciences
 Schedule of Budgetary Comparisons - Budgetary Basis
 Dual Credits Instructional Materials 27103
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	2,774	2,774	-
Total Revenues	<u>-</u>	<u>2,774</u>	<u>2,774</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	2,774	2,774	-
Total Expenditures	<u>-</u>	<u>2,774</u>	<u>2,774</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Aeronautics, Mathematics and Sciences
 Schedule of Budgetary Comparisons - Budgetary Basis
 Literacy for Children at Risk PED 27107
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 7,049	7,049	-	(7,049)
Total Revenues	<u>7,049</u>	<u>7,049</u>	<u>-</u>	<u>(7,049)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	7,049	7,049	-	7,049
Total Expenditures	<u>7,049</u>	<u>7,049</u>	<u>-</u>	<u>7,049</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Robot Systems for Math Competitions 27115
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 1,501	1,501	-	(1,501)
Total Revenues	<u>1,501</u>	<u>1,501</u>	-	<u>(1,501)</u>
EXPENDITURES				
Current:				
Capital Outlay	1,501	1,501	-	1,501
Total Expenditures	<u>1,501</u>	<u>1,501</u>	-	<u>1,501</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Public Schools Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	204,678	153,508	(51,170)
Total Revenues	<u>-</u>	<u>204,678</u>	<u>153,508</u>	<u>(51,170)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	204,678	204,677	1
Total Expenditures	<u>-</u>	<u>204,678</u>	<u>204,677</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(51,169)	(51,169)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(51,169)</u>	<u>(51,169)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(81,577)</u>	<u>(81,577)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(132,746)</u>	<u>(132,746)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (51,169)	
Adjustments to Revenues			51,170	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 158,717	158,717	-	(158,717)
Total Revenues	<u>158,717</u>	<u>158,717</u>	<u>-</u>	<u>(158,717)</u>
EXPENDITURES				
Current:				
Capital Outlay	158,717	158,717	-	158,717
Total Expenditures	<u>158,717</u>	<u>158,717</u>	<u>-</u>	<u>158,717</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(33,515)</u>	<u>(33,515)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(33,515)</u>	<u>(33,515)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			10,092	
NET CHANGE IN FUND BALANCE			<u>\$ 10,092</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ -	-	84,015	84,015
State Grant	1,717	21,218	-	(21,218)
Total Revenues	<u>1,717</u>	<u>21,218</u>	<u>84,015</u>	<u>62,797</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	1,500	-	1,500
Capital Outlay	1,717	133,754	111,277	22,477
Total Expenditures	<u>1,717</u>	<u>135,254</u>	<u>111,277</u>	<u>23,977</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(114,036)	(27,262)	86,774
Net Changes in Fund Balances	-	(114,036)	(27,262)	86,774
Cash or Fund Balances - Beginning of Year	-	-	114,036	114,036
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>(114,036)</u>	<u>86,774</u>	<u>200,810</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (27,262)	
Adjustments to Revenues			138	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (27,124)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Federal Home Loan Bank of Dallas	FHLB Q2-2016	313370TW8	9/9/2016	\$ 100,310
Federal Home Loan Bank of Dallas	FHLB Q2-2016	313370TW8	9/9/2016	200,620
				<u>\$ 300,930</u>

Total Cash per Schedule of Cash Accounts:	\$ 1,156,088
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	906,088
Collateral Requirement:	453,044
Pledged Collateral Held by Pledging Financial Institution:	<u>300,930</u>
Balance (Under) Collateralized:	<u>\$ (152,114)</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ 605,158</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Aeronautics, Mathematics and Sciences
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Nusenda Credit Union</u>
Checking - Operational Account	\$ 1,152,537
Savings - Operational Account	<u>3,551</u>
<i>Total on Deposit</i>	1,156,088
Reconciling Items	<u>(32,285)</u>
Reconciled Balance June 30, 2016	<u>1,123,803</u>
Less Agency Funds	<u>-</u>
<i>Total Cash</i>	<u><u>\$ 1,123,803</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics and Sciences
Cash Reconciliation
June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Federal Flowthrough 24000
Cash, June 30, 2015	\$ 975,024	194,782	37,757	(8,975)
Add:				
2015-16 revenues	<u>2,165,675</u>	<u>189,817</u>	<u>19,516</u>	<u>69,689</u>
Total cash available	3,140,699	384,599	57,273	60,714
Less:				
2015-16 expenditures	(2,270,705)	(189,550)	(7,764)	(74,486)
Receivables/Payables	98,950	-	-	4,534
Prepaid Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>968,944</u>	<u>195,049</u>	<u>49,509</u>	<u>(9,238)</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>(181,061)</u>	<u>-</u>	<u>-</u>	<u>13,826</u>
Cash per Books	<u>787,883</u>	<u>195,049</u>	<u>49,509</u>	<u>4,588</u>
Fund Balance (Deficit) Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(119,927)</u>	<u>-</u>	<u>-</u>	<u>8,567</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 849,017</u>	<u>195,049</u>	<u>49,509</u>	<u>(671)</u>

The accompanying notes are an integral part of these financial statements

State Flowthrough 27000	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements SB-9 31700	Total
-	(81,577)	(33,515)	114,036	1,197,532
2,774	153,508	-	84,015	2,684,994
2,774	71,931	(33,515)	198,051	3,882,526
(2,774)	(204,677)	-	(111,277)	(2,861,233)
-	-	-	-	103,484
-	-	-	-	-
-	(132,746)	(33,515)	86,774	1,124,777
-	132,746	33,515	-	(974)
-	-	-	86,774	1,123,803
-	51,170	-	1,352	(58,838)
-	(81,576)	(33,515)	88,126	1,065,939

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2016

VOLUME X



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 931,233
Receivables	
Taxes Receivable	1,630
Due from Other Governments	25,240
Total Current Assets	<u>958,103</u>

Noncurrent Assets:

Capital Assets	
Building Improvements	14,151
Furniture, Fixtures, and Equipment	155,776
Less: Accumulated Depreciation	<u>(157,863)</u>
Total Noncurrent Assets	<u>12,064</u>
Total Assets	<u>970,167</u>

Deferred Outflows - Pension Related	<u>150,842</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	3,365
Accrued Liabilities	18,471
Total Current Liabilities	<u>21,836</u>

Noncurrent Liabilities:

Net Pension Liability	<u>905,522</u>
Total Noncurrent Liabilities	<u>905,522</u>
Total Liabilities	<u>927,358</u>

Deferred Inflows - Pension Related	<u>142,428</u>
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NET POSITION

Net Investment in Capital Assets	12,064
Restricted	432,296
Unrestricted (Deficit)	<u>(393,137)</u>
Total Net Position	<u>\$ 51,223</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 400,057	457	28,572	-	(371,028)
Support Services:					
Students	13,929	-	-	-	(13,929)
Instruction	120,494	-	-	-	(120,494)
General Administration	98,702	-	-	-	(98,702)
School Administration	52,208	-	-	-	(52,208)
Central Services	109,753	-	-	-	(109,753)
Operation & Maintenance of Plant	92,784	-	-	-	(92,784)
Community Services Operations	-	-	-	-	-
Other Support Services	604	-	-	-	(604)
Facilities Materials, Supplies & Other Services	99,983	-	-	81,068	(18,915)
Total Governmental Activities	\$ 988,514	457	28,572	81,068	(878,417)
General Revenues:					
Property Taxes					\$ 99,865
State Equalization Guarantee					973,373
Miscellaneous					6,452
Total General Revenues					<u>1,079,690</u>
Change in Net Position					<u>201,273</u>
Net Position- Beginning					(150,050)
Net position, Ending					<u>\$ 51,223</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 500,639	3,849	-	-
Accounts Receivable				
Taxes Receivable	-	-	-	-
Due from Governments	-	-	3,270	732
Due from Other Funds	59,256	-	-	-
Total Assets	<u>\$ 559,895</u>	<u>3,849</u>	<u>3,270</u>	<u>732</u>
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 3,365	-	-	-
Accrued Expenditures	18,363	-	107	1
Due to Other Funds	-	-	3,119	659
Total Liabilities	<u>21,728</u>	<u>-</u>	<u>3,226</u>	<u>660</u>
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Restricted for:				
Instruction	-	3,849	-	72
Capital Improvements	-	-	-	-
Unassigned (Deficit)	538,167	-	44	-
Total Fund Balance (Deficit)	<u>538,167</u>	<u>3,849</u>	<u>44</u>	<u>72</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 559,895</u>	<u>3,849</u>	<u>3,270</u>	<u>732</u>

The accompanying notes are an integral part of these financial statements

IDEA-B "Risk Pool" 24120	Teacher Principal Training 24154	Literacy for Children at Risk PED 27107	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600
-	-	-	-	-	380,048
-	-	-	-	-	1,098
21	950	-	20,267	-	-
-	-	-	-	-	-
<u>21</u>	<u>950</u>	<u>-</u>	<u>20,267</u>	<u>-</u>	<u>381,146</u>
-	-	-	-	-	-
-	-	-	-	-	-
21	4,358	-	34,831	16,268	-
<u>21</u>	<u>4,358</u>	<u>-</u>	<u>34,831</u>	<u>16,268</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	381,146
-	(3,408)	-	(14,564)	(16,268)	-
<u>-</u>	<u>(3,408)</u>	<u>-</u>	<u>(14,564)</u>	<u>(16,268)</u>	<u>381,146</u>
<u>21</u>	<u>950</u>	<u>-</u>	<u>20,267</u>	<u>-</u>	<u>381,146</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	SB-9 Capital Improvements 31700	Total
ASSETS	<u> </u>	<u> </u>
Cash and Cash Equivalents	\$ 46,697	931,233
Accounts Receivable		
Taxes Receivable	532	1,630
Due from Government	-	25,240
Due from Other Funds	-	59,256
	<u> </u>	<u> </u>
Total Assets	<u>\$ 47,229</u>	<u>1,017,359</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ -	3,365
Accrued Expenditures	-	18,471
Due to Other Funds	-	59,256
	<u> </u>	<u> </u>
Total Liabilities	<u>-</u>	<u>81,092</u>
Fund Balances (Deficit)		
Fund Balance:		
Restricted for:		
Instruction	-	3,921
Capital Improvements	47,229	428,375
Unassigned (Deficit)	-	503,971
	<u> </u>	<u> </u>
Total Fund Balance (Deficit)	<u>47,229</u>	<u>936,267</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 47,229</u>	<u>1,017,359</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 936,267**

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

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

Capital Assets	169,927	
Accumulated Depreciation	<u>(157,863)</u>	12,064

Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		150,842
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Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Net Pension Liability	<u>(905,522)</u>	(905,522)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		<u>(142,428)</u>
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Net Position-Total Governmental Activities **\$ 51,223**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	973,373	8,006	-	-
Federal Grant	416	-	15,070	4,109
Charges for Services	457	-	-	-
Miscellaneous Income	6,452	-	-	-
Total Revenues	980,698	8,006	15,070	4,109
EXPENDITURES				
Current:				
Instruction	374,805	13,921	15,024	-
Support Services:				
Students	9,800	-	-	4,108
Instruction	120,494	-	-	-
General Administration	98,702	-	-	-
School Administration	52,208	-	-	-
Central Services	109,753	-	-	-
Operation & Maintenance of Plant	92,784	-	-	-
Other Support Services Operations	604	-	-	-
Community Services Operation	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	859,150	13,921	15,024	4,108
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	121,548	(5,915)	46	1
Net Changes in Fund Balances	121,548	(5,915)	46	1
Fund Balances(Deficit) - Beginning of Year	416,619	9,764	(2)	71
Fund Balances (Deficit) - End of Year	\$ 538,167	3,849	44	72

The accompanying notes are an integral part of these financial statements

IDEA-B "Risk Pool" 24120	Teacher Principal Training 24154	Literacy for Children at Risk PED 27107	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600
-	-	-	-	-	66,118
-	-	-	81,068	-	-
21	950	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>21</u>	<u>950</u>	<u>-</u>	<u>81,068</u>	<u>-</u>	<u>66,118</u>
-	3,156	-	-	-	-
21	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	73,433	(4,018)	-
<u>21</u>	<u>3,156</u>	<u>-</u>	<u>73,433</u>	<u>(4,018)</u>	<u>-</u>
-	(2,206)	-	7,635	4,018	66,118
-	(2,206)	-	7,635	4,018	66,118
-	(1,202)	-	(22,199)	(20,286)	315,028
-	(3,408)	-	(14,564)	(16,268)	381,146

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016

	SB-9 Capital Improvements 31700	Total
REVENUES		
Property Taxes	\$ 33,747	99,865
State Grant	-	1,062,447
Federal Grant	-	20,566
Charges for Services	-	457
Miscellaneous Income	-	6,452
Total Revenues	<u>33,747</u>	<u>1,189,787</u>
EXPENDITURES		
Current:		
Instruction	-	406,906
Support Services:		
Students	-	13,929
Instruction	-	120,494
General Administration	-	98,702
School Administration	-	52,208
Central Services	-	109,753
Operation & Maintenance of Plant	-	92,784
Other Support Services Operations	-	604
Community Services Operation	-	-
Capital Outlay	30,568	99,983
Total Expenditures	<u>30,568</u>	<u>995,363</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>3,179</u>	<u>194,424</u>
Net Changes in Fund Balances	<u>3,179</u>	<u>194,424</u>
Fund Balances(Deficit) - Beginning of Year	<u>44,050</u>	<u>741,843</u>
Fund Balances (Deficit) - End of Year	<u>\$ 47,229</u>	<u>936,267</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016**

Net Change in Fund Balances-Total Governmental Funds **\$ 194,424**

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

Change in compensated absences	15,410
Change in net pension liability	<u>(8,561)</u>

Change in Net Position-Total Governmental Activities **\$ 201,273**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2016

	<u>Agency</u>
ASSETS	
Cash in Bank	<u>\$ 10,060</u>
Total Assets	<u><u>\$ 10,060</u></u>
LIABILITIES	
Deposits Held for Others	<u>\$ 10,060</u>
Total Liabilities	<u><u>\$ 10,060</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 1,161	9,272	(373)	10,060
Total Assets	<u>\$ 1,161</u>	<u>9,272</u>	<u>(373)</u>	<u>10,060</u>
LIABILITIES				
Deposits Held for Others	\$ 1,161	9,272	(373)	10,060
Total Liabilities	<u>\$ 1,161</u>	<u>9,272</u>	<u>(373)</u>	<u>10,060</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Intermediate Learning Center
 Notes to the Financial Statements
 June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

SILC

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years
Vehicles	10 years

Capital assets for SILC are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2016 are as follows:

Due from Other Governments:	
Title I	\$ 3,270
IDEA-B Entitlement	732
IDEA-B Risk Pool	21
Teacher / Principal Training	950
Public School Capital Outlay	<u>20,267</u>
Total Due from Other Governments	<u>\$ 25,240</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Notes to the Financial Statements
June 30, 2016

NOTE 2. RECEIVABLES (Continued)

Taxes Receivable:		
Capital Improvements HB-33		\$ 1,098
SB-9 Capital Improvements		<u>532</u>
Total Taxes Receivable		<u>\$ 1,630</u>

NOTE 3. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	<u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Building Improvements	\$ 14,151	-	-	14,151
Furniture, Fixtures and Equipment	155,776	-	-	155,776
<i>Total</i>	<u>169,927</u>	<u>-</u>	<u>-</u>	<u>169,927</u>
<i>Less: Accumulated Depreciation</i>	(157,863)	-	-	(157,863)
Capital Assets, Net	<u>\$ 12,064</u>	<u>-</u>	<u>-</u>	<u>12,064</u>

NOTE 4. COMMITMENTS AND LIABILITIES

Southwest Intermediate Learning Center leased various facilities and equipment under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$110,150. Southwest Intermediate Learning Center's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	<u>\$ 112,694</u>
Total minimum lease payments	<u>\$ 112,694</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Notes to the Financial Statements
June 30, 2016**

NOTE 5. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2016:

24154 Teacher / Principal Training	\$	3,408
31200 Public School Capital Outlay		14,564
31400 Special Capital Outlay State		<u>16,268</u>
Total funds with deficit balances	\$	<u><u>34,240</u></u>

SILC is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

Southwest Intermediate Learning Center did not have any funds with expenditures in excess of the budget during the year ended June 30, 2016.

NOTE 7. RELATED PARTY TRANSACTIONS

The same administration operates all four schools: Southwest Secondary, Intermediate and Primary Learning Centers and Southwest Intermediate Learning Center Academy.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Southwest Intermediate Learning Center and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Contributions. The contribution requirements of defined benefit plan members and Southwest Intermediate Learning Center are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal years ended June 30, 2015 and June 30, 2016 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Southwest Intermediate Learning Center were \$53,699 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Southwest Intermediate Learning Center reported a liability of \$905,522 for its proportionate share of the net pension liability. Southwest Intermediate Learning Center's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Southwest Intermediate Learning Center's proportion was 0.01398% percent, which was a decrease of 0.00258% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Southwest Intermediate Learning Center recognized pension expense of \$62,259. As of June 30, 2016, Southwest Intermediate Learning Center reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	16,788
Changes in assumptions	31,146	-
Net difference between projected and actual earnings on pension plan investments	-	4,076
Changes in proportion and differences between Southwest Intermediate Learning Center's contributions and proportionate share of contributions	65,997	121,564
Southwest Intermediate Learning Center's contributions subsequent to the measurement date	<u>53,699</u>	<u>-</u>
Total	<u>\$ 150,842</u>	<u>142,428</u>

\$53,699 reported as deferred outflows of resources related to pensions resulting from Southwest Intermediate Learning Center's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (8,630)
2018	(12,347)
2019	(36,884)
2020	<u>12,576</u>
Total	<u>\$ (45,285)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Intermediate Learning Center
 Notes to the Financial Statements
 June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Sensitivity of Southwest Intermediate Learning Center's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Southwest Intermediate Learning Center's proportionate share of the net pension liability	<u>\$ 1,218,440</u>	<u>905,522</u>	<u>642,638</u>

Payables to the pension plan. Southwest Intermediate Learning Center accrued \$11,828 in ERB benefits at June 30, 2016 for teachers with ten month contracts.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.02%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 945	906	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 457	382	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.78%	237.17%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*These amounts presented for each fiscal year were determined as of June 30, 2015

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 60	63	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	60	55	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	8	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
			2014	\$ (1)	5		\$ (9)	(9)	(5)	22	-	
2015	\$ (45)	5			(9)	(12)	(37)	13	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	<u>\$ (46)</u>			<u>\$ (9)</u>	<u>(18)</u>	<u>(17)</u>	<u>(15)</u>	<u>13</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 953,911	973,374	973,373	(1)
Federal Grant	-	-	416	416
Charges for Services	-	-	457	457
Miscellaneous Income	-	-	6,452	6,452
Total Revenues	953,911	973,374	980,698	7,324
EXPENDITURES				
Current:				
Instruction	632,740	577,399	374,805	202,594
Support Services:				
Students	52,166	31,856	9,800	22,056
Instruction	90,581	127,857	120,494	7,363
General Administration	163,436	190,949	123,348	67,601
School Administration	55,987	73,475	52,208	21,267
Central Services	121,128	126,106	106,388	19,718
Operation & Maintenance of Plant	119,196	126,450	92,784	33,666
Other Support Services Operations	49,586	50,191	604	49,587
Community Services Operations	5,000	5,000	-	5,000
Total Expenditures	1,289,820	1,309,283	880,431	428,852
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(335,909)</i>	<i>(335,909)</i>	<i>100,267</i>	<i>436,176</i>
Net Changes in Fund Balances	(335,909)	(335,909)	100,267	436,176
Cash or Fund Balances - Beginning of Year	-	-	441,265	441,265
Cash or Fund Balances - End of Year	\$ (335,909)	(335,909)	541,532	877,441
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 100,267	
Adjustments to Revenues			-	
Adjustments to Expenditures			21,281	
NET CHANGE IN FUND BALANCE			\$ 121,548	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 6,015	8,006	8,006	-
Total Revenues	<u>6,015</u>	<u>8,006</u>	<u>8,006</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	13,749	17,770	13,921	3,849
Total Expenditures	<u>13,749</u>	<u>17,770</u>	<u>13,921</u>	<u>3,849</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(7,734)</u>	<u>(9,764)</u>	<u>(5,915)</u>	<u>3,849</u>
Net Changes in Fund Balances	<u>(7,734)</u>	<u>(9,764)</u>	<u>(5,915)</u>	<u>3,849</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>9,764</u>	<u>9,764</u>
Cash or Fund Balances - End of Year	<u>\$ (7,734)</u>	<u>(9,764)</u>	<u>3,849</u>	<u>13,613</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,915)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (5,915)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 13,491	15,372	12,978	(2,394)
Total Revenues	<u>13,491</u>	<u>15,372</u>	<u>12,978</u>	<u>(2,394)</u>
EXPENDITURES				
Current:				
Instruction	13,491	15,372	15,024	348
Total Expenditures	<u>13,491</u>	<u>15,372</u>	<u>15,024</u>	<u>348</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
	-	-	(2,046)	(2,046)
Net Changes in Fund Balances	-	-	(2,046)	(2,046)
Cash or Fund Balances - Beginning of Year	-	-	(1,180)	(1,180)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,226)</u>	<u>(3,226)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,046)	
Adjustments to Revenues			2,092	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 46</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 14,159	41,090	4,800	(36,290)
Total Revenues	<u>14,159</u>	<u>41,090</u>	<u>4,800</u>	<u>(36,290)</u>
EXPENDITURES				
Current:				
Instruction	12,159	12,159	-	12,159
Support Services:				
Students	2,000	28,931	4,108	24,823
Total Expenditures	<u>14,159</u>	<u>41,090</u>	<u>4,108</u>	<u>36,982</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>692</u>	<u>692</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>692</u>	<u>692</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(1,352)</u>	<u>(1,352)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(660)</u>	<u>(660)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 692	
Adjustments to Revenues			(691)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B "Risk Pool" 24120
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	21	-	(21)
Total Revenues	<u>-</u>	<u>21</u>	<u>-</u>	<u>(21)</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	21	21	-
Total Expenditures	<u>-</u>	<u>21</u>	<u>21</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(21)</u>	<u>(21)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(21)</u>	<u>(21)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(21)</u>	<u>(21)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (21)	
Adjustments to Revenues			21	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher / Principal Training 24154
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 2,811	6,385	-	(6,385)
Total Revenues	<u>2,811</u>	<u>6,385</u>	<u>-</u>	<u>(6,385)</u>
EXPENDITURES				
Current:				
Instruction	2,811	6,385	3,156	3,229
Total Expenditures	<u>2,811</u>	<u>6,385</u>	<u>3,156</u>	<u>3,229</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,156)	(3,156)
Net Changes in Fund Balances	-	-	(3,156)	(3,156)
Cash or Fund Balances - Beginning of Year	-	-	(1,202)	(1,202)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,358)</u>	<u>(4,358)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,156)	
Adjustments to Revenues			950	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (2,206)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children at Risk PED 27107
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 6,431	6,431	-	(6,431)
Total Revenues	<u>6,431</u>	<u>6,431</u>	<u>-</u>	<u>(6,431)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	6,431	6,431	-	6,431
Total Expenditures	<u>6,431</u>	<u>6,431</u>	<u>-</u>	<u>6,431</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	81,068	81,427	359
Total Revenues	<u>-</u>	<u>81,068</u>	<u>81,427</u>	<u>359</u>
EXPENDITURES				
Capital Outlay	-	81,068	73,433	7,635
Total Expenditures	<u>-</u>	<u>81,068</u>	<u>73,433</u>	<u>7,635</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	7,994	7,994
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>7,994</u>	<u>7,994</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(42,825)</u>	<u>(42,825)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(34,831)</u>	<u>(34,831)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 7,994	
Adjustments to Revenues			(359)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 7,635</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	(16,268)	(16,268)
Cash or Fund Balances - End of Year	\$ -	-	(16,268)	(16,268)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			4,018	
NET CHANGE IN FUND BALANCE			\$ 4,018	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements HB-33 31600
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ -	65,908	66,155	247
Total Revenues	<u>-</u>	<u>65,908</u>	<u>66,155</u>	<u>247</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	600	600	-	600
Capital Outlay	288,142	354,050	-	354,050
Total Expenditures	<u>288,742</u>	<u>354,650</u>	<u>-</u>	<u>354,650</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(288,742)</u>	<u>(288,742)</u>	<u>66,155</u>	<u>354,897</u>
Net Changes in Fund Balances	<u>(288,742)</u>	<u>(288,742)</u>	<u>66,155</u>	<u>354,897</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>313,893</u>	<u>313,893</u>
Cash or Fund Balances - End of Year	<u>\$ (288,742)</u>	<u>(288,742)</u>	<u>380,048</u>	<u>668,790</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 66,155	
Adjustments to Revenues			(37)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 66,118</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements SB-9 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 33,000	33,000	33,215	215
State Grant	7,693	10,376	-	(10,376)
Total Revenues	<u>40,693</u>	<u>43,376</u>	<u>33,215</u>	<u>(10,161)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	450	450	-	450
Capital Outlay	104,732	170,126	49,229	120,897
Total Expenditures	<u>105,182</u>	<u>170,576</u>	<u>49,229</u>	<u>121,347</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(64,489)</u>	<u>(127,200)</u>	<u>(16,014)</u>	<u>111,186</u>
Net Changes in Fund Balances	<u>(64,489)</u>	<u>(127,200)</u>	<u>(16,014)</u>	<u>111,186</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>62,711</u>	<u>62,711</u>
Cash or Fund Balances - End of Year	<u>\$ (64,489)</u>	<u>(127,200)</u>	<u>46,697</u>	<u>173,897</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (16,014)	
Adjustments to Revenues			532	
Adjustments to Expenditures			<u>18,661</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 3,179</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Intermediate Learning Center
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Federal Home Loan Bank of Dallas	FHLB Q2-2016	313370TW8	9/9/2016	\$ 50,155
Federal Home Loan Bank of Dallas	FHLB Q2-2016	313370TW8	9/9/2016	175,543
				<u>\$ 225,698</u>

Total Cash per Schedule of Cash Accounts:	\$ 950,532
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	700,532
Collateral Requirement:	350,266
Pledged Collateral Held by Pledging Financial Institution:	<u>225,698</u>
Balance (Under) Collateralized:	<u>\$ (124,568)</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ 474,834</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Intermediate Learning Center
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Nusenda Credit Union</u>
Checking - Operational Account	\$ 948,166
Savings - Operational Account	<u>2,366</u>
<i>Total on Deposit</i>	950,532
Reconciling Items	<u>(9,239)</u>
Reconciled Balance June 30, 2016	<u>941,293</u>
Less Agency Funds	<u>(10,060)</u>
<i>Total Cash</i>	<u><u>\$ 931,233</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Federal Flowthrough 24000
Cash, June 30, 2015	\$ 458,080	9,764	(2,620)
Add:			
2015-16 revenues	<u>963,883</u>	<u>8,006</u>	<u>16,664</u>
Total cash available	1,421,963	17,770	14,044
Less:			
2015-16 expenditures	(880,431)	(13,921)	(22,309)
Receivables/Payables	18,363	-	108
Prepaid Expenses	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>559,895</u>	<u>3,849</u>	<u>(8,157)</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>(59,256)</u>	<u>-</u>	<u>8,157</u>
Cash per Books	<u>500,639</u>	<u>3,849</u>	<u>-</u>
Fund Balance (Deficit) Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>(21,728)</u>	<u>-</u>	<u>4,865</u>
Fund Balance (Deficit), Modified Accrual Basis	<u><u>\$ 538,167</u></u>	<u><u>3,849</u></u>	<u><u>(3,292)</u></u>

The accompanying notes are an integral part of these financial statements

State Flowthrough 27000	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Total
-	(42,825)	(16,268)	313,893	62,711	782,735
-	81,427	-	66,155	33,215	1,169,350
-	38,602	(16,268)	380,048	95,926	1,952,085
-	(73,433)	-	-	(49,229)	(1,039,323)
-	-	-	-	-	18,471
-	-	-	-	-	-
-	(34,831)	(16,268)	380,048	46,697	931,233
-	34,831	16,268	-	-	-
-	-	-	380,048	46,697	931,233
-	20,267	-	1,098	532	5,034
-	(14,564)	(16,268)	381,146	47,229	936,267

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 638,508
Receivables	
Taxes Receivable	1,007
Due from Other Governments	28,270
Total Current Assets	<u>667,785</u>

Noncurrent Assets:

Capital Assets	
Building Improvements	16,336
Furniture, Fixtures and Equipment	219,996
Less: Accumulated Depreciation	(157,760)
Total Noncurrent Assets	<u>78,572</u>
Total Assets	<u>746,357</u>

Deferred Outflows - Pension Related

93,308

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	6,014
Accrued Liabilities	69,980
Total Current Liabilities	<u>75,994</u>

Noncurrent Liabilities:

Net Pension Liability	973,533
Total Noncurrent Liabilities	<u>973,533</u>
Total Liabilities	<u>1,049,527</u>

Deferred Inflows - Pension Related

163,204

NET POSITION

Net Investment in Capital Assets	78,572
Restricted	430,251
Unrestricted (Deficit)	(881,889)
Total Net Position	<u>\$ (373,066)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 499,423	2,702	32,063	-	(464,658)
Support Services:					
Students	13,721	-	-	-	(13,721)
Instruction	42,134	-	-	-	(42,134)
General Administration	125,982	-	-	-	(125,982)
School Administration	46,165	-	-	-	(46,165)
Central Services	102,661	-	-	-	(102,661)
Operation & Maintenance of Plant	103,596	-	-	-	(103,596)
Other Support Services	1,747	-	-	-	(1,747)
Student Transportation	-	-	-	-	-
Food Services	-	-	-	-	-
Facilities Materials, Supplies & Other Services	129,889	-	-	76,499	(53,390)
Total Governmental Activities	\$ 1,065,318	2,702	32,063	76,499	(954,054)
General Revenues:					
Property Taxes					\$ 90,546
State Equalization Guarantee					846,152
Miscellaneous					6,342
Total General Revenues					943,040
Change in Net Position					(11,014)
Net Position- Beginning					(362,052)
Net position, Ending					<u>\$ (373,066)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 212,266	16,031	-	4,955
Accounts Receivable				
Due from Governments	-	-	6,124	3,002
Taxes Receivable	-	-	-	-
Due from Other Funds	46,292	-	-	-
Total Assets	\$ 258,558	16,031	6,124	7,957
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 6,014	-	-	-
Accrued Expenditures	68,384	-	1,596	-
Due to Other Funds	-	-	5,754	-
Total Liabilities	74,398	-	7,350	-
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	16,031	-	7,957
Student Transportation	-	-	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	184,160	-	(1,226)	-
Total Fund Balance (Deficit)	184,160	16,031	(1,226)	7,957
Total Liabilities and Fund Balances (Deficit)	\$ 258,558	16,031	6,124	7,957

The accompanying notes are an integral part of these financial statements

IDEA-B "Risk Pool" 24120	Teacher Principal Training 24154	Literacy for Children at Risk PED 27107	Private Direct Grants 29102	Public School Capital Outlay 31200	Capital Improvements HB-33 31600
-	-	-	-	-	368,835
19	-	-	-	19,125	-
-	-	-	-	-	1,007
-	-	-	-	-	-
<u>19</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,125</u>	<u>369,842</u>
-	-	-	-	-	-
-	-	-	-	-	-
19	-	987	984	38,548	-
<u>19</u>	<u>-</u>	<u>987</u>	<u>984</u>	<u>38,548</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	369,842
-	-	(987)	(984)	(19,423)	-
<u>-</u>	<u>-</u>	<u>(987)</u>	<u>(984)</u>	<u>(19,423)</u>	<u>369,842</u>
<u>19</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,125</u>	<u>369,842</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	SB-9 Capital Improvements 31700	Total
ASSETS	_____	_____
Cash and Cash Equivalents	\$ 36,421	638,508
Accounts Receivable		
Due from Governments	-	28,270
Taxes Receivable	-	1,007
Due from Other Funds	-	46,292
	_____	_____
Total Assets	\$ 36,421	714,077
	=====	=====
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ -	6,014
Accrued Expenditures	-	69,980
Due to Other Funds	-	46,292
	_____	_____
Total Liabilities	-	122,286
	_____	_____
Fund Balances (Deficit)		
Fund Balance:		
Restricted for:		
Instruction	-	23,988
Student Transportation	-	-
Capital Improvements	36,421	406,263
Unassigned (Deficit)	-	161,540
	_____	_____
Total Fund Balance (Deficit)	36,421	591,791
	_____	_____
Total Liabilities and Fund Balances (Deficit)	\$ 36,421	714,077
	=====	=====

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 591,791**

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

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

Capital Assets	236,332	
Accumulated Depreciation	<u>(157,760)</u>	78,572

Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		93,308
--	--	--------

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability	<u>(973,533)</u>	(973,533)
-----------------------	------------------	-----------

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		<u>(163,204)</u>
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Net Position-Total Governmental Activities **\$ (373,066)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	846,152	7,292	-	-
Federal Grant	604	-	14,696	9,452
Charges for Services	2,702	-	-	-
Miscellaneous Income	6,342	-	-	-
Total Revenues	855,800	7,292	14,696	9,452
EXPENDITURES				
Current:				
Instruction	532,302	-	15,922	-
Support Services:				
Students	4,250	-	-	9,452
Instruction	42,134	-	-	-
General Administration	125,982	-	-	-
School Administration	46,165	-	-	-
Central Services	102,661	-	-	-
Operation & Maintenance of Plant	103,596	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	1,747	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	958,837	-	15,922	9,452
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(103,037)</u>	<u>7,292</u>	<u>(1,226)</u>	<u>-</u>
Net Changes in Fund Balances	<u>(103,037)</u>	<u>7,292</u>	<u>(1,226)</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>287,197</u>	<u>8,739</u>	<u>-</u>	<u>7,957</u>
Fund Balances (Deficit) - End of Year	<u>\$ 184,160</u>	<u>16,031</u>	<u>(1,226)</u>	<u>7,957</u>

The accompanying notes are an integral part of these financial statements

IDEA-B "Risk Pool" 24120	Teacher Principal Training 24154	Literacy for Children at Risk PED 27107	Private Direct Grants 29102	Public School Capital Outlay 31200	Capital Improvements HB-33 31600
-	-	-	-	-	60,379
-	-	-	-	76,499	-
19	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>19</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,499</u>	<u>60,379</u>
-	-	-	984	-	-
19	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	76,499	-
<u>19</u>	<u>-</u>	<u>-</u>	<u>984</u>	<u>76,499</u>	<u>-</u>
-	-	-	(984)	-	60,379
-	-	-	(984)	-	60,379
-	-	(987)	-	(19,423)	309,463
-	-	(987)	(984)	(19,423)	369,842

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016

	SB-9 Capital Improvements 31700	Total
REVENUES		
Property Taxes	\$ 30,167	90,546
State Grant	-	929,943
Federal Grant	-	24,771
Charges for Services	-	2,702
Miscellaneous Income	-	6,342
Total Revenues	<u>30,167</u>	<u>1,054,304</u>
EXPENDITURES		
Current:		
Instruction	-	549,208
Support Services:		
Students	-	13,721
Instruction	-	42,134
General Administration	-	125,982
School Administration	-	46,165
Central Services	-	102,661
Operation & Maintenance of Plant	-	103,596
Student Transportation	-	-
Other Support Services Operations	-	1,747
Food Services Operations	-	-
Capital Outlay	53,390	129,889
Total Expenditures	<u>53,390</u>	<u>1,115,103</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(23,223)</u>	<u>(60,799)</u>
Net Changes in Fund Balances	<u>(23,223)</u>	<u>(60,799)</u>
Fund Balances(Deficit) - Beginning of Year	<u>59,644</u>	<u>652,590</u>
Fund Balances (Deficit) - End of Year	<u>\$ 36,421</u>	<u>591,791</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016**

Net Change in Fund Balances-Total Governmental Funds **\$ (60,799)**

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

Change in compensated absences	15,363
Change in net pension liability	<u>34,422</u>

Change in Net Position-Total Governmental Activities **\$ (11,014)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2016

	<u>Agency</u>
ASSETS	
Cash in Bank	<u>\$ 9,377</u>
Total Assets	<u><u>\$ 9,377</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 9,377</u>
Total Liabilities	<u><u>\$ 9,377</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 869	10,031	(1,523)	9,377
Total Assets	<u>\$ 869</u>	<u>10,031</u>	<u>(1,523)</u>	<u>9,377</u>
 LIABILITIES				
Deposits Held for Others	\$ 869	10,031	(1,523)	9,377
Total Liabilities	<u>\$ 869</u>	<u>10,031</u>	<u>(1,523)</u>	<u>9,377</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Notes to the Financial Statements
 June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years
Vehicles	10 years

Capital assets for SPLC are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2016 are as follows:

Due from Other Governments:	
Title I	\$ 6,124
IDEA-B Entitlement	3,002
IDEA-B Risk Pool	19
Public School Capital Outlay	<u>19,125</u>
Total Due from Other Governments	<u>\$ 28,270</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Notes to the Financial Statements
June 30, 2016

NOTE 2. RECEIVABLES (Continued)

Taxes Receivable:	
Capital Improvements HB-33	\$ <u>1,007</u>
Total Taxes Receivable	\$ <u><u>1,007</u></u>

NOTE 3. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	<u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Building Improvements	\$ 16,336	-	-	16,336
Furniture, Fixtures and Equipment	219,996	-	-	219,996
<i>Total</i>	<u>236,332</u>	<u>-</u>	<u>-</u>	<u>236,332</u>
<i>Less: Accumulated Depreciation</i>	<u>(157,760)</u>	<u>-</u>	<u>-</u>	<u>(157,760)</u>
Capital Assets, Net	<u>\$ 78,572</u>	<u>-</u>	<u>-</u>	<u>78,572</u>

NOTE 4. COMMITMENTS AND LIABILITIES

Southwest Primary Learning Center leased various facilities and equipment under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$105,359. Southwest Primary Learning Center's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ <u>107,794</u>
Total minimum lease payments	<u>\$ 107,794</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Notes to the Financial Statements
June 30, 2016**

NOTE 5. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2016:

24101 Title I	\$	1,226
27107 Literacy for Children at Risk		987
29102 Private Direct Grants		984
31200 Public School Capital Outlay		<u>19,423</u>
Total funds with deficit balances	\$	<u>22,620</u>

SPLC is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

Southwest Primary Learning Center did not have any funds with expenditures in excess of the budget during the year ended June 30, 2016.

NOTE 7. RELATED PARTY TRANSACTIONS

The same administration operates all four schools: Southwest Secondary, Primary and Primary Learning Centers and Southwest Primary Learning Center Academy.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Southwest Primary Learning Center and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Contributions. The contribution requirements of defined benefit plan members and Southwest Primary Learning Center are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal years ended June 30, 2015 and June 30, 2016 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Southwest Primary Learning Center were \$59,823 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Southwest Primary Learning Center reported a liability of \$973,533 for its proportionate share of the net pension liability. Southwest Primary Learning Center's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Southwest Primary Learning Center's proportion was 0.01503% percent, which was a decrease of 0.00293% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Southwest Primary Learning Center recognized pension expense of \$25,401. As of June 30, 2016, Southwest Primary Learning Center reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	18,048
Changes in assumptions	33,485	-
Net difference between projected and actual earnings on pension plan investments	-	4,382
Changes in proportion and differences between Southwest Primary Learning Center's contributions and proportionate share of contributions	-	140,774
Southwest Primary Learning Center's contributions subsequent to the measurement date	<u>59,823</u>	<u>-</u>
Total	<u>\$ 93,308</u>	<u>163,204</u>

\$59,823 reported as deferred outflows of resources related to pensions resulting from Southwest Primary Learning Center's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (50,990)
2018	(50,283)
2019	(41,968)
2020	<u>13,522</u>
Total	<u>\$ (129,719)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Notes to the Financial Statements
 June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Sensitivity of Southwest Primary Learning Center’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Southwest Primary Learning Center’s proportionate share of the net pension liability	<u>\$ 1,309,954</u>	<u>973,533</u>	<u>690,905</u>

Payables to the pension plan. Southwest Primary Learning Center accrued \$17,436 in ERB benefits at June 30, 2016 for teachers with ten month contracts.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.02%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,025	974	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 495	410	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.07%	237.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*These amounts presented for each fiscal year were determined as of June 30, 2015

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 65	68	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	65	59	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	9	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 113	5		\$ 30	30	29	24	-						
2015	\$ (129)	5			(51)	(50)	(42)	14	-					
2016	-	5				-	-	-	-	-				
2017	-	5					-	-	-	-				
2018	-	5						-	-	-				
2019	-	5							-	-				
2020	-	5								-				
2021	-	5									-			
2022	-	5										-		
2023	-	5											-	
	<u>\$ (16)</u>			<u>\$ 30</u>	<u>(21)</u>	<u>(21)</u>	<u>(18)</u>	<u>14</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 844,056	846,152	846,152	-
Federal Grant	-	-	604	604
Charges for Services	-	-	2,702	2,702
Miscellaneous Income	-	-	6,342	6,342
Total Revenues	844,056	846,152	855,800	9,648
EXPENDITURES				
Current:				
Instruction	474,721	548,960	532,302	16,658
Support Services:				
Students	57,895	49,595	4,250	45,345
Instruction	47,201	48,221	42,134	6,087
General Administration	137,870	173,766	125,982	47,784
School Administration	51,722	57,722	46,165	11,557
Central Services	76,904	107,262	96,647	10,615
Operation & Maintenance of Plant	95,945	109,887	103,596	6,291
Other Support Services Operations	37,937	37,937	1,747	36,190
Food Services Operations	-	-	-	-
Community Services Operations	13,500	-	-	-
Total Expenditures	993,695	1,133,350	952,823	180,527
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	(149,639)	(287,198)	(97,023)	190,175
Net Changes in Fund Balances	(149,639)	(287,198)	(97,023)	190,175
Cash or Fund Balances - Beginning of Year	-	-	287,197	287,197
Cash or Fund Balances - End of Year	\$ (149,639)	(287,198)	190,174	477,372
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (97,023)	
Adjustments to Revenues			-	
Adjustments to Expenditures			(6,014)	
NET CHANGE IN FUND BALANCE			\$ (103,037)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 5,810	5,810	7,292	1,482
Miscellaneous Income	-	-	-	-
Total Revenues	<u>5,810</u>	<u>5,810</u>	<u>7,292</u>	<u>1,482</u>
EXPENDITURES				
Current:				
Instruction	5,810	5,810	-	5,810
Total Expenditures	<u>5,810</u>	<u>5,810</u>	<u>-</u>	<u>5,810</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>7,292</u>	<u>7,292</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>7,292</u>	<u>7,292</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>8,739</u>	<u>8,739</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>16,031</u>	<u>16,031</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 7,292	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 7,292</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 13,403	24,431	15,012	(9,419)
Total Revenues	<u>13,403</u>	<u>24,431</u>	<u>15,012</u>	<u>(9,419)</u>
EXPENDITURES				
Current:				
Instruction	13,403	24,431	15,922	8,509
Total Expenditures	<u>13,403</u>	<u>24,431</u>	<u>15,922</u>	<u>8,509</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(910)	(910)
Net Changes in Fund Balances	-	-	(910)	(910)
Cash or Fund Balances - Beginning of Year	-	-	(6,440)	(6,440)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,350)</u>	<u>(7,350)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (910)	
Adjustments to Revenues			(316)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (1,226)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 14,185	33,785	6,450	(27,335)
Total Revenues	<u>14,185</u>	<u>33,785</u>	<u>6,450</u>	<u>(27,335)</u>
EXPENDITURES				
Current:				
Instruction	12,185	18,535	-	18,535
Support Services:				
Students	2,000	15,250	9,452	5,798
Total Expenditures	<u>14,185</u>	<u>33,785</u>	<u>9,452</u>	<u>24,333</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,002)</u>	<u>(3,002)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,002)</u>	<u>(3,002)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>7,957</u>	<u>7,957</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,955</u>	<u>4,955</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,002)	
Adjustments to Revenues			3,002	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B "Risk Pool" 24120
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	19	-	(19)
Total Revenues	<u>-</u>	<u>19</u>	<u>-</u>	<u>(19)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	19	19	-
Total Expenditures	<u>-</u>	<u>19</u>	<u>19</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(19)</u>	<u>(19)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(19)</u>	<u>(19)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(19)</u>	<u>(19)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (19)	
Adjustments to Revenues			19	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher / Principal Training 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 2,664	6,059	-	(6,059)
Total Revenues	<u>2,664</u>	<u>6,059</u>	<u>-</u>	<u>(6,059)</u>
EXPENDITURES				
Current:				
Instruction	2,664	6,059	-	6,059
Support Services:				
School Administration	-	-	-	-
Total Expenditures	<u>2,664</u>	<u>6,059</u>	<u>-</u>	<u>6,059</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Literacy for Children at Risk PED 27107
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 5,424	5,424	-	(5,424)
Total Revenues	<u>5,424</u>	<u>5,424</u>	<u>-</u>	<u>(5,424)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	5,424	5,424	-	5,424
Total Expenditures	<u>5,424</u>	<u>5,424</u>	<u>-</u>	<u>5,424</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(987)</u>	<u>(987)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(987)</u>	<u>(987)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Miscellaneous Income	\$ -	1,000	-	(1,000)
Total Revenues	-	1,000	-	(1,000)
EXPENDITURES				
Current:				
Instruction	-	1,000	984	16
Total Expenditures	-	1,000	984	16
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(984)	(984)
Net Changes in Fund Balances	-	-	(984)	(984)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(984)	(984)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (984)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (984)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public Schools Capital Outlay 31200
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	76,499	76,798	299
Total Revenues	<u>-</u>	<u>76,499</u>	<u>76,798</u>	<u>299</u>
EXPENDITURES				
Current:				
Capital Outlay	-	76,499	76,499	-
Total Expenditures	<u>-</u>	<u>76,499</u>	<u>76,499</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	299	299
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>299</u>	<u>299</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(38,847)</u>	<u>(38,847)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(38,548)</u>	<u>(38,548)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 299	
Adjustments to Revenues			(299)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Capital Improvements HB-33 31600
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ -	59,916	60,500	584
Total Revenues	<u>-</u>	<u>59,916</u>	<u>60,500</u>	<u>584</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	-	-	-
Capital Outlay	-	59,916	-	59,916
Total Expenditures	<u>-</u>	<u>59,916</u>	<u>-</u>	<u>59,916</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>60,500</u>	<u>60,500</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>60,500</u>	<u>60,500</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>308,335</u>	<u>308,335</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>368,835</u>	<u>368,835</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 60,500	
Adjustments to Revenues			(121)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 60,379</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ -	-	30,167	30,167
State Grant	2,439	4,856	-	(4,856)
Total Revenues	<u>2,439</u>	<u>4,856</u>	<u>30,167</u>	<u>25,311</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	-	-	-
Capital Outlay	96,411	98,828	53,390	45,438
Total Expenditures	<u>96,411</u>	<u>98,828</u>	<u>53,390</u>	<u>45,438</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(93,972)</u>	<u>(93,972)</u>	<u>(23,223)</u>	<u>70,749</u>
Net Changes in Fund Balances	<u>(93,972)</u>	<u>(93,972)</u>	<u>(23,223)</u>	<u>70,749</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>59,644</u>	<u>59,644</u>
Cash or Fund Balances - End of Year	<u>\$ (93,972)</u>	<u>(93,972)</u>	<u>36,421</u>	<u>130,393</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (23,223)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (23,223)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

Name of Depository	Security Type	CUSIP/ Security Number	Maturity Date	Fair Value June 30, 2016
Federal Home Loan Bank of Dallas	FHLB Q2-2016	313370TW8	9/9/2016	\$ 200,620
				<u>\$ 200,620</u>
Total Cash per Schedule of Cash Accounts:				\$ 659,365
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				409,365
Collateral Requirement:				204,683
Pledged Collateral Held by Pledging Financial Institution:				<u>200,620</u>
Balance (Under) Collateralized:				<u>\$ (4,063)</u>
Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ 208,745</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Nusenda Credit Union</u>
Checking - Operational Account	\$ 657,285
Savings - Operational Account	<u>2,080</u>
<i>Total on Deposit</i>	659,365
Reconciling Items	<u>(11,480)</u>
Reconciled Balance June 30, 2016	<u>647,885</u>
Less Agency Funds	<u>(9,377)</u>
<i>Total Cash</i>	<u><u>\$ 638,508</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Cash Reconciliation
June 30, 2016

	<u>Operational 11000</u>	<u>Instructional Materials 14000</u>	<u>Federal Flowthrough 24000</u>	<u>State Flowthrough 27000</u>
Cash, June 30, 2015	\$ 303,770	8,739	1,805	(987)
Add:				
2015-16 revenues	<u>839,227</u>	<u>7,292</u>	<u>21,174</u>	<u>-</u>
Total cash available	1,142,997	16,031	22,979	(987)
Less:				
2015-16 expenditures	(952,823)	-	(25,393)	-
Receivables/Payables	68,384	-	1,596	-
Prepaid Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>258,558</u>	<u>16,031</u>	<u>(818)</u>	<u>(987)</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>(46,292)</u>	<u>-</u>	<u>5,773</u>	<u>987</u>
Cash per Books	<u>212,266</u>	<u>16,031</u>	<u>4,955</u>	<u>-</u>
Fund Balance (Deficit) Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(74,398)	-	7,549	-
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 184,160</u>	<u>16,031</u>	<u>6,731</u>	<u>(987)</u>

The accompanying notes are an integral part of these financial statements

Combined State / Local 29000	Public School Capital Outlay 31200	Capital Improvements HB- 33 31600	Capital Improvements SB-9 31700	Total
-	(38,847)	308,335	59,644	642,459
-	76,798	60,500	30,167	1,035,158
-	37,951	368,835	89,811	1,677,617
(984)	(76,499)	-	(53,390)	(1,109,089)
-	-	-	-	69,980
-	-	-	-	-
(984)	(38,548)	368,835	36,421	638,508
984	38,548	-	-	-
-	-	368,835	36,421	638,508
-	19,125	1,007	-	(46,717)
(984)	(19,423)	369,842	36,421	591,791

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Statement of Net Position
 June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 2,169,409
Receivables	
Taxes Receivable	3,904
Due from Other Governments	91,253
Total Current Assets	<u>2,264,566</u>

Noncurrent Assets:

Capital Assets	
Buildings and Improvements	42,662
Vehicles	46,356
Furniture, Fixtures and Equipment	977,932
Less: Accumulated Depreciation	(1,009,930)
Total Noncurrent Assets	<u>57,020</u>
Total Assets	<u>2,321,586</u>

Deferred Outflows - Pension Related	<u>246,406</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	6,214
Accrued Liabilities	113,087
Compensated Absences	-
Total Current Liabilities	<u>119,301</u>

Noncurrent Liabilities:

Net Pension Liability	2,028,680
Total Noncurrent Liabilities	<u>2,028,680</u>
Total Liabilities	<u>2,147,981</u>

Deferred Inflows - Pension Related	<u>229,322</u>
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NET POSITION

Net Investment in Capital Assets	57,020
Restricted	940,768
Unrestricted (Deficit)	(807,099)
Total Net Position	<u>\$ 190,689</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 918,968	27,423	104,840	-	(786,705)
Support Services:					
Students	74,510	-	-	-	(74,510)
Instruction	273,845	-	-	-	(273,845)
General Administration	140,408	-	-	-	(140,408)
School Administration	227,409	-	-	-	(227,409)
Central Services	104,970	-	-	-	(104,970)
Operation & Maintenance of Plant	400,274	-	-	-	(400,274)
Other Support Services	647	-	-	-	(647)
Student Transportation	32,400	45,703	-	-	13,303
Food Services	307	-	-	-	(307)
Facilities Materials, Supplies & Other Services	476,967	-	-	191,916	(285,051)
Total Governmental Activities	\$ 2,650,705	73,126	104,840	191,916	(2,280,823)
General Revenues:					
Property Taxes					\$ 239,585
State Equalization Guarantee					2,496,318
Miscellaneous					48,455
Total General Revenues					<u>2,784,358</u>
Change in Net Position					503,535
Net Position- Beginning					(312,846)
Net position, Ending					<u>\$ 190,689</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 1,232,545	43,753	57,580	-
Accounts Receivable				
Due from Governments	-	-	-	11,796
Taxes Receivable	-	-	-	-
Due from Other Funds	161,617	-	-	-
Total Assets	\$ 1,394,162	43,753	57,580	11,796
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 6,214	-	-	-
Accrued Expenditures	107,337	-	-	3,270
Due to Other Funds	-	-	-	10,228
Total Liabilities	113,551	-	-	13,498
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	57,580	-
Student Transportation	-	43,753	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	1,280,611	-	-	(1,702)
Total Fund Balance (Deficit)	1,280,611	43,753	57,580	(1,702)
Total Liabilities and Fund Balances (Deficit)	\$ 1,394,162	43,753	57,580	11,796

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Teacher Principal Training 24154	Dual Credits Instructional Materials 27103	Literacy for Children at Risk PED 27107	Public School Capital Outlay 31200
-	-	-	-	-	-
30,780	48	650	-	-	47,979
-	-	-	-	-	-
-	-	-	-	-	-
<u>30,780</u>	<u>48</u>	<u>650</u>	<u>-</u>	<u>-</u>	<u>47,979</u>
-	-	-	-	-	-
2,480	-	-	-	-	-
<u>30,352</u>	<u>48</u>	<u>650</u>	<u>-</u>	<u>-</u>	<u>87,114</u>
<u>32,832</u>	<u>48</u>	<u>650</u>	<u>-</u>	<u>-</u>	<u>87,114</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(2,052)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(39,135)</u>
<u>(2,052)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(39,135)</u>
<u>30,780</u>	<u>48</u>	<u>650</u>	<u>-</u>	<u>-</u>	<u>47,979</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	SB-9 Capital Improvements 31700	Total
ASSETS				
Cash and Cash Equivalents	\$ -	658,403	177,128	2,169,409
Accounts Receivable				
Due from Governments	-	-	-	91,253
Taxes Receivable	-	2,632	1,272	3,904
Due from Other Funds	-	-	-	161,617
Total Assets	\$ -	661,035	178,400	2,426,183
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	6,214
Accrued Expenditures	-	-	-	113,087
Due to Other Funds	33,225	-	-	161,617
Total Liabilities	33,225	-	-	280,918
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	57,580
Student Transportation	-	-	-	43,753
Capital Improvements	-	661,035	178,400	839,435
Unassigned (Deficit)	(33,225)	-	-	1,204,497
Total Fund Balance (Deficit)	(33,225)	661,035	178,400	2,145,265
Total Liabilities and Fund Balances (Deficit)	\$ -	661,035	178,400	2,426,183

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 2,145,265**

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

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

Capital Assets	1,066,950	
Accumulated Depreciation	<u>(1,009,930)</u>	57,020

Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		246,406
--	--	---------

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability	<u>(2,028,680)</u>	(2,028,680)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds

		<u>(229,322)</u>
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Net Position-Total Governmental Activities **\$ 190,689**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	2,496,318	45,703	19,444	-
Federal Grant	4,466	-	-	28,233
Charges for Services	27,423	-	-	-
Miscellaneous Income	48,455	-	-	-
Total Revenues	<u>2,576,662</u>	<u>45,703</u>	<u>19,444</u>	<u>28,233</u>
EXPENDITURES				
Current:				
Instruction	859,483	-	2,603	29,935
Support Services:				
Students	52,337	-	-	-
Instruction	273,845	-	-	-
General Administration	140,408	-	-	-
School Administration	227,409	-	-	-
Central Services	104,970	-	-	-
Operation & Maintenance of Plant	400,274	-	-	-
Student Transportation	-	32,400	-	-
Other Support Services Operations	647	-	-	-
Food Services Operations	307	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,059,680</u>	<u>32,400</u>	<u>2,603</u>	<u>29,935</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>516,982</u>	<u>13,303</u>	<u>16,841</u>	<u>(1,702)</u>
Net Changes in Fund Balances	<u>516,982</u>	<u>13,303</u>	<u>16,841</u>	<u>(1,702)</u>
Fund Balances(Deficit) - Beginning of Year	<u>763,629</u>	<u>30,450</u>	<u>40,739</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 1,280,611</u>	<u>43,753</u>	<u>57,580</u>	<u>(1,702)</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Teacher Principal Training 24154	Dual Credits Instructional Materials 27103	Literacy for Children at Risk PED 27107	Public School Capital Outlay 31200
-	-	-	-	-	-
-	-	-	7,150	-	191,916
44,849	48	650	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>44,849</u>	<u>48</u>	<u>650</u>	<u>7,150</u>	<u>-</u>	<u>191,916</u>
24,776	-	650	4,206	-	-
22,125	48	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	175,601
<u>46,901</u>	<u>48</u>	<u>650</u>	<u>4,206</u>	<u>-</u>	<u>175,601</u>
<u>(2,052)</u>	<u>-</u>	<u>-</u>	<u>2,944</u>	<u>-</u>	<u>16,315</u>
<u>(2,052)</u>	<u>-</u>	<u>-</u>	<u>2,944</u>	<u>-</u>	<u>16,315</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,944)</u>	<u>-</u>	<u>(55,450)</u>
<u>(2,052)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(39,135)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2016

	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	SB-9 Capital Improvements 31700	Total
REVENUES				
Property Taxes	\$ -	159,504	80,081	239,585
State Grant	-	-	-	2,760,531
Federal Grant	-	-	-	78,246
Charges for Services	-	-	-	27,423
Miscellaneous Income	-	-	-	48,455
Total Revenues	<u>-</u>	<u>159,504</u>	<u>80,081</u>	<u>3,154,240</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	921,653
Support Services:				
Students	-	-	-	74,510
Instruction	-	-	-	273,845
General Administration	-	-	-	140,408
School Administration	-	-	-	227,409
Central Services	-	-	-	104,970
Operation & Maintenance of Plant	-	-	-	400,274
Student Transportation	-	-	-	32,400
Other Support Services Operations	-	-	-	647
Food Services Operations	-	-	-	307
Capital Outlay	(42,065)	297,468	45,963	476,967
Total Expenditures	<u>(42,065)</u>	<u>297,468</u>	<u>45,963</u>	<u>2,653,390</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>42,065</u>	<u>(137,964)</u>	<u>34,118</u>	<u>500,850</u>
Net Changes in Fund Balances	<u>42,065</u>	<u>(137,964)</u>	<u>34,118</u>	<u>500,850</u>
Fund Balances(Deficit) - Beginning of Year	<u>(75,290)</u>	<u>798,999</u>	<u>144,282</u>	<u>1,644,415</u>
Fund Balances (Deficit) - End of Year	<u>\$ (33,225)</u>	<u>661,035</u>	<u>178,400</u>	<u>2,145,265</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 500,850**

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

Change in compensated absences	18,894
Change in net pension liability	<u>(16,209)</u>

Change in Net Position-Total Governmental Activities **\$ 503,535**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2016

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 22,881
Total Assets	<u>\$ 22,881</u>
 LIABILITIES	
Deposits Held for Others	\$ 22,881
Total Liabilities	<u>\$ 22,881</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 2,244	38,840	(18,203)	22,881
Total Assets	<u>\$ 2,244</u>	<u>38,840</u>	<u>(18,203)</u>	<u>22,881</u>
 LIABILITIES				
Deposits Held for Others	\$ 2,244	38,840	(18,203)	22,881
Total Liabilities	<u>\$ 2,244</u>	<u>38,840</u>	<u>(18,203)</u>	<u>22,881</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Notes to the Financial Statements
 June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years
Vehicles	10 years

Capital assets for SSLC are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2016 are as follows:

Due from Other Governments:	
Title I IASA	\$ 11,796
IDEA-B Entitlement	30,780
IDEA-B Risk Pool	48
Teacher / Principal Training	650
Public School Capital Outlay	<u>47,979</u>
Total Due from Other Governments	<u>\$ 91,253</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Notes to the Financial Statements
June 30, 2016

NOTE 2. RECEIVABLES (Continued)

Taxes Receivable:

Capital Improvements HB-33	\$	2,632
SB-9 Capital Improvements		<u>1,272</u>
Total Taxes Receivable	\$	<u><u>3,904</u></u>

NOTE 3. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	June 30, 2015	Additions	Deletions	June 30, 2016
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 977,932	-	-	977,932
Buildings and Improvements	42,662	-	-	42,662
Vehicles	46,356	-	-	46,356
<i>Total</i>	<u>1,066,950</u>	-	-	<u>1,066,950</u>
<i>Less: Accumulated Depreciation</i>	<u>(1,009,930)</u>	-	-	<u>(1,009,930)</u>
Capital Assets, Net	<u>\$ 57,020</u>	-	-	<u>57,020</u>

NOTE 4. COMMITMENTS AND LIABILITIES

Southwest Secondary Learning Center leased various facilities and equipment under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$265,128. Southwest Secondary Learning Center's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	<u>\$ 269,486</u>
Total minimum lease payments	<u><u>\$ 269,486</u></u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Notes to the Financial Statements
June 30, 2016**

NOTE 5. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2016:

24101 Title I	\$	1,702
24106 IDEA-B Entitlement		2,052
31200 Public School Capital Outlay		39,135
31400 Special Capital Outlay State		<u>33,225</u>
Total funds with deficit balances	\$	<u>76,114</u>

SSLC is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

Southwest Secondary Learning Center did not have any funds with expenditures in excess of the budget during the year ended June 30, 2016.

NOTE 7. RELATED PARTY TRANSACTIONS

The same administration operates all four schools: Southwest Secondary, Intermediate and Primary Learning Centers and Southwest Aeronautics, Mathematics and Science Academy.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Southwest Secondary Learning Center and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Contributions. The contribution requirements of defined benefit plan members and Southwest Secondary Learning Center are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal years ended June 30, 2015 and June 30, 2016 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Southwest Secondary Learning Center were \$110,631 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Southwest Secondary Learning Center reported a liability of \$2,028,680 for its proportionate share of the net pension liability. Southwest Secondary Learning Center's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Southwest Secondary Learning Center's proportion was 0.03132% percent, which was a decrease of 0.00387% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Southwest Secondary Learning Center recognized pension expense of \$126,840. As of June 30, 2016, Southwest Secondary Learning Center reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Notes to the Financial Statements
June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	37,610
Changes in assumptions	69,777	-
Net difference between projected and actual earnings on pension plan investments	-	9,132
Changes in proportion and differences between Southwest Secondary Learning Center's contributions and proportionate share of contributions	65,998	182,580
Southwest Secondary Learning Center's contributions subsequent to the measurement date	<u>110,631</u>	<u>-</u>
Total	<u>\$ 246,406</u>	<u>229,322</u>

\$110,631 reported as deferred outflows of resources related to pensions resulting from Southwest Secondary Learning Center's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ 32,134
2018	35,238
2019	54,351
2020	<u>(28,176)</u>
Total	<u>\$ 93,547</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Notes to the Financial Statements
 June 30, 2016

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Sensitivity of Southwest Secondary Learning Center's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Southwest Secondary Learning Center's proportionate share of the net pension liability	<u>\$ 2,729,724</u>	<u>2,028,680</u>	<u>1,439,730</u>

Payables to the pension plan. Southwest Secondary Learning Center accrued \$27,502 in ERB benefits at June 30, 2016 for teachers with ten month contracts.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,007	2,029	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 970	855	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.91%	237.31%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*These amounts presented for each fiscal year were determined as of June 30, 2015

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 128	141	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	128	124	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	17	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods									
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 111	5		\$ 21	21	24	45	-				
2015	\$ 93	5			32	35	54	(28)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	<u>\$ 204</u>			<u>\$ 21</u>	<u>53</u>	<u>59</u>	<u>99</u>	<u>(28)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 2,435,191	2,496,318	2,496,318	-
Federal Grant	-	-	4,466	4,466
Charges for Services	22,500	22,500	27,423	4,923
Miscellaneous Income	6,990	30,445	48,455	18,010
Total Revenues	<u>2,464,681</u>	<u>2,549,263</u>	<u>2,576,662</u>	<u>27,399</u>
EXPENDITURES				
Current:				
Instruction	1,185,980	1,129,380	886,974	242,406
Support Services:				
Students	218,165	132,530	54,449	78,081
Instruction	177,930	311,177	273,845	37,332
General Administration	175,616	237,886	156,932	80,954
School Administration	250,442	249,692	227,409	22,283
Central Services	161,490	162,240	132,450	29,790
Operation & Maintenance of Plant	468,671	499,971	404,153	95,818
Other Support Services Operations	163,325	163,325	647	162,678
Food Services Operations	1,693	1,693	307	1,386
Total Expenditures	<u>2,803,312</u>	<u>2,887,894</u>	<u>2,137,166</u>	<u>750,728</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(338,631)</u>	<u>(338,631)</u>	<u>439,496</u>	<u>778,127</u>
Net Changes in Fund Balances	<u>(338,631)</u>	<u>(338,631)</u>	<u>439,496</u>	<u>778,127</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>847,329</u>	<u>847,329</u>
Cash or Fund Balances - End of Year	<u>\$ (338,631)</u>	<u>(338,631)</u>	<u>1,286,825</u>	<u>1,625,456</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 439,496	
Adjustments to Revenues			-	
Adjustments to Expenditures			77,486	
NET CHANGE IN FUND BALANCE			<u>\$ 516,982</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Student Transportation 13000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	51,616	45,703	(5,913)
Total Revenues	<u>-</u>	<u>51,616</u>	<u>45,703</u>	<u>(5,913)</u>
EXPENDITURES				
Current:				
Student Transportation	-	51,616	39,520	12,096
Total Expenditures	<u>-</u>	<u>51,616</u>	<u>39,520</u>	<u>12,096</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	6,183	6,183
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>6,183</u>	<u>6,183</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>37,570</u>	<u>37,570</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>43,753</u>	<u>43,753</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,183	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>7,120</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 13,303</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 14,482	19,444	19,444	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>14,482</u>	<u>19,444</u>	<u>19,444</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	51,889	60,183	2,603	57,580
Total Expenditures	<u>51,889</u>	<u>60,183</u>	<u>2,603</u>	<u>57,580</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(37,407)</u>	<u>(40,739)</u>	<u>16,841</u>	<u>57,580</u>
Net Changes in Fund Balances	<u>(37,407)</u>	<u>(40,739)</u>	<u>16,841</u>	<u>57,580</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>40,739</u>	<u>40,739</u>
Cash or Fund Balances - End of Year	<u>\$ (37,407)</u>	<u>(40,739)</u>	<u>57,580</u>	<u>98,319</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 16,841	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 16,841</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 26,133	32,615	23,566	(9,049)
Total Revenues	<u>26,133</u>	<u>32,615</u>	<u>23,566</u>	<u>(9,049)</u>
EXPENDITURES				
Current:				
Instruction	26,133	32,615	30,415	2,200
Total Expenditures	<u>26,133</u>	<u>32,615</u>	<u>30,415</u>	<u>2,200</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
	-	-	(6,849)	(6,849)
Net Changes in Fund Balances	-	-	(6,849)	(6,849)
Cash or Fund Balances - Beginning of Year	-	-	(6,649)	(6,649)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(13,498)</u>	<u>(13,498)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,849)	
Adjustments to Revenues			4,667	
Adjustments to Expenditures			480	
NET CHANGE IN FUND BALANCE			<u>\$ (1,702)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 34,024	77,983	21,198	(56,785)
Total Revenues	<u>34,024</u>	<u>77,983</u>	<u>21,198</u>	<u>(56,785)</u>
EXPENDITURES				
Current:				
Instruction	31,069	32,561	24,776	7,785
Support Services:				
Students	2,955	45,422	22,125	23,297
Total Expenditures	<u>34,024</u>	<u>77,983</u>	<u>46,901</u>	<u>31,082</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(25,703)	(25,703)
Net Changes in Fund Balances	-	-	(25,703)	(25,703)
Cash or Fund Balances - Beginning of Year	-	-	(7,129)	(7,129)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(32,832)</u>	<u>(32,832)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (25,703)	
Adjustments to Revenues			23,651	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (2,052)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B "Risk Pool" 24120
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	48	-	(48)
Total Revenues	<u>-</u>	<u>48</u>	<u>-</u>	<u>(48)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	48	48	-
Total Expenditures	<u>-</u>	<u>48</u>	<u>48</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(48)</u>	<u>(48)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(48)</u>	<u>(48)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(48)</u>	<u>(48)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (48)	
Adjustments to Revenues			48	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher / Principal Training 24154
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	12,803	-	(12,803)
Total Revenues	<u>-</u>	<u>12,803</u>	<u>-</u>	<u>(12,803)</u>
EXPENDITURES				
Current:				
Instruction	-	12,803	650	12,153
Support Services:				
School Administration	-	-	-	-
Total Expenditures	<u>-</u>	<u>12,803</u>	<u>650</u>	<u>12,153</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(650)</u>	<u>(650)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(650)</u>	<u>(650)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(650)</u>	<u>(650)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (650)	
Adjustments to Revenues			650	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credits Instructional Materials 27103
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	7,150	7,150	-
Total Revenues	<u>-</u>	<u>7,150</u>	<u>7,150</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	7,150	7,150	-
Total Expenditures	<u>-</u>	<u>7,150</u>	<u>7,150</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			2,944	
NET CHANGE IN FUND BALANCE			<u>\$ 2,944</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children at Risk PED 27107
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 7,056	7,056	-	(7,056)
Total Revenues	<u>7,056</u>	<u>7,056</u>	<u>-</u>	<u>(7,056)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	7,056	7,056	-	7,056
Total Expenditures	<u>7,056</u>	<u>7,056</u>	<u>-</u>	<u>7,056</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Public Schools Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	191,917	195,549	3,632
Total Revenues	<u>-</u>	<u>191,917</u>	<u>195,549</u>	<u>3,632</u>
EXPENDITURES				
Current:				
Capital Outlay	-	191,917	175,601	16,316
Total Expenditures	<u>-</u>	<u>191,917</u>	<u>175,601</u>	<u>16,316</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	19,948	19,948
Net Changes in Fund Balances	-	-	19,948	19,948
Cash or Fund Balances - Beginning of Year	-	-	(107,062)	(107,062)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(87,114)</u>	<u>(87,114)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 19,948	
Adjustments to Revenues			(3,633)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 16,315</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay State 31400
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(33,225)</u>	<u>(33,225)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(33,225)</u>	<u>(33,225)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>42,065</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 42,065</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements HB-33 31600
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ -	155,783	156,872	1,089
Total Revenues	<u>-</u>	<u>155,783</u>	<u>156,872</u>	<u>1,089</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	2,000	-	2,000
Capital Outlay	-	952,783	297,468	655,315
Total Expenditures	<u>-</u>	<u>954,783</u>	<u>297,468</u>	<u>657,315</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(799,000)</u>	<u>(140,596)</u>	<u>658,404</u>
Net Changes in Fund Balances	<u>-</u>	<u>(799,000)</u>	<u>(140,596)</u>	<u>658,404</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>798,999</u>	<u>798,999</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>(799,000)</u>	<u>658,403</u>	<u>1,457,403</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (140,596)	
Adjustments to Revenues			2,632	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (137,964)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 77,999	77,999	78,809	810
State Grant	12,542	19,058	-	(19,058)
Total Revenues	<u>90,541</u>	<u>97,057</u>	<u>78,809</u>	<u>(18,248)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	1,000	-	1,000
Capital Outlay	255,199	260,715	45,963	214,752
Total Expenditures	<u>255,199</u>	<u>261,715</u>	<u>45,963</u>	<u>215,752</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(164,658)</u>	<u>(164,658)</u>	<u>32,846</u>	<u>197,504</u>
Net Changes in Fund Balances	<u>(164,658)</u>	<u>(164,658)</u>	<u>32,846</u>	<u>197,504</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>144,282</u>	<u>144,282</u>
Cash or Fund Balances - End of Year	<u>\$ (164,658)</u>	<u>(164,658)</u>	<u>177,128</u>	<u>341,786</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 32,846	
Adjustments to Revenues			1,272	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 34,118</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Federal Home Loan Bank of Dallas	FHLB Q2-2016	313370TW8	9/9/2016	\$ 75,233
Federal Home Loan Bank of Dallas	FHLB Q2-2016	313370TW8	9/9/2016	401,240
				<u>\$ 476,473</u>

Total Cash per Schedule of Cash Accounts:	\$ 2,248,782
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	1,998,782
Collateral Requirement:	999,391
Pledged Collateral Held by Pledging Financial Institution:	<u>476,473</u>
Balance (Under) Collateralized:	<u>\$ (522,918)</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ 1,522,309</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Nusenda Credit Union</u>
Checking - Operational Account	\$ 2,244,773
Savings - Operational Account	<u>4,009</u>
<i>Total on Deposit</i>	2,248,782
Reconciling Items	<u>(56,492)</u>
Reconciled Balance June 30, 2016	<u>2,192,290</u>
Less Agency Funds	<u>(22,881)</u>
<i>Total Cash</i>	<u><u>\$ 2,169,409</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Cash Reconciliation
June 30, 2016

	<u>Operational 11000</u>	<u>Student Transportation 13000</u>	<u>Instructional Materials 14000</u>	<u>Federal Flowthrough 24000</u>
Cash, June 30, 2015	\$ 884,496	37,570	40,739	(12,090)
Add:				
2015-16 revenues	<u>2,539,495</u>	<u>45,703</u>	<u>19,444</u>	<u>43,076</u>
Total cash available	3,423,991	83,273	60,183	30,986
Less:				
2015-16 expenditures	(2,137,166)	(39,520)	(2,603)	(78,014)
Receivables/Payables	107,337	-	-	5,750
Prepaid Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>1,394,162</u>	<u>43,753</u>	<u>57,580</u>	<u>(41,278)</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>(161,617)</u>	<u>-</u>	<u>-</u>	<u>41,278</u>
Cash per Books	<u>1,232,545</u>	<u>43,753</u>	<u>57,580</u>	<u>-</u>
Fund Balance (Deficit) Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(113,551)</u>	<u>-</u>	<u>-</u>	<u>37,524</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 1,280,611</u>	<u>43,753</u>	<u>57,580</u>	<u>(3,754)</u>

The accompanying notes are an integral part of these financial statements

State Flowthrough 27000	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB- 33 31600	Capital Improvements SB-9 31700	Total
-	(107,062)	(33,225)	798,999	144,282	1,753,709
7,150	195,549	-	156,872	78,809	3,086,098
7,150	88,487	(33,225)	955,871	223,091	4,839,807
(7,150)	(175,601)	-	(297,468)	(45,963)	(2,783,485)
-	-	-	-	-	113,087
-	-	-	-	-	-
-	(87,114)	(33,225)	658,403	177,128	2,169,409
-	87,114	33,225	-	-	-
-	-	-	658,403	177,128	2,169,409
-	47,979	-	2,632	1,272	(24,144)
-	(39,135)	(33,225)	661,035	178,400	2,145,265

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 826,522
Receivables	
Due from Other Governments	339,310
Prepaid Expenses	25,020
Total Current Assets	<u>1,190,852</u>

Noncurrent Assets:

Capital Assets	
Building Improvements	551,840
Furniture, Fixtures, and Equipment	226,686
Less: Accumulated Depreciation	(126,094)
Total Noncurrent Assets	<u>652,432</u>

Total Assets	<u>1,843,284</u>
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Deferred Outflows - Pension Related	<u>604,076</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Unearned Revenues	12,330
Accrued Liabilities	146,817
Total Current Liabilities	<u>159,147</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,344,770</u>
Total Noncurrent Liabilities	<u>2,344,770</u>

Total Liabilities	<u>2,503,917</u>
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Deferred Inflows - Pension Related	<u>54,024</u>
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NET POSITION

Investment in Capital Assets	652,432
Restricted	345,288
Unrestricted Deficit	(1,108,301)
Total Net Position	<u>\$ (110,581)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,598,515	2,750	258,697	-	(1,337,068)
Support Services:					
Students	218,995	-	-	-	(218,995)
Instruction	4,788	-	-	-	(4,788)
General Administration	26,538	-	-	-	(26,538)
School Administration	268,293	-	-	-	(268,293)
Central Services	189,555	-	-	-	(189,555)
Operation & Maintenance of Plant	205,722	-	-	-	(205,722)
Other Support Services Operations	8,983	-	-	-	(8,983)
Facilities Materials, Supplies & Other Services	227,321	-	-	347,922	120,601
Total Governmental Activities	\$ 2,748,710	2,750	258,697	347,922	(2,139,341)
General Revenues:					
Property Taxes					\$ 135,359
State Equalization Guarantee					2,238,977
Total General Revenues					<u>2,374,336</u>
Change in Net Position					234,995
Net position (deficit), Beginning					<u>(345,576)</u>
Net position (deficit), Ending					<u>\$ (110,581)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 524,009	4,650	191	-
Accounts Receivable				
Due from Government	-	-	-	38,899
Due from Other Funds	314,226	-	-	-
Prepaid Expenditures	25,020	-	-	-
Total Assets	\$ 863,255	4,650	191	38,899
LIABILITIES AND FUND BALANCES				
Liabilities:				
Unearned Revenues	\$ 12,330	-	-	-
Accrued Expenditures	139,488	-	-	6,353
Due to Other Funds	-	-	-	32,546
Total Liabilities	151,818	-	-	38,899
Fund Balances				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	25,020	-	-	-
Restricted for:				
Instruction	-	4,650	-	-
Food Services	-	-	191	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	686,417	-	-	-
Total Fund Balance	711,437	4,650	191	-
Total Liabilities and Fund Balances	\$ 863,255	4,650	191	38,899

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA -B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25153	Intel Foundation 26116	Dual Credit Instructional Materials 27103
-	-	-	976	418	-
32,834	44	6,014	-	-	384
-	-	-	-	-	-
-	-	-	-	-	-
<u>32,834</u>	<u>44</u>	<u>6,014</u>	<u>976</u>	<u>418</u>	<u>384</u>
-	-	-	-	-	-
-	-	-	976	-	-
<u>32,834</u>	<u>44</u>	<u>6,014</u>	<u>-</u>	<u>-</u>	<u>384</u>
<u>32,834</u>	<u>44</u>	<u>6,014</u>	<u>976</u>	<u>-</u>	<u>384</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	418	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	418	-
<u>32,834</u>	<u>44</u>	<u>6,014</u>	<u>976</u>	<u>418</u>	<u>384</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Literacy for Children @ Risk 27107	Robotics 27115	STEM Teacher Initiative 27181	Teacher and School Leader Incentive Pay 27188
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Government	1,634	2,200	14,751	88,042
Due from Other Funds	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	\$ 1,634	2,200	14,751	88,042
LIABILITIES AND FUND BALANCES				
Liabilities:				
Unearned Revenues	\$ -	-	-	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	1,634	2,200	14,751	88,042
Total Liabilities	1,634	2,200	14,751	88,042
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Food Services	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Total Fund Balance	-	-	-	-
Total Liabilities and Fund Balances	\$ 1,634	2,200	14,751	88,042

The accompanying notes are an integral part of these financial statements

Teacher and School Leader Incentive Pay 27190	Private Direct Grants 29102	Bond Building 31100	Public Schools Capital Outlay 31200	SB-9 Capital Improvements 31700	Technology Equipment Act 31900	Total
-	74	-	-	179,108	117,096	826,522
23,683	-	-	112,094	-	18,731	339,310
-	-	-	-	-	-	314,226
-	-	-	-	-	-	25,020
<u>23,683</u>	<u>74</u>	<u>-</u>	<u>112,094</u>	<u>179,108</u>	<u>135,827</u>	<u>1,505,078</u>
-	-	-	-	-	-	12,330
-	-	-	-	-	-	146,817
<u>23,683</u>	<u>-</u>	<u>-</u>	<u>112,094</u>	<u>-</u>	<u>-</u>	<u>314,226</u>
<u>23,683</u>	<u>-</u>	<u>-</u>	<u>112,094</u>	<u>-</u>	<u>-</u>	<u>473,373</u>
-	-	-	-	-	-	25,020
-	74	-	-	-	-	5,142
-	-	-	-	-	-	191
-	-	-	-	179,108	135,827	314,935
-	-	-	-	-	-	686,417
-	<u>74</u>	<u>-</u>	<u>-</u>	<u>179,108</u>	<u>135,827</u>	<u>1,031,705</u>
<u>23,683</u>	<u>74</u>	<u>-</u>	<u>112,094</u>	<u>179,108</u>	<u>135,827</u>	<u>1,505,078</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Academy
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balance - Total Governmental Funds **\$ 1,031,705**

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

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

Capital Assets	778,526	
Accumulated Depreciation	<u>(126,094)</u>	
		652,432

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		604,076
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(54,024)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(2,344,770)</u>
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Net Position-Total Governmental Activities		<u><u>\$ (110,581)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	685	-	-	-
State Grant	2,238,977	16,156	-	-
Federal Grant	-	-	-	44,468
Charges for Services	2,750	-	-	-
Total Revenues	2,242,412	16,156	-	44,468
EXPENDITURES				
Current:				
Instruction	1,290,948	26,304	-	44,468
Support Services:				
Students	159,135	-	-	-
Instruction	3,154	-	-	-
General Administration	26,538	-	-	-
School Administration	223,246	-	-	-
Central Services	176,967	-	-	-
Operation & Maintenance of Plant	187,435	-	-	-
Other Support Services Operations	8,983	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	2,076,406	26,304	-	44,468
Net Changes in Fund Balances	166,006	(10,148)	-	-
Fund Balances - Beginning of Year	545,431	14,798	191	-
Fund Balances - End of Year	\$ 711,437	4,650	191	-

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA -B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25153	Intel Foundation 26116	Dual Credit Instructional Materials 27103
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,564
40,366	44	7,589	891	-	-
-	-	-	-	-	-
<u>40,366</u>	<u>44</u>	<u>7,589</u>	<u>891</u>	<u>-</u>	<u>2,564</u>
-	-	7,589	-	150	2,564
40,366	44	-	6,863	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>40,366</u>	<u>44</u>	<u>7,589</u>	<u>6,863</u>	<u>150</u>	<u>2,564</u>
-	-	-	(5,972)	(150)	-
-	-	-	5,972	568	-
-	-	-	-	418	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>418</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	Literacy for Children @ Risk 27107	Robotics 27115	STEM Teacher Initiative 27181	Teacher and School Leader Incentive Pay 27188
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	1,634	2,200	30,375	88,042
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	1,634	2,200	30,375	88,042
EXPENDITURES				
Current:				
Instruction	-	-	30,375	88,042
Support Services:				
Students	-	-	-	-
Instruction	1,634	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Other Support Services Operations	-	-	-	-
Capital Outlay	-	2,200	-	-
Total Expenditures	1,634	2,200	30,375	88,042
Net Changes in Fund Balances	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances - End of Year	\$ -	-	-	-

The accompanying notes are an integral part of these financial statements

Teacher and School Leader Incentive Pay 27190	Private Direct Grants 29102	Bond Building 31100	Public Schools Capital Outlay 31200	SB-9 Capital Improvements 31700	Technology Equipment Act 31900	Total
-	-	-	-	135,359	-	135,359
-	-	20,659	-	-	177,804	199,148
23,683	-	-	149,459	-	-	2,553,090
-	-	-	-	-	-	93,358
-	-	-	-	-	-	2,750
<u>23,683</u>	<u>-</u>	<u>20,659</u>	<u>149,459</u>	<u>135,359</u>	<u>177,804</u>	<u>2,983,705</u>
17,224	1,655	-	-	-	-	1,509,319
1,076	-	-	-	-	-	207,484
-	-	-	-	-	-	4,788
-	-	-	-	-	-	26,538
4,306	-	-	-	-	-	227,552
1,077	-	-	-	-	-	178,044
-	-	-	-	-	-	187,435
-	-	-	-	-	-	8,983
-	-	20,659	149,459	33,740	41,977	248,035
<u>23,683</u>	<u>1,655</u>	<u>20,659</u>	<u>149,459</u>	<u>33,740</u>	<u>41,977</u>	<u>2,598,178</u>
-	(1,655)	-	-	101,619	135,827	385,527
-	1,729	-	-	77,489	-	646,178
<u>-</u>	<u>74</u>	<u>-</u>	<u>-</u>	<u>179,108</u>	<u>135,827</u>	<u>1,031,705</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 385,527**

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period.

Capital Outlays	56,792	
Depreciation Expense	<u>(40,502)</u>	
		16,290

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		<u>(166,822)</u>
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Change in Net Position-Total Governmental Activities **\$ 234,995**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Academy
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 10,040
Total Assets	<u>\$ 10,040</u>
 LIABILITIES	
Deposits Held for Others	\$ 10,040
Total Liabilities	<u>\$ 10,040</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 5,838	17,355	(13,153)	10,040
Total Assets	<u>\$ 5,838</u>	<u>17,355</u>	<u>(13,153)</u>	<u>10,040</u>
LIABILITIES				
Deposits Held for Others	\$ 5,838	17,355	(13,153)	10,040
Total Liabilities	<u>\$ 5,838</u>	<u>17,355</u>	<u>(13,153)</u>	<u>10,040</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5-15 years
Buildings and Improvements	15-30 years

Capital assets for Taos Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2015 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 207,121	19,565	-	226,686
Building and Improvements	514,613	37,227	-	551,840
<i>Total</i>	<u>721,734</u>	<u>56,792</u>	<u>-</u>	<u>778,526</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(38,344)	(18,319)	-	(56,663)
Building and Improvements	(47,248)	(22,183)	-	(69,431)
<i>Total</i>	<u>(85,592)</u>	<u>(40,502)</u>	<u>-</u>	<u>(126,094)</u>
Capital Assets, Net	<u>\$ 636,142</u>	<u>16,290</u>	<u>-</u>	<u>652,432</u>

Depreciation expense for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 3,337
School Administration	15,384
Operation & Maintenance of Plant	21,034
Facilities Materials, Supplies & Other Services	747
Total	<u>\$ 40,502</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Taos Academy leased equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$161,040. Effective July 20, 2016, the School entered into a lease purchase arrangement with the Taos Academy Foundation. The agreement is for 30 years. Payments of \$15,045 begin September 1, 2016 and continue through August 1, 2046.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Taos Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Taos Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from Taos Academy were \$157,470 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. The employer's portion was established as of the measurement date of June 30, 2015. At June 30, 2016, Taos Academy reported a liability of \$2,344,770 for its proportionate share of the net pension liability. Taos Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Taos Academy's proportion was 0.03620%, which was an increase of 0.03125% from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Taos Academy recognized pension expense of \$329,003. At June 30, 2016, Taos Academy reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(43,470)
Changes in assumptions	80,649	-
Net difference between projected and actual earnings on pension plan investments	-	(10,554)
Changes in proportion	365,957	-
Fiscal year 2016 employer contributions	<u>157,470</u>	<u>-</u>
Ending balance	<u>\$ 604,076</u>	<u>(54,024)</u>

The amount of \$157,470 reported as deferred outflows of resources related to pensions resulting from Taos Academy contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (145,290)
2018	(138,011)
2019	(76,713)
2020	<u>(32,568)</u>
Total	\$ <u>(392,582)</u>

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Taos Academy’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	\$ 3,155,045	2,344,770	1,664,055

Payables to the pension plan. At June 30, 2016, Taos Academy owed \$39,786 to ERB for fiscal year 2016 contributions.

NOTE 5. BUDGETARY OVERAGES

Taos Academy has expended in excess of the budget in the following funds and functions:

Fund 25153 Title XIX Medicaid Support Services	\$	3,411
Fund 29102 Private Direct Grants Instruction	\$	1,655

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,783	2,345	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 861	988	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.02%	237.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 TAOS ACADEMY CHARTER SCHOOL
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2016

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 163	157	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	143	157	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 20	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Deferred	Amortization Years										
2014	\$ (17)	5		\$ (22)	\$ (22)	\$ (14)	\$ 41	-				
2015	\$ (393)	5			(145)	(138)	(77)	(33)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ (410)			\$ (22)	\$ (167)	(152)	(36)	(33)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	685	685
State Grant	2,156,909	2,209,392	2,238,977	29,585
Charges for Services	-	-	2,750	2,750
Total Revenues	2,156,909	2,209,392	2,242,412	33,020
EXPENDITURES				
Current:				
Instruction	1,385,259	1,494,661	1,314,417	180,244
Support Services:				
Students	168,702	177,332	157,551	19,781
Instruction	11,870	11,870	3,154	8,716
General Administration	23,000	33,662	26,538	7,124
School Administration	214,262	232,217	223,246	8,971
Central Services	184,083	213,944	176,967	36,977
Operation & Maintenance of Plant	215,672	369,595	187,435	182,160
Other Support Services Operations	2,500	11,484	8,983	2,501
Capital outlay		200,000	-	200,000
Total Expenditures	2,205,348	2,744,765	2,098,291	646,474
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(48,439)	(535,373)	144,121	679,494
Other Financing Sources (Uses):				
Designated Cash	48,439	535,373	-	(535,373)
Total Other Financing Sources (Uses):	48,439	535,373	-	(535,373)
Net Changes in Fund Balances	-	-	144,121	144,121
Cash or Fund Balances - Beginning of Year	-	-	545,431	545,431
Cash or Fund Balances - End of Year	\$ -	-	689,552	689,552
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 144,121	
Adjustments to Revenues			-	
Adjustments to Expenditures			21,885	
NET CHANGE IN FUND BALANCE			\$ 166,006	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 11,506	16,156	16,156	-
Total Revenues	<u>11,506</u>	<u>16,156</u>	<u>16,156</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	11,506	30,954	26,304	4,650
Total Expenditures	<u>11,506</u>	<u>30,954</u>	<u>26,304</u>	<u>4,650</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(14,798)</u>	<u>(10,148)</u>	<u>4,650</u>
Other Financing Sources (Uses):				
Designated Cash	-	14,798	-	(14,798)
Total Other Financing Sources (Uses):	<u>-</u>	<u>14,798</u>	<u>-</u>	<u>(14,798)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(10,148)</u>	<u>(10,148)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>14,798</u>	<u>14,798</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,650</u>	<u>4,650</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (10,148)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (10,148)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Food Services Operations	191	191	-	191
Total Expenditures	<u>191</u>	<u>191</u>	<u>-</u>	<u>191</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(191)</u>	<u>(191)</u>	<u>-</u>	<u>191</u>
Other Financing Sources (Uses):				
Designated Cash	191	191	-	(191)
Total Other Financing Sources (Uses):	<u>191</u>	<u>191</u>	<u>-</u>	<u>(191)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>191</u>	<u>191</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>191</u>	<u>191</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 40,343	66,875	30,522	(36,353)
Total Revenues	<u>40,343</u>	<u>66,875</u>	<u>30,522</u>	<u>(36,353)</u>
EXPENDITURES				
Current:				
Instruction	40,343	66,875	44,468	22,407
Total Expenditures	<u>40,343</u>	<u>66,875</u>	<u>44,468</u>	<u>22,407</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(13,946)</u>	<u>(13,946)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(13,946)</u>	<u>(13,946)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(13,946)</u>	<u>(13,946)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (13,946)	
Adjustments to Revenues			13,946	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 32,483	40,366	15,855	(24,511)
Total Revenues	<u>32,483</u>	<u>40,366</u>	<u>15,855</u>	<u>(24,511)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	32,483	40,366	40,366	-
Total Expenditures	<u>32,483</u>	<u>40,366</u>	<u>40,366</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(24,511)</u>	<u>(24,511)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(24,511)</u>	<u>(24,511)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(24,511)</u>	<u>(24,511)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (24,511)	
Adjustments to Revenues			24,511	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	44	48	4
Total Revenues	<u>-</u>	<u>44</u>	<u>48</u>	<u>4</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	44	44	-
Total expenditures	<u>-</u>	<u>44</u>	<u>44</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4</u>	<u>4</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 4	
Adjustments to Revenues			(4)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 11,114	26,554	9,559	(16,995)
Total Revenues	<u>11,114</u>	<u>26,554</u>	<u>9,559</u>	<u>(16,995)</u>
EXPENDITURES				
Current:				
Instruction	11,114	26,554	7,589	18,965
Total expenditures	<u>11,114</u>	<u>26,554</u>	<u>7,589</u>	<u>18,965</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,970	1,970
Net changes in Fund Balances	-	-	1,970	1,970
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,970</u>	<u>1,970</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,970	
Adjustments to Revenues			(1,970)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25153
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	-	891	891
Total Revenues	<u>-</u>	<u>-</u>	<u>891</u>	<u>891</u>
EXPENDITURES				
Current:				
Support Services:				
Students	5,036	5,036	8,447	(3,411)
Total expenditures	<u>5,036</u>	<u>5,036</u>	<u>8,447</u>	<u>(3,411)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(5,036)</u>	<u>(5,036)</u>	<u>(7,556)</u>	<u>(2,520)</u>
Other financing sources (uses):				
Designated Cash	5,036	5,036	-	(5,036)
Total other financing sources (uses):	<u>5,036</u>	<u>5,036</u>	<u>-</u>	<u>(5,036)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(7,556)</u>	<u>(7,556)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>5,972</u>	<u>5,972</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,584)</u>	<u>(1,584)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,556)	
Adjustments to Revenues			-	
Adjustments to Expenditures			1,584	
NET CHANGE IN FUND BALANCE			<u>\$ (5,972)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Intel Foundation 26116
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	568	150	418
Total expenditures	<u>-</u>	<u>568</u>	<u>150</u>	<u>418</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(568)</u>	<u>(150)</u>	<u>418</u>
Other financing sources (uses):				
Designated Cash	-	568	-	(568)
Total other financing sources (uses):	<u>-</u>	<u>568</u>	<u>-</u>	<u>(568)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(150)</u>	<u>(150)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>568</u>	<u>568</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>418</u>	<u>418</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (150)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (150)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	2,564	3,687	1,123
Total Revenues	<u>-</u>	<u>2,564</u>	<u>3,687</u>	<u>1,123</u>
EXPENDITURES				
Current:				
Instruction	-	2,564	2,564	-
Total Expenditures	<u>-</u>	<u>2,564</u>	<u>2,564</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>1,123</u>	<u>1,123</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,123</u>	<u>1,123</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,123</u>	<u>1,123</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,123	
Adjustments to Revenues			(1,123)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children @ Risk 27107
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 6,528	6,528	-	(6,528)
Total Revenues	<u>6,528</u>	<u>6,528</u>	<u>-</u>	<u>(6,528)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	6,528	6,528	1,634	4,894
Total Expenditures	<u>6,528</u>	<u>6,528</u>	<u>1,634</u>	<u>4,894</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,634)</u>	<u>(1,634)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,634)</u>	<u>(1,634)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,634)</u>	<u>(1,634)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,634)	
Adjustments to Revenues			1,634	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Robotics 27115
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 2,203	2,203	3,679	1,476
Total Revenues	<u>2,203</u>	<u>2,203</u>	<u>3,679</u>	<u>1,476</u>
EXPENDITURES				
Current:				
Capital Outlay	2,203	2,203	2,200	3
Total Expenditures	<u>2,203</u>	<u>2,203</u>	<u>2,200</u>	<u>3</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,479	1,479
Net Changes in Fund Balances	-	-	1,479	1,479
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,479</u>	<u>1,479</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,479	
Adjustments to revenues			(1,479)	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
STEM Teacher Initiative 27181
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	30,375	15,624	(14,751)
Total Revenues	<u>-</u>	<u>30,375</u>	<u>15,624</u>	<u>(14,751)</u>
EXPENDITURES				
Current:				
Instruction	-	30,375	30,375	-
Total Expenditures	<u>-</u>	<u>30,375</u>	<u>30,375</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(14,751)</u>	<u>(14,751)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(14,751)</u>	<u>(14,751)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(14,751)</u>	<u>(14,751)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (14,751)	
Adjustments to revenues			14,751	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher and School Leader Incentive Pay 27188
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	129,000	74,999	(54,001)
Total Revenues	<u>-</u>	<u>129,000</u>	<u>74,999</u>	<u>(54,001)</u>
EXPENDITURES				
Current:				
Instruction	-	129,000	88,042	40,958
Total Expenditures	<u>-</u>	<u>129,000</u>	<u>88,042</u>	<u>40,958</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(13,043)</u>	<u>(13,043)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(13,043)</u>	<u>(13,043)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(13,043)</u>	<u>(13,043)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (13,043)	
Adjustments to revenues			13,043	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher and School Leader Incentive Pay 27190
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	25,000	15,600	(9,400)
Total Revenues	<u>-</u>	<u>25,000</u>	<u>15,600</u>	<u>(9,400)</u>
EXPENDITURES				
Current:				
Instruction	-	18,240	17,224	1,016
Support Services:				
Instruction	-	1,127	1,077	50
School Administration	-	4,506	4,306	200
Central Services	-	1,127	1,076	51
Total Expenditures	<u>-</u>	<u>25,000</u>	<u>23,683</u>	<u>1,317</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,083)</u>	<u>(8,083)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(8,083)</u>	<u>(8,083)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(8,083)</u>	<u>(8,083)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (8,083)	
Adjustments to revenues			8,083	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	-	1,655	(1,655)
Total Expenditures	<u>-</u>	<u>-</u>	<u>1,655</u>	<u>(1,655)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,655)	(1,655)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,655)</u>	<u>(1,655)</u>
Cash or Fund Balances - Beginning of Year	-	-	1,729	1,729
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>74</u>	<u>74</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,655)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (1,655)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Bond Building 31100
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	341,615	190,524	(151,091)
Total Revenues	<u>-</u>	<u>341,615</u>	<u>190,524</u>	<u>(151,091)</u>
EXPENDITURES				
Capital Outlay	-	341,615	20,659	320,956
Total Expenditures	<u>-</u>	<u>341,615</u>	<u>20,659</u>	<u>320,956</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	169,865	169,865
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>169,865</u>	<u>169,865</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>169,865</u>	<u>169,865</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 169,865	
Adjustments to revenues			(169,865)	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	149,459	167,226	17,767
Total Revenues	<u>-</u>	<u>149,459</u>	<u>167,226</u>	<u>17,767</u>
EXPENDITURES				
Capital Outlay	-	149,459	149,459	-
Total Expenditures	<u>-</u>	<u>149,459</u>	<u>149,459</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	17,767	17,767
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>17,767</u>	<u>17,767</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>17,767</u>	<u>17,767</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 17,767	
Adjustments to Revenues			(17,767)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ -	135,359	135,359	-
State Grant	-	7,768	-	(7,768)
Total Revenues	<u>-</u>	<u>143,127</u>	<u>135,359</u>	<u>(7,768)</u>
EXPENDITURES				
Capital Outlay	2,033	220,616	33,740	186,876
Total Expenditures	<u>2,033</u>	<u>220,616</u>	<u>33,740</u>	<u>186,876</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(2,033)</u>	<u>(77,489)</u>	<u>101,619</u>	<u>179,108</u>
Other financing sources (uses):				
Designated Cash	2,033	77,489	-	(77,489)
Total other financing sources (uses):	<u>2,033</u>	<u>77,489</u>	<u>-</u>	<u>(77,489)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>101,619</u>	<u>101,619</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>77,489</u>	<u>77,489</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>179,108</u>	<u>179,108</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 101,619	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 101,619</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Technology Equipment Act 31900
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	159,073	159,073	-
Total Revenues	<u>-</u>	<u>159,073</u>	<u>159,073</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	159,073	41,977	117,096
Total Expenditures	<u>-</u>	<u>159,073</u>	<u>41,977</u>	<u>117,096</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>117,096</u>	<u>117,096</u>
Other financing sources (uses):				
Designated Cash	-	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>117,096</u>	<u>117,096</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>117,096</u>	<u>117,096</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 117,096	
Adjustments to Revenues			18,731	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 135,827</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Peoples Bank	FHR 4077 MA	3137ASBZ6	8/15/2040	\$ 31,046
Peoples Bank	FHLMC 20YR	3128CUPM2	9/1/2025	49,252
Peoples Bank	FHR 3560 KP	31398JHY2	11/15/2036	19,765
Peoples Bank	FHLMC 20YR	31335HVE0	1/1/2023	42,615
Peoples Bank	FNR 2010-135 A	31398SJ20	12/25/1938	143,828
Peoples Bank	FNR 2010-135 A	31398SJ20	12/25/1938	115,062
				<u>\$ 401,568</u>

Total Cash in Bank per Schedule of Cash Accounts:	\$ 864,952
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	614,952
Collateral Requirement:	307,476
Pledged Collateral Held by Pledging Financial Institution:	<u>401,568</u>
Balance Over Collateralized:	<u>\$ 94,092</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ 213,384</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Academy
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Peoples Bank</u>
Checking - Operational Account	\$ 854,912
Checking - Activity Account	<u>10,040</u>
Total on Deposit	864,952
Reconciling Items	<u>(28,390)</u>
Reconciled Balance June 30, 2016	<u>836,562</u>
Less Agency Funds	<u>(10,040)</u>
Total Cash	<u><u>\$ 826,522</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 255,109	14,798	191	5,838
Add:				
2015-16 revenues	<u>2,242,412</u>	<u>16,156</u>	<u>-</u>	<u>17,355</u>
Total Cash Available	2,497,521	30,954	191	23,193
Less:				
2015-16 expenditures	(2,098,291)	(26,304)	-	(13,153)
Receivables/Payables	(3,791)	-	-	-
Outstanding Loans	<u>128,570</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>524,009</u>	<u>4,650</u>	<u>191</u>	<u>10,040</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>524,009</u>	<u>4,650</u>	<u>191</u>	<u>10,040</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>187,428</u>	<u>-</u>	<u>-</u>	<u>(10,040)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 711,437</u>	<u>4,650</u>	<u>191</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	Federal Direct Account Grants 25000	Local Grants 26000	State Flow Through 27000	Local or State Fund 29000	Bond Building 31100
-	5,972	568	-	1,729	-
<u>55,984</u>	<u>891</u>	<u>-</u>	<u>113,589</u>	<u>-</u>	<u>190,524</u>
55,984	6,863	568	113,589	1,729	190,524
(92,467)	(8,447)	(150)	(148,498)	(1,655)	(20,659)
6,352	2,560	-	5,978	-	-
<u>30,131</u>	<u>-</u>	<u>-</u>	<u>28,931</u>	<u>-</u>	<u>(169,865)</u>
<u>-</u>	<u>976</u>	<u>418</u>	<u>-</u>	<u>74</u>	<u>-</u>
-	-	-	-	-	-
<u>-</u>	<u>976</u>	<u>418</u>	<u>-</u>	<u>74</u>	<u>-</u>
-	(976)	-	-	-	-
<u>-</u>	<u>-</u>	<u>418</u>	<u>-</u>	<u>74</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Cash Reconciliation - (Continued)
June 30, 2016

	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Technology Equipment Act 31900	Total
Cash, June 30, 2015	\$ -	77,489	-	361,694
Add:				
2015-16 revenues	<u>167,226</u>	<u>135,359</u>	<u>159,073</u>	<u>3,098,569</u>
Total Cash Available	167,226	212,848	159,073	3,460,263
Less:				
2015-16 expenditures	(149,459)	(33,740)	(41,977)	(2,634,800)
Receivables/Payables	-	-	-	11,099
Outstanding Loans	<u>(17,767)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>-</u>	<u>179,108</u>	<u>117,096</u>	<u>836,562</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>-</u>	<u>179,108</u>	<u>117,096</u>	<u>836,562</u>
			Less - Agency Fund:	<u>(10,040)</u>
				<u>\$ 826,522</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>-</u>	<u>-</u>	<u>18,731</u>	<u>195,143</u>
Fund Balance, Modified Accrual Basis	<u>\$ -</u>	<u>179,108</u>	<u>135,827</u>	<u>1,031,705</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 571,937
Receivables	
Due from Other Governments	218,316
Prepaid Expenses	10,206
Deposits	12,000
Total Current Assets	<u>812,459</u>

Noncurrent Assets:

Capital Assets	
Land	379,100
Furniture, Fixtures, and Equipment	113,376
Less: Accumulated Depreciation	(20,886)
Total Noncurrent Assets	<u>471,590</u>

Total Assets	<u>1,284,049</u>
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Deferred Outflows - Pension Related	<u>231,817</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accrued Liabilities	104,798
Total Current Liabilities	<u>104,798</u>

Noncurrent Liabilities:

Net Pension Liability	1,235,215
Total Noncurrent Liabilities	<u>1,235,215</u>

Total Liabilities	<u>1,340,013</u>
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Deferred Inflows - Pension Related	<u>28,460</u>
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NET POSITION

Investment in Capital Assets	471,590
Restricted	324,292
Unrestricted Deficit	(648,489)
Total Net Position	<u>\$ 147,393</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 891,278	8,393	138,267	-	(744,618)
Support Services:					
Students	98,201	-	-	-	(98,201)
Instruction	2,382	-	-	-	(2,382)
General Administration	31,788	-	-	-	(31,788)
School Administration	135,162	-	-	-	(135,162)
Central Services	155,886	-	-	-	(155,886)
Operation & Maintenance of Plant	89,688	-	-	-	(89,688)
Community Services Operations	6,544	-	-	-	(6,544)
Facilities Materials, Supplies & Other Services	202,444	-	-	635,329	432,885
Total Governmental Activities	\$ 1,613,373	8,393	138,267	635,329	(831,384)
General Revenues:					
Property Taxes					\$ 137,953
State Equalization Guarantee					1,112,893
Total General Revenues					<u>1,250,846</u>
Change in Net Position					419,462
Net Position (deficit), Beginning					<u>(272,069)</u>
Net position, Ending					<u>\$ 147,393</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 264,363	16,726	-	-
Accounts Receivable				
Due from Government	-	-	28,014	21,761
Due from Other Funds	198,617	-	-	-
Prepaid Expenditures	-	-	-	-
Deposits	12,000	-	-	-
Total Assets	\$ 474,980	16,726	28,014	21,761
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accrued Expenditures	\$ 101,817	-	2,929	-
Due to Other Funds	-	-	25,085	21,761
Total Liabilities	101,817	-	28,014	21,761
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	12,000	-	-	-
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	-	16,726	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	361,163	-	-	-
Total Fund Balances	373,163	16,726	-	-
Total Liabilities and Fund Balances	\$ 474,980	16,726	28,014	21,761

The accompanying notes are an integral part of these financial statements

IDEA -B Risk Pool 24120	Teacher Principal Training 24154	Medicaid 25153	LANL Foundation 26113	2012 GO Bond Student Library 27107	New Mexico Reads to Lead 27114
-	-	3,094	24	-	-
35	5,000	-	-	2,382	49,706
-	-	-	-	-	-
-	-	-	-	-	10,206
-	-	-	-	-	-
<u>35</u>	<u>5,000</u>	<u>3,094</u>	<u>24</u>	<u>2,382</u>	<u>59,912</u>
-	-	-	-	-	52
<u>35</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>2,382</u>	<u>49,654</u>
<u>35</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>2,382</u>	<u>49,706</u>
-	-	-	-	-	-
-	-	-	-	-	10,206
-	-	3,094	24	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>3,094</u>	<u>24</u>	<u>-</u>	<u>10,206</u>
<u>35</u>	<u>5,000</u>	<u>3,094</u>	<u>24</u>	<u>2,382</u>	<u>59,912</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	Bond Building 31100	Public Schools Capital Outlay 31200	SB-9 Capital Improve- ments 31700	Educational Technology 31900	Total
ASSETS					
Cash and Cash Equivalents	\$ -	-	199,413	88,317	571,937
Accounts Receivable					
Due from Government	-	94,700	16,718	-	218,316
Due from Other Funds	-	-	-	-	198,617
Prepaid Expenditures	-	-	-	-	10,206
Deposits	-	-	-	-	12,000
Total Assets	\$ -	94,700	216,131	88,317	1,011,076
LIABILITIES AND FUND BALANCES					
<i>Liabilities:</i>					
Accrued Expenditures	\$ -	-	-	-	104,798
Due to Other Funds	-	94,700	-	-	198,617
Total Liabilities	-	94,700	-	-	303,415
<i>Fund Balances</i>					
Fund Balance:					
Nonspendable:					
Deposits	-	-	-	-	12,000
Prepaid Expenditures	-	-	-	-	10,206
Restricted for:					
Instruction	-	-	-	-	19,844
Capital Improvements	-	-	216,131	88,317	304,448
Assigned to:					
Subsequent Years Expenditures and Other Programs	-	-	-	-	361,163
Total Fund Balances	-	-	216,131	88,317	707,661
Total Liabilities and Fund Balances	\$ -	94,700	216,131	88,317	1,011,076

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds	\$	707,661
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Capital Assets	492,476	
Accumulated Depreciation	<u>(20,886)</u>	471,590
<p>Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.</p>		
		231,817
<p>Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
		(28,460)
<p>The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.</p>		
		<u>(1,235,215)</u>
Net Position-Total Governmental Activities	\$	<u>147,393</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	11,479	-	-	-
State Grant	1,112,893	10,794	-	-
Federal Grant	-	-	31,662	25,709
Charges for Services	7,077	-	-	-
Total Revenues	1,131,449	10,794	31,662	25,709
EXPENDITURES				
Current:				
Instruction	766,072	16,742	31,662	-
Support Services:				
Students	72,046	-	-	25,709
Instruction	-	-	-	-
General Administration	31,788	-	-	-
School Administration	129,382	-	-	-
Central Services	154,345	-	-	-
Operation & Maintenance of Plant	105,067	-	-	-
Community Services Operations	6,159	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	1,264,859	16,742	31,662	25,709
Net Changes in Fund Balances	(133,410)	(5,948)	-	-
Fund Balances - Beginning of Year	506,573	22,674	-	-
Fund Balances - End of Year	\$ 373,163	16,726	-	-

The accompanying notes are an integral part of these financial statements

IDEA -B Risk Pool 24120	Teacher Principal Training 24154	Medicaid 25153	LANL Foundation 26113	2012 GO Bond Student Library 27107	New Mexico Reads to Lead 27114
-	-	-	-	-	-
-	-	-	1,500	-	-
-	-	-	-	2,382	49,706
35	5,000	-	-	-	-
-	-	1,316	-	-	-
<u>35</u>	<u>5,000</u>	<u>1,316</u>	<u>1,500</u>	<u>2,382</u>	<u>49,706</u>
-	5,000	-	1,476	-	39,500
35	-	411	-	-	-
-	-	-	-	2,382	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>35</u>	<u>5,000</u>	<u>411</u>	<u>1,476</u>	<u>2,382</u>	<u>39,500</u>
-	-	905	24	-	10,206
-	-	2,189	-	-	-
<u>-</u>	<u>-</u>	<u>3,094</u>	<u>24</u>	<u>-</u>	<u>10,206</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds - (Continued)
For The Year Ended June 30, 2016

	Bond Building 31100	Public Schools Capital Outlay 31200	SB-9 Capital Improve- ments 31700	Educational Technology 31900	Total
REVENUES					
Property Taxes	\$ -	-	137,953	-	137,953
Local & County Grant	380,600	-	-	128,462	522,041
State Grant	-	126,267	-	-	1,302,042
Federal Grant	-	-	-	-	62,406
Charges for Services	-	-	-	-	8,393
Total Revenues	<u>380,600</u>	<u>126,267</u>	<u>137,953</u>	<u>128,462</u>	<u>2,032,835</u>
EXPENDITURES					
Current:					
Instruction	-	-	-	-	860,452
Support Services:					
Students	-	-	-	-	98,201
Instruction	-	-	-	-	2,382
General Administration	-	-	-	-	31,788
School Administration	-	-	-	-	129,382
Central Services	-	-	-	-	154,345
Operation & Maintenance of Plant	-	-	-	-	105,067
Community Services Operations	-	-	-	-	6,159
Capital Outlay	380,600	135,267	23,999	40,145	580,011
Total Expenditures	<u>380,600</u>	<u>135,267</u>	<u>23,999</u>	<u>40,145</u>	<u>1,967,787</u>
Net Changes in Fund Balances	<u>-</u>	<u>(9,000)</u>	<u>113,954</u>	<u>88,317</u>	<u>65,048</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>9,000</u>	<u>102,177</u>	<u>-</u>	<u>642,613</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>216,131</u>	<u>88,317</u>	<u>707,661</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balance-Total Governmental Funds		\$ 65,048
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period</p>		
Capital Outlays	399,033	
Depreciation Expense	<u>(6,087)</u>	
		392,946
Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		<u>(38,532)</u>
Change in Net Position-Total Governmental Activities		<u><u>\$ 419,462</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 11,858
Total Assets	<u>\$ 11,858</u>
LIABILITIES	
Deposits Held for Others	\$ 11,858
Total Liabilities	<u>\$ 11,858</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 5,550	16,058	(9,750)	11,858
Total Assets	<u>\$ 5,550</u>	<u>16,058</u>	<u>(9,750)</u>	<u>11,858</u>
LIABILITIES				
Deposits Held for Others	\$ 5,550	16,058	(9,750)	11,858
Total Liabilities	<u>\$ 5,550</u>	<u>16,058</u>	<u>(9,750)</u>	<u>11,858</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5-20 years
-----------------------------------	------------

Capital assets for Taos Integrated School of the Arts are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets not being Depreciated:</i>				
Land	\$ -	379,100	-	379,100
<i>Total</i>	-	379,100	-	379,100
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 93,443	19,933	-	113,376
<i>Total</i>	93,443	19,933	-	113,376
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(14,799)	(6,087)	-	(20,886)
<i>Total</i>	(14,799)	(6,087)	-	(20,886)
Capital Assets, Net	<u>\$ 78,644</u>	<u>392,946</u>	<u>-</u>	<u>471,590</u>

Depreciation expense for the year ended June 30, 2016 was expensed to the following functions:

Operation & Maintenance of Plant	\$ 4,554
Capital Outlay	1,533
Total	<u>\$ 6,087</u>

During the current fiscal year, the School purchased a parcel of land to be used to construct a new facility. The construction activities are estimated to take place during the next two fiscal years.

NOTE 3. COMMITMENTS AND LIABILITIES

Taos Integrated School of the Arts leases equipment and facilities under short-term cancelable operating leases. Rental expenses for the year ended June 30, 2016 was \$159,821. Taos Integrated School of the Arts future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ 134,299
2018	102,000
Total	<u>\$ 236,299</u>

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Taos Integrated School of the Arts and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Taos Integrated School of the Arts are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2016 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from Taos Integrated School of the Arts were \$89,455 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2015. At June 30, 2016, Taos Integrated School of the Arts reported a liability of \$1,235,215 for its proportionate share of the net pension liability. Taos Integrated School of the Arts proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Taos Integrated School of the Arts proportion was 0.01907%, which was an increase of 0.00194% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Taos Integrated School of the Arts recognized pension expense of \$129,842. At June 30, 2016, Taos Integrated School of the Arts reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(22,900)
Changes in assumptions	42,486	-
Net difference between projected and actual earnings on pension plan investments	-	(5,560)
Changes in proportion	99,876	-
Fiscal year 2016 employer contributions	<u>89,455</u>	<u>-</u>
Ending balance	<u>\$ 231,817</u>	<u>(28,460)</u>

The amount of \$89,455 reported as deferred outflows of resources related to pensions resulting from Taos Integrated School of the Arts contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (33,063)
2018	(33,156)
2019	(30,528)
2020	<u>(17,155)</u>
Total	\$ (113,902)

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Notes to the Financial Statements
 June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Taos Integrated School of the Arts proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 1,662,064</u>	<u>1,235,215</u>	<u>876,617</u>

Payables to the pension plan. At June 30, 2016, Taos Integrated School of the Arts owed \$25,586 to ERB for fiscal year 2016 contributions.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.02%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 977	1,235	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 472	521	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 86	\$ 89	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	75	89	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 11	\$ -	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Deferred	Amortization Years										
2014	\$ 89	5		\$ 23	\$ 22	\$ 22	\$ 22	-				
2015	(114)	5			(33)	(33)	(31)	(17)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ (25)			\$ 23	\$ (11)	(11)	(9)	(17)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	11,479	11,479
State Grant	1,110,141	1,112,893	1,112,893	-
Charges for Services	-	-	7,077	7,077
Total Revenues	1,110,141	1,112,893	1,131,449	18,556
EXPENDITURES				
Current:				
Instruction	791,504	872,045	766,072	105,973
Support Services:				
Students	48,000	81,000	72,046	8,954
Instruction	4,000	4,000	-	4,000
General Administration	20,500	29,500	31,788	(2,288)
School Administration	158,279	158,279	129,382	28,897
Central Services	97,500	151,938	154,345	(2,407)
Operation & Maintenance of Plant	174,405	305,701	114,067	191,634
Community Services Operations	11,849	11,849	6,159	5,690
Total Expenditures	1,306,037	1,614,312	1,273,859	340,453
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(195,896)	(501,419)	(142,410)	359,009
Other Financing Sources (Uses):				
Designated Cash	195,896	501,419	-	(501,419)
Total Other Financing Sources (Uses):	195,896	501,419	-	(501,419)
Net Changes in Fund Balances	-	-	(142,410)	(142,410)
Cash or Fund Balances - Beginning of Year	-	-	506,573	506,573
Cash or Fund Balances - End of Year	\$ -	-	364,163	364,163
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (142,410)	
Adjustments to Revenues			-	
Adjustments to Expenditures			9,000	
NET CHANGE IN FUND BALANCE			\$ (133,410)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 9,293	10,794	10,794	-
Total Revenues	<u>9,293</u>	<u>10,794</u>	<u>10,794</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	9,293	33,468	16,742	16,726
Total Expenditures	<u>9,293</u>	<u>33,468</u>	<u>16,742</u>	<u>16,726</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(22,674)</u>	<u>(5,948)</u>	<u>16,726</u>
Other Financing Sources (Uses):				
Designated Cash	-	22,674	-	(22,674)
Total Other Financing Sources (Uses):	<u>-</u>	<u>22,674</u>	<u>-</u>	<u>(22,674)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5,948)</u>	<u>(5,948)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>22,674</u>	<u>22,674</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>16,726</u>	<u>16,726</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,948)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (5,948)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 36,445	92,793	3,647	(89,146)
Total Revenues	<u>36,445</u>	<u>92,793</u>	<u>3,647</u>	<u>(89,146)</u>
EXPENDITURES				
Current:				
Instruction	36,445	92,793	31,662	61,131
Total Expenditures	<u>36,445</u>	<u>92,793</u>	<u>31,662</u>	<u>61,131</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(28,015)	(28,015)
Net Changes in Fund Balances	-	-	(28,015)	(28,015)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(28,015)</u>	<u>(28,015)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (28,015)	
Adjustments to Revenues			28,015	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 24,086	40,582	3,948	(36,634)
Total Revenues	<u>24,086</u>	<u>40,582</u>	<u>3,948</u>	<u>(36,634)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	24,086	40,582	25,709	14,873
Total Expenditures	<u>24,086</u>	<u>40,582</u>	<u>25,709</u>	<u>14,873</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(21,761)</u>	<u>(21,761)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(21,761)</u>	<u>(21,761)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(21,761)</u>	<u>(21,761)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (21,761)	
Adjustments to Revenues			21,761	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	35	-	(35)
Total Revenues	<u>-</u>	<u>35</u>	<u>-</u>	<u>(35)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	35	35	-
Total expenditures	<u>-</u>	<u>35</u>	<u>35</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(35)</u>	<u>(35)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(35)</u>	<u>(35)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(35)</u>	<u>(35)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (35)	
Adjustments to Revenues			35	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 8,583	19,186	-	(19,186)
Total Revenues	<u>8,583</u>	<u>19,186</u>	<u>-</u>	<u>(19,186)</u>
EXPENDITURES				
Current:				
Instruction	8,583	19,186	5,000	14,186
Total expenditures	<u>8,583</u>	<u>19,186</u>	<u>5,000</u>	<u>14,186</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(5,000)	(5,000)
Net changes in Fund Balances	-	-	(5,000)	(5,000)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,000)</u>	<u>(5,000)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,000)	
Adjustments to Revenues			5,000	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Medicaid 25153
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Charges for Services	\$ -	2,189	1,316	(873)
Total Revenues	<u>-</u>	<u>2,189</u>	<u>1,316</u>	<u>(873)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	2,189	411	1,778
Total expenditures	<u>-</u>	<u>2,189</u>	<u>411</u>	<u>1,778</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>905</u>	<u>905</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>905</u>	<u>905</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>2,189</u>	<u>2,189</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,094</u>	<u>3,094</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 905	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 905</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 LANL Foundation 26113
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	1,500	1,500	-
Total Revenues	<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	1,500	1,476	24
Total Expenditures	<u>-</u>	<u>1,500</u>	<u>1,476</u>	<u>24</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>24</u>	<u>24</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>24</u>	<u>24</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>24</u>	<u>24</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 24	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 24</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 GO Bonds Student Library 27107
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 4,937	6,614	-	(6,614)
Total Revenues	<u>4,937</u>	<u>6,614</u>	<u>-</u>	<u>(6,614)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	4,937	6,614	2,382	4,232
Total Expenditures	<u>4,937</u>	<u>6,614</u>	<u>2,382</u>	<u>4,232</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,382)	(2,382)
Net Changes in Fund Balances	-	-	(2,382)	(2,382)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,382)</u>	<u>(2,382)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,382)	
Adjustments to revenues			2,382	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
New Mexico Reads to Lead 27114
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 50,000	50,000	-	(50,000)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	49,706	294
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>49,706</u>	<u>294</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(49,706)	(49,706)
Net Changes in Fund Balances	-	-	(49,706)	(49,706)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(49,706)</u>	<u>(49,706)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (49,706)	
Adjustments to revenues			49,706	
Adjustments to expenditures			<u>10,206</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 10,206</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Bond Building 31100
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	469,792	380,600	(89,192)
Total Revenues	<u>-</u>	<u>469,792</u>	<u>380,600</u>	<u>(89,192)</u>
EXPENDITURES				
Capital Outlay	-	469,792	380,600	89,192
Total Expenditures	<u>-</u>	<u>469,792</u>	<u>380,600</u>	<u>89,192</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	126,267	31,567	(94,700)
Total Revenues	<u>-</u>	<u>126,267</u>	<u>31,567</u>	<u>(94,700)</u>
EXPENDITURES				
Capital Outlay	-	126,267	126,267	-
Total Expenditures	<u>-</u>	<u>126,267</u>	<u>126,267</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(94,700)	(94,700)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(94,700)</u>	<u>(94,700)</u>
Cash or Fund Balances - Beginning of Year	-	-	9,000	9,000
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(85,700)</u>	<u>(85,700)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (94,700)	
Adjustments to Revenues			94,700	
Adjustments to Expenditures			(9,000)	
NET CHANGE IN FUND BALANCE			<u>\$ (9,000)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 5,646	88,640	121,235	32,595
State Grant	-	3,832	-	(3,832)
Total Revenues	<u>5,646</u>	<u>92,472</u>	<u>121,235</u>	<u>28,763</u>
EXPENDITURES				
Capital Outlay	80,583	167,409	23,999	143,410
Total Expenditures	<u>80,583</u>	<u>167,409</u>	<u>23,999</u>	<u>143,410</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(74,937)</u>	<u>(74,937)</u>	<u>97,236</u>	<u>172,173</u>
Other financing sources (uses):				
Designated Cash	74,937	74,937	-	(74,937)
Total other financing sources (uses):	<u>74,937</u>	<u>74,937</u>	<u>-</u>	<u>(74,937)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>97,236</u>	<u>97,236</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>102,177</u>	<u>102,177</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>199,413</u>	<u>199,413</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 97,236	
Adjustments to Revenues			16,718	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 113,954</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Educational Technology 31900
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	128,462	128,462	-
Total Revenues	<u>-</u>	<u>128,462</u>	<u>128,462</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	128,462	40,145	88,317
Total Expenditures	<u>-</u>	<u>128,462</u>	<u>40,145</u>	<u>88,317</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>88,317</u>	<u>88,317</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>88,317</u>	<u>88,317</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>88,317</u>	<u>88,317</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 88,317	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 88,317</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Peoples Bank	FHLMC OTHER	3132G5AS8	5/1/2028	\$ 65,227
Peoples Bank	FHR 4077 MA	3137ASBZ6	8/15/2040	62,092
Peoples Bank	FHLMC 20YR	3133HVE0	1/1/2023	56,820
Peoples Bank	FHR 3822 VE	3137A8KD9	5/15/2022	62,762
Peoples Bank	FNR 2010-135 A	31398SJ20	12/25/2038	14,383
Peoples Bank	FNR 2010-135 A	31398SJ20	12/25/2038	28,766
				<u>\$ 290,050</u>

Total Cash in Bank per Schedule of Cash Accounts:	\$ 618,818
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	368,818
Collateral Requirement:	184,409
Pledged Collateral Held by Pledging Financial Institution:	<u>290,050</u>
Balance Over Collateralized:	<u>\$ 105,641</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	<u>\$ 78,768</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Peoples Bank</u>
Checking - Operational Account	\$ 606,960
Checking - Activity Account	<u>11,858</u>
Total on Deposit	618,818
Reconciling Items	<u>(35,023)</u>
Reconciled Balance June 30, 2016	<u>583,795</u>
Less Agency Funds	<u>(11,858)</u>
Total Cash	<u><u>\$ 571,937</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2015	\$ 368,371	22,674	5,550	-
Add:				
2015-16 revenues	<u>1,131,449</u>	<u>10,794</u>	<u>16,058</u>	<u>7,595</u>
Total Cash Available	1,499,820	33,468	21,608	7,595
Less:				
2015-16 expenditures	(1,273,859)	(16,742)	(9,750)	(62,406)
Receivables/Payables	43,421	-	-	49,026
Outstanding Loans	<u>(5,019)</u>	<u>-</u>	<u>-</u>	<u>5,785</u>
Cash June 30, 2016	<u>264,363</u>	<u>16,726</u>	<u>11,858</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>264,363</u>	<u>16,726</u>	<u>11,858</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>108,800</u>	<u>-</u>	<u>(11,858)</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 373,163</u>	<u>16,726</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Federal Direct Account Grants 25000	Local Grants 26000	State Flow Through 27000	Bond Building 31100	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700
2,189	-	-	-	-	102,177
<u>1,316</u>	<u>1,500</u>	<u>-</u>	<u>380,600</u>	<u>31,567</u>	<u>121,235</u>
3,505	1,500	-	380,600	31,567	223,412
(411)	(1,476)	(52,088)	(380,600)	(126,267)	(23,999)
-	-	24,722	-	122,832	-
-	-	27,366	-	(28,132)	-
<u>3,094</u>	<u>24</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>199,413</u>
-	-	-	-	-	-
<u>3,094</u>	<u>24</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>199,413</u>
-	-	10,206	-	-	16,718
<u>3,094</u>	<u>24</u>	<u>10,206</u>	<u>-</u>	<u>-</u>	<u>216,131</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Cash Reconciliation (Continued)
 June 30, 2016

	Educational Technology 31900	Total
	<u>31900</u>	<u>Total</u>
Cash, June 30, 2015	-	500,961
Add:		
2015-16 revenues	<u>128,462</u>	<u>1,830,576</u>
Total Cash Available	128,462	2,331,537
Less:		
2015-16 expenditures	(40,145)	(1,987,743)
Receivables/Payables	-	240,001
Outstanding Loans	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>88,317</u>	<u>583,795</u>
Fund Balance Reconciliations to GAAP Basis:		
Audit reclassifications to cash	<u>-</u>	<u>-</u>
Cash Per Books	<u>88,317</u>	<u>583,795</u>
Less - Agency Fund:		<u>(11,858)</u>
		<u>\$ 571,937</u>
Fund Balance Reconciliation to GAAP Basis:		
Modified Accrual Adjustments	<u>-</u>	<u>123,866</u>
Fund Balance, Modified Accrual Basis	<u>88,317</u>	<u>707,661</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 393,514
Receivables	
Due from Other Governments	5,368
Deposits	4,000
Prepaid Expenditures	17,280
Total Current Assets	<u>420,162</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	7,000
Less: Accumulated Depreciation	<u>(88)</u>
Total Noncurrent Assets	<u>6,912</u>
Total Assets	<u>427,074</u>

Deferred Outflows - Pension Related	<u>640,254</u>
--	----------------

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	13,080
Accrued Liabilities	<u>118,698</u>
Total Current Liabilities	<u>131,778</u>

Noncurrent Liabilities:

Net Pension Liability	<u>748,772</u>
Total Noncurrent Liabilities	<u>748,772</u>
Total Liabilities	<u>880,550</u>

Deferred Inflows - Pension Related	<u>17,252</u>
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NET POSITION

Investment in Capital Assets	6,912
Restricted	21,280
Unrestricted	<u>141,334</u>
Total Net Position	<u>\$ 169,526</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 661,383	3,360	113,868	-	(544,155)
Support Services:					
Students	8,082	-	-	-	(8,082)
Instruction	6,191	-	-	-	(6,191)
General Administration	19,452	-	-	-	(19,452)
School Administration	163,172	-	-	-	(163,172)
Central Services	84,331	-	-	-	(84,331)
Operation & Maintenance of Plant	162,133	-	-	-	(162,133)
Food Services	49,311	2,627	35,606	7,000	(4,078)
Facilities Materials, Supplies & Other Services	46,016	-	-	46,016	-
Total Governmental Activities	\$ 1,200,071	5,987	149,474	53,016	(991,594)
General Revenues:					
State Equalization Guarantee					\$ 1,307,787
Total General Revenues					<u>1,307,787</u>
Change in Net Position					<u>316,193</u>
Net Position, Beginning					39,396
Restatement Recognized by GASB 68					<u>(186,063)</u>
Net Position, Beginning, as Restated					<u>(146,667)</u>
Net position, Ending					<u>\$ 169,526</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 384,215	-	9,299	-
Accounts Receivable				
Due from Government	-	-	2,206	-
Due from Other Funds	3,162	-	-	-
Deposits	4,000	-	-	-
Prepaid Expenditures	17,280	-	-	-
Total Assets	\$ 408,657	-	11,505	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 13,080	-	-	-
Accrued Expenditures	118,698	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	131,778	-	-	-
Fund Balances				
Fund Balance:				
Nonspendible:				
Deposits	4,000	-	-	-
Prepaid Expenditures	17,280	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	255,599	-	11,505	-
Total Fund Balance	276,879	-	11,505	-
Total Liabilities and Fund Balances	\$ 408,657	-	11,505	-

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Title II 24154	USDA Equipment Assistance 24183	Rural Education Assistance Program 25233	2012 GOBond Student Library 27107
-	-	-	-	-	-
-	-	-	-	-	3,162
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	3,162
-	-	-	-	-	3,162
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	3,162
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	3,162

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Balance Sheets - Governmental Funds (continued)
June 30, 2016

	Reads to Lead 27114	Public School Capital Outlay 31200	Total
ASSETS			
Cash and Cash Equivalents	-	-	393,514
Accounts Receivable			
Due from Government	-	-	5,368
Due from Other Funds	-	-	3,162
Deposits	-	-	4,000
Prepaid Expenditures	-	-	17,280
Total Assets	-	-	423,324
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	-	-	13,080
Accrued Expenditures	-	-	118,698
Due to Other Funds	-	-	3,162
Total Liabilities	-	-	134,940
Fund Balances			
Fund Balance:			
Nonspendable:			
Deposits	-	-	4,000
Prepaid Expenditures	-	-	17,280
Assigned to:			
Subsequent Years Expenditures and Other Programs	-	-	267,104
Total Fund Balance	-	-	288,384
Total Liabilities and Fund Balances	-	-	423,324

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 288,384**

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

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

Capital Assets	7,000	
Accumulated Depreciation	(88)	
		6,912

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds	640,254
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	(17,252)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.	(748,772)

Net Position-Total Governmental Activities **\$ 169,526**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Local & County Grant	\$ 46,915	-	-	-
State Grant	1,307,787	7,935	-	-
Federal Grant	-	-	35,606	8,828
Charges for Services	3,360	-	2,627	-
Miscellaneous Income	35	-	-	-
Total Revenues	1,358,097	7,935	38,233	8,828
EXPENDITURES				
Current:				
Instruction	659,159	7,935	-	8,828
Support Services:				
Students	8,082	-	-	-
Instruction	3,029	-	-	-
General Administration	19,452	-	-	-
School Administration	161,933	-	-	-
Central Services	84,331	-	-	-
Operation & Maintenance of Plant	162,133	-	-	-
Food Services Operations	22,495	-	26,728	-
Capital Outlay	-	-	-	-
Total Expenditures	1,120,614	7,935	26,728	8,828
Net Changes in Fund Balances	237,483	-	11,505	-
Fund Balances - Beginning of Year	39,396	-	-	-
Fund Balances - End of Year	\$ 276,879	-	11,505	-

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Title II 24154	USDA Equipment Assistance 24183	Rural Education Achievement Program 25233	2012 GOBond Student Library 27107
-	-	-	-	-	-
-	-	-	-	-	3,162
10,643	11	1,949	7,000	12,390	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>10,643</u>	<u>11</u>	<u>1,949</u>	<u>7,000</u>	<u>12,390</u>	<u>3,162</u>
10,643	11	1,949	-	11,151	-
-	-	-	-	-	-
-	-	-	-	-	3,162
-	-	-	-	-	-
-	-	-	-	1,239	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	7,000	-	-
-	-	-	-	-	-
<u>10,643</u>	<u>11</u>	<u>1,949</u>	<u>7,000</u>	<u>12,390</u>	<u>3,162</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances (continued)
Governmental Funds
For The Year Ended June 30, 2016

	Reads to Lead 27114	Public School Capital Outlay 31200	Total
REVENUES			
Local & County Grant	-	-	46,915
State Grant	22,000	46,016	1,386,900
Federal Grant	-	-	76,427
Charges for Services	-	-	5,987
Miscellaneous Income	-	-	35
Total Revenues	22,000	46,016	1,516,264
EXPENDITURES			
Current:			
Instruction	22,000	-	721,676
Support Services:			
Students	-	-	8,082
Instruction	-	-	6,191
General Administration	-	-	19,452
School Administration	-	-	163,172
Central Services	-	-	84,331
Operation & Maintenance of Plant	-	-	162,133
Food Services Operations	-	-	56,223
Capital Outlay	-	46,016	46,016
Total Expenditures	22,000	46,016	1,267,276
Net Changes in Fund Balances	-	-	248,988
Fund Balances - Beginning of Year	-	-	39,396
Fund Balances - End of Year	-	-	288,384

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 248,988**

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

Capital outlays to purchase or build capital assets are reported in governmental
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period.

Capital Outlays	7,000	
Depreciation Expense	(88)	
	6,912	6,912

Changes in deferred outflows of resources - pension related, deferred inflows of resources - pension related, and the net pension liability		
		60,293

Change in Net Position-Total Governmental Activities **\$ 316,193**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Funds</u>
ASSETS	
Cash in Bank	<u>\$ 6,128</u>
Total Assets	<u><u>\$ 6,128</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 6,128</u>
Total Liabilities	<u><u>\$ 6,128</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 2,637	15,400	(11,909)	6,128
Total Assets	<u>\$ 2,637</u>	<u>15,400</u>	<u>(11,909)</u>	<u>6,128</u>
LIABILITIES				
Deposits Held for Others	\$ 2,637	15,400	(11,909)	6,128
Total Liabilities	<u>\$ 2,637</u>	<u>15,400</u>	<u>(11,909)</u>	<u>6,128</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Equipment	15 years
-----------	----------

Capital assets for Taos International Charter School are recorded in the Statement of Net Position.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Equipment	-	7,000	-	7,000
<i>Total</i>	-	7,000	-	7,000
<i>Less: Accumulated Depreciation</i>				
Equipment	-	(88)	-	(88)
<i>Total</i>	-	(88)	-	(88)
Capital Assets, Net	\$ -	(6,912)	-	(6,912)

Depreciation expensed for the year ended June 30, 2016 was expensed to the following function:

Operation and Maintenance of Plant	\$ 88
Total	<u>\$ 88</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 3. COMMITMENTS AND LIABILITIES

The Taos International Charter School leased facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2016 was \$88,680. The Taos International Charter School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2018	142,560
2019	207,360
Total	<u>\$ 349,920</u>

NOTE 4. RELATED PARTY TRANSACTIONS

The business manager services are performed by the Vigil Group, which performed services for multiple state charter schools.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Taos International Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Contributions. The contribution requirements of defined benefit plan members and Taos International Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal year ended June 30, 2015, employers contributed 13.90% and employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016, employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from Taos International Charter School were \$71,455 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Taos International Charter School reported a liability of \$748,772 for its proportionate share of the net pension liability. Taos International Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Taos International Charter School's proportion was 0.01156%.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Taos International Charter School recognized pension expense of \$242,902. At June 30, 2016, Taos International Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 13,882
Changes in assumptions	25,754	-
Net difference between projected and actual earnings on pension plan investments	-	3,370
Changes in proportion	543,045	-
Fiscal year 2016 employer contributions	71,455	-
	<hr/>	<hr/>
Ending balance	<u>\$ 640,254</u>	<u>\$ 17,252</u>

The amount of \$71,455 reported as deferred outflows of resources related to pensions resulting from Taos International Charter School contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (184,235)
2018	(184,644)
2019	(172,267)
2020	(10,401)
Total	<u>\$ (551,547)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Taos International Charter School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Taos International Charter School’s proportionate share of the net pension liability	<u>\$ 1,007,523</u>	<u>748,772</u>	<u>531,394</u>

Payables to the pension plan. At June 30, 2016, Taos International Charter School owed \$31,081 to ERB for fiscal year 2016 contributions.

NOTE 6. RESTATEMENT

As a result of implementation of GASB No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2015 was restated in the amount of \$(186,063).

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 TAOS INTERNATIONAL CHARTER SCHOOL
 SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 June 30, 2016

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data*
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ -	\$ 749	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ -	316	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	0.00%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	0.00%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
TAOS INTERNATIONAL CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 52	71	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	46	71	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 6	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ -	5		\$ -	\$ -	\$ -	\$ -	\$ -				
2015	(552)	5			(184)	(185)	(172)	(11)				
2016	-	5				-	-	-				
2017	-	5					-	-				
2018	-	5						-				
2019	-	5										
2020	-	5										
2021	-	5										
2022	-	5										
2023	-	5										
	\$ (552)			\$ -	(184)	(185)	(172)	(11)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	46,915	46,915	-
State Grant	1,333,382	1,307,787	1,307,787	-
Charges for Services	-	3,275	3,395	120
Total Revenues	1,333,382	1,357,977	1,358,097	120
EXPENDITURES				
Current:				
Instruction	773,494	790,217	646,079	144,138
Support Services:				
Students	42,000	47,000	8,082	38,918
Instruction	25,000	20,000	3,029	16,971
General Administration	27,500	27,500	19,452	8,048
School Administration	186,448	179,688	161,933	17,755
Central Services	100,500	105,500	89,040	16,460
Operation & Maintenance of Plant	178,440	188,440	162,676	25,764
Food Services Operations	-	23,000	22,495	505
Total Expenditures	1,333,382	1,381,345	1,112,786	268,559
Other Financing Sources (Uses):				
Designated Cash	-	23,368	-	(23,368)
Total Other Financing Sources (Uses):	-	23,368	-	(23,368)
Net Changes in Fund Balances	-	-	245,311	245,311
Cash or Fund Balances - Beginning of Year	-	-	39,396	39,396
Cash or Fund Balances - End of Year	\$ -	-	284,707	284,707
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ 245,311	
Adjustments to Revenues			-	
Adjustments to Expenditures			(7,828)	
NET CHANGE IN FUND BALANCE			\$ 237,483	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,139	7,935	7,935	-
Total Revenues	3,139	7,935	7,935	-
EXPENDITURES				
Current:				
Instruction	3,139	7,935	7,935	-
Total Expenditures	3,139	7,935	7,935	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	26,728	33,400	6,672
Charges for Services	-	-	2,627	2,627
Total Revenues	-	26,728	36,027	9,299
EXPENDITURES				
Current:				
Food Services Operations	-	26,728	26,728	-
Total Expenditures	-	26,728	26,728	-
Net Changes in Fund Balances	-	-	9,299	9,299
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	9,299	9,299
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ 9,299	
Adjustments to Revenues			2,206	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 11,505	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 9,422	14,383	8,828	(5,555)
Total Revenues	<u>9,422</u>	<u>14,383</u>	<u>8,828</u>	<u>(5,555)</u>
EXPENDITURES				
Current:				
Instruction	9,422	14,383	8,828	5,555
Total Expenditures	<u>9,422</u>	<u>14,383</u>	<u>8,828</u>	<u>5,555</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 9,944	10,643	14,158	3,515
Total Revenues	<u>9,944</u>	<u>10,643</u>	<u>14,158</u>	<u>3,515</u>
EXPENDITURES				
Current:				
Instruction	9,944	10,643	10,643	-
Total Expenditures	<u>9,944</u>	<u>10,643</u>	<u>10,643</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,515</u>	<u>3,515</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,515</u>	<u>3,515</u>
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ 3,515	
Adjustments to Revenues			(3,515)	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	11	26	15
Total Revenues	-	11	26	15
EXPENDITURES				
Current:				
Instruction	-	11	11	-
Total Expenditures	-	11	11	-
Net Changes in Fund Balances	-	-	15	15
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	15	15
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 15	
Adjustments to Revenues			(15)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title II 24154
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	1,949	2,017	68
Total Revenues	-	1,949	2,017	68
EXPENDITURES				
Current:				
Instruction	-	1,949	1,949	-
Total expenditures	-	1,949	1,949	-
Net changes in Fund Balances	-	-	68	68
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	68	68
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 68	
Adjustments to Revenues			(68)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 USDA Equipment Assistance Program 24183
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	7,500	7,000	(500)
Total Revenues	<u>-</u>	<u>7,500</u>	<u>7,000</u>	<u>(500)</u>
EXPENDITURES				
Current:				
Food Services Operations	-	7,500	7,000	500
Total Expenditures	<u>-</u>	<u>7,500</u>	<u>7,000</u>	<u>500</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Rural Education Achievement Program 25233
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	14,317	12,390	(1,927)
Total Revenues	-	14,317	12,390	(1,927)
EXPENDITURES				
Current:				
Instruction	-	13,078	11,151	1,927
Support Services:				
School Administration	-	1,239	1,239	-
Total Expenditures	-	14,317	12,390	1,927
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 GOBond Student Library 27107
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	3,162	-	(3,162)
Total Revenues	-	3,162	-	(3,162)
EXPENDITURES				
Current:				
Support Services:				
Instruction	-	3,162	3,162	-
Total Expenditures	-	3,162	3,162	-
Net Changes in Fund Balances	-	-	(3,162)	(3,162)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(3,162)	(3,162)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ (3,162)	
Adjustments to Revenues			3,162	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Reads to Lead 27114
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 22,000	22,000	28,116	6,116
Total Revenues	<u>22,000</u>	<u>22,000</u>	<u>28,116</u>	<u>6,116</u>
EXPENDITURES				
Current:				
Instruction	22,000	22,000	22,000	-
Total Expenditures	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>6,116</u>	<u>6,116</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>6,116</u>	<u>6,116</u>
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ 6,116	
Adjustments to Revenues			(6,116)	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	46,016	68,186	22,170
Total Revenues	<u>-</u>	<u>46,016</u>	<u>68,186</u>	<u>22,170</u>
EXPENDITURES				
Capital Outlay	-	46,016	46,016	-
Total Expenditures	<u>-</u>	<u>46,016</u>	<u>46,016</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>22,170</u>	<u>22,170</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>22,170</u>	<u>22,170</u>
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ 22,170	
Adjustments to Revenues			(22,170)	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Peoples Bank	REMIC	31398SJ20	12/25/2038	\$ 43,148
Peoples Bank	REMIC	31394JKA4	9/15/2033	28,972
Peoples Bank	REMIC	31398CWF1	5/15/2029	69,538
				<u>\$ 141,658</u>
Total Cash per Schedule of Cash Accounts:				\$ 407,089
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				157,089
Collateral Requirement:				78,545
Pledged Collateral Held by Pledging Financial Institution:				<u>141,658</u>
Balance Over Collateralized:				<u>\$ 63,113</u>
Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ 15,431</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>People's Bank</u>
Checking - Operational Account	<u>\$ 407,089</u>
<i>Total on Deposit</i>	407,089
Reconciling Items	<u>(7,447)</u>
Reconciled Balance June 30, 2016	<u>399,642</u>
Less Agency Funds	<u>(6,128)</u>
<i>Total Cash</i>	<u><u>\$ 393,514</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 47,253	-	-	2,637
Add:				
2015-16 revenues	<u>1,358,097</u>	<u>7,935</u>	<u>36,027</u>	<u>15,400</u>
Total Cash Available	1,405,350	7,935	36,027	18,037
Less:				
2015-16 expenditures	(1,112,786)	(7,935)	(26,728)	(11,909)
Receivables/Payables	68,600	-	-	-
Outstanding Loans	<u>23,051</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>384,215</u>	<u>-</u>	<u>9,299</u>	<u>6,128</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>384,215</u>	<u>-</u>	<u>9,299</u>	<u>6,128</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(107,336)</u>	<u>-</u>	<u>2,206</u>	<u>(6,128)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 276,879</u>	<u>-</u>	<u>11,505</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	Federal Direct Fund 25000	State Account 27000	Public School Capital Outlay 31200	Total
-	-	-	-	49,890
<u>32,029</u>	<u>12,390</u>	<u>28,116</u>	<u>68,186</u>	<u>1,558,180</u>
32,029	12,390	28,116	68,186	1,608,070
(28,431)	(12,390)	(25,162)	(46,016)	(1,271,357)
(1,823)	-	(3,848)	-	62,929
<u>(1,775)</u>	<u>-</u>	<u>894</u>	<u>(22,170)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>399,642</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>399,642</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities -				
Agency Fund:				<u>(6,128)</u>
				<u>\$ 393,514</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(111,258)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>288,384</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Technology Leadership High School
Statement of Net Position
June 30, 2016

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 169,493
Receivables	
Due from Other Governments	80,656
Deposits	5,417
Total Current Assets	<u>255,566</u>

Noncurrent Assets:

Capital Assets	
Building Improvements	247,016
Equipment	13,341
Less: Accumulated Depreciation	<u>(49,362)</u>
Total Noncurrent Assets	<u>210,995</u>
Total Assets	<u>466,561</u>

LIABILITIES

Current Liabilities:

Accrued Liabilities	<u>5,469</u>
Total Liabilities	<u>5,469</u>

NET POSITION

Net Investment in Capital Assets	210,995
Restricted	12,672
Unrestricted	<u>237,425</u>
Total Net Position	<u>\$ 461,092</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Technology Leadership High School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 224,310	-	73,526	-	(150,784)
Support Services:					
Students	164,125	-	-	-	(164,125)
Instruction	7,437	-	-	-	(7,437)
General Administration	17,037	-	-	-	(17,037)
School Administration	110,549	-	-	-	(110,549)
Central Services	269,557	-	-	-	(269,557)
Operation & Maintenance of Plant	156,873	-	-	-	(156,873)
Other Support Services	15,634	-	-	-	(15,634)
Food Services	29,690	-	-	-	(29,690)
Facilities Materials, Supplies & Other Services	131,413	-	-	131,413	-
Total Governmental Activities	\$ 1,126,625	-	73,526	131,413	(921,686)
General Revenues:					
State Equalization Guarantee					\$ 951,653
Total General Revenues					951,653
Change in Net Position					29,967
Net Position, Beginning					431,125
Net position, Ending					\$ 461,092

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Technology Leadership High School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 162,238	5,556	-	-
Accounts Receivable				
Due from Government	-	-	3,594	3,012
Due from Other Funds	80,656	-	-	-
Deposits	-	-	-	-
Total Assets	\$ 242,894	5,556	3,594	3,012
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accrued Expenditures	5,469	-	-	-
Due to Other Funds	-	-	3,594	3,012
Total Liabilities	5,469	-	3,594	3,012
Fund Balances				
Fund Balance:				
Assigned to:				
Subsequent Years Expenditures and Other Programs	237,425	5,556	-	-
Total Fund Balance	237,425	5,556	-	-
Total Liabilities and Fund Balances	\$ 242,894	5,556	3,594	3,012

The accompanying notes are an integral part of these financial statements

Title II 24154	Title XIX Medicaid 25152	Daniels Fund 26141	McCune Charitable Foundation 29114	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	Total
-	1,699	-	-	-	-	169,493
-	-	-	-	-	74,050	80,656
-	-	-	-	-	-	80,656
-	-	-	5,417	-	-	5,417
-	1,699	-	5,417	-	74,050	336,222
-	-	-	-	-	-	5,469
-	-	-	-	-	74,050	80,656
-	-	-	-	-	74,050	86,125
-	1,699	-	5,417	-	-	250,097
-	1,699	-	5,417	-	-	250,097
-	1,699	-	5,417	-	74,050	336,222

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Technology Leadership High School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds	<u>\$ 250,097</u>
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Amounts reported for governmental activities in the Statement of Net Position are different because:

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

Capital Assets	260,357	
Accumulated Depreciation	<u>(49,362)</u>	
		<u>210,995</u>

Net Position-Total Governmental Activities	<u><u>\$ 461,092</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Technology Leadership High School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	IDEA-B Entitlement 24106
REVENUES				
State Grant	\$ 951,653	5,716	-	-
Federal Grant	-	-	22,939	27,253
Miscellaneous Income	15,619	-	-	-
Total Revenues	<u>967,272</u>	<u>5,716</u>	<u>22,939</u>	<u>27,253</u>
EXPENDITURES				
Current:				
Instruction	160,222	160	-	27,253
Support Services:				
Students	140,108	-	-	-
Instruction	1,144	-	-	-
General Administration	11,123	-	-	-
School Administration	92,852	-	-	-
Central Services	218,671	-	-	-
Operation & Maintenance of Plant	83,357	-	-	-
Other Support Services Operations	15,619	-	-	-
Food Services Operations	6,751	-	22,939	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>729,847</u>	<u>160</u>	<u>22,939</u>	<u>27,253</u>
Net Changes in Fund Balances	<u>237,425</u>	<u>5,556</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 237,425</u>	<u>5,556</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Title II 24154	Title XIX Medicaid 25152	Daniels Fund 26141	McCune Charitable Foundation 29114	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	Total
-	-	-	-	57,363	74,050	1,088,782
300	1,699	-	-	-	-	52,191
-	-	-	-	-	-	15,619
<u>300</u>	<u>1,699</u>	<u>-</u>	<u>-</u>	<u>57,363</u>	<u>74,050</u>	<u>1,156,592</u>
-	-	36,675	-	-	-	224,310
300	-	23,717	-	-	-	164,125
-	-	6,293	-	-	-	7,437
-	-	5,914	-	-	-	17,037
-	-	17,697	-	-	-	110,549
-	-	41,089	9,797	-	-	269,557
-	-	179,421	16,111	-	-	278,889
-	-	15	-	-	-	15,634
-	-	-	-	-	-	29,690
-	-	-	-	57,363	74,050	131,413
<u>300</u>	<u>-</u>	<u>310,821</u>	<u>25,908</u>	<u>57,363</u>	<u>74,050</u>	<u>1,248,641</u>
-	1,699	(310,821)	(25,908)	-	-	(92,049)
-	-	310,821	31,325	-	-	342,146
<u>-</u>	<u>1,699</u>	<u>-</u>	<u>5,417</u>	<u>-</u>	<u>-</u>	<u>250,097</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Technology Leadership High School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ (92,049)**

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlays	171,379	
Depreciation Expense	<u>(49,363)</u>	
		<u>122,016</u>

Change in Net Position-Total Governmental Activities **\$ 29,967**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Technology Leadership High School
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Building Improvements	5 years
Equipment	3 years

Capital assets for Technology Leadership High School are recorded in the Statement of Net Position.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets not Depreciated:</i>				
Construction in Progress	\$ 88,979	158,037	(247,016)	-
<i>Capital Assets being Depreciated:</i>				
Equipment	\$ -	13,341	-	13,341
Building Improvements	-	-	247,016	247,016
<i>Total</i>	<u>88,979</u>	<u>171,378</u>	<u>-</u>	<u>260,357</u>
<i>Less: Accumulated Depreciation</i>				
Equipment	-	(4,076)	-	(4,076)
Building Improvements	-	(45,286)	-	(45,286)
<i>Total</i>	<u>-</u>	<u>(49,362)</u>	<u>-</u>	<u>(49,362)</u>
Capital Assets, Net	<u>\$ 88,979</u>	<u>122,016</u>	<u>-</u>	<u>210,995</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Technology Leadership High School
 Notes to the Financial Statements
 June 30, 2016

NOTE 2. CAPITAL ASSETS - continued

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Facilities, Materials, Supplies & Other	\$ 49,362
Total	<u>\$ 49,362</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Technology Leadership High School leases facilities under long-term cancelable operating leases. Lease expenses for the year ended June 30, 2016 was \$65,000. Technology Leadership High School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 73,400
2018	138,400
2019	193,400
2020	208,400
Total	<u>\$ 613,600</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Technology Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 943,273	951,653	951,653	-
Total Revenues	943,273	951,653	951,653	-
EXPENDITURES				
Current:				
Instruction	275,937	275,947	160,222	115,725
Support Services:				
Students	111,304	161,224	140,108	21,116
Instruction	2,500	2,500	1,144	1,356
General Administration	61,778	12,360	11,123	1,237
School Administration	149,485	118,281	92,852	25,429
Central Services	250,013	255,686	218,671	37,015
Operation & Maintenance of Plant	92,256	117,655	83,357	34,298
Food Services Operations	-	8,000	6,751	1,249
Total Expenditures	943,273	951,653	714,228	237,425
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	237,425	237,425
Net Change in Fund Balance	-	-	237,425	237,425
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	\$ -	-	237,425	237,425
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 237,425	
Adjustments to Revenues			15,619	
Adjustments to Expenditures			(15,619)	
NET CHANGE IN FUND BALANCE			\$ 237,425	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Technology Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 4,978	5,716	5,716	-
Total Revenues	<u>4,978</u>	<u>5,716</u>	<u>5,716</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	4,978	5,716	160	5,556
Total Expenditures	<u>4,978</u>	<u>5,716</u>	<u>160</u>	<u>5,556</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,556	5,556
Net Changes in Fund Balances	-	-	5,556	5,556
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,556</u>	<u>5,556</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,556	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 5,556</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Technology Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 74,088	74,088	19,345	(54,743)
Total Revenues	<u>74,088</u>	<u>74,088</u>	<u>19,345</u>	<u>(54,743)</u>
EXPENDITURES				
Current:				
Food Services Operations	74,088	74,088	22,939	51,149
Total Expenditures	<u>74,088</u>	<u>74,088</u>	<u>22,939</u>	<u>51,149</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,594)	(3,594)
Net Changes in Fund Balances	-	-	(3,594)	(3,594)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,594)</u>	<u>(3,594)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,594)	
Adjustments to Revenues			3,594	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Technology Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 18,025	27,253	24,241	(3,012)
Total Revenues	18,025	27,253	24,241	(3,012)
EXPENDITURES				
Current:				
Instruction	18,025	27,253	27,253	-
Total Expenditures	18,025	27,253	27,253	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,012)	(3,012)
Net Changes in Fund Balances	-	-	(3,012)	(3,012)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(3,012)	(3,012)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,012)	
Adjustments to Revenues			3,012	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Technology Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title II 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	5,009	300	(4,709)
Total Revenues	<u>-</u>	<u>5,009</u>	<u>300</u>	<u>(4,709)</u>
EXPENDITURES				
Current:				
Instruction	-	3,509	-	3,509
Support Services:				
Students	-	1,500	300	1,200
Total expenditures	<u>-</u>	<u>5,009</u>	<u>300</u>	<u>4,709</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Technology Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title XIX Medicaid 25152
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	1,380	1,699	319
Total Revenues	-	1,380	1,699	319
EXPENDITURES				
Current:				
Support Services:				
Students	-	1,380	-	1,380
Total Expenditures	-	1,380	-	1,380
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	1,699	1,699
Net Changes in Fund Balances	-	-	1,699	1,699
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	1,699	1,699
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 1,699	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 1,699	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Technology Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Daniels Fund 26141
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Current:				
Instruction	-	36,675	36,675	-
Support Services:				
Students	-	23,717	23,717	-
Instruction	-	6,293	6,293	-
General Administration	-	5,914	5,914	-
School Administration	-	17,697	17,697	-
Central Services	-	41,089	41,089	-
Operation & Maintenance of Plant	-	179,421	179,421	-
Other Support Services Operations	-	15	15	-
Total Expenditures	-	310,821	310,821	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(310,821)	(310,821)	-
Net Changes in Fund Balances	-	(310,821)	(310,821)	-
Cash or Fund Balances - Beginning of Year	-	-	310,821	310,821
Cash or Fund Balances - End of Year	\$ -	(310,821)	-	310,821
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (310,821)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (310,821)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Technology Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 McCune Charitable Foundation 29114
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Current:				
Central Services	-	13,944	9,797	4,147
Operation & Maintenance of Plant	-	16,111	16,111	-
Total Expenditures	-	30,055	25,908	4,147
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(30,055)	(25,908)	4,147
Net Changes in Fund Balances	-	(30,055)	(25,908)	4,147
Cash or Fund Balances - Beginning of Year	-	-	31,325	31,325
Cash or Fund Balances - End of Year	\$ -	(30,055)	5,417	35,472
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (25,908)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (25,908)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Technology Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	57,363	57,363	-
Total Revenues	-	57,363	57,363	-
EXPENDITURES				
Capital Outlay	-	57,363	57,363	-
Total Expenditures	-	57,363	57,363	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Technology Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay - State 31400
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	122,500	-	(122,500)
Total Revenues	-	122,500	-	(122,500)
EXPENDITURES				
Capital Outlay	-	122,500	74,050	48,450
Total Expenditures	-	122,500	74,050	48,450
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(74,050)	(74,050)
Net Changes in Fund Balances	-	-	(74,050)	(74,050)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(74,050)	(74,050)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (74,050)	
Adjustments to Revenues			74,050	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Technology Leadership High School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	182,300
Less: FDIC coverage:		<u>(182,300)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Technology Leadership High School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>New Mexico Bank & Trust</u>
Checking - Operational Account	<u>\$ 182,300</u>
<i>Total on Deposit</i>	182,300
Reconciling Items	<u>(12,807)</u>
Reconciled Balance June 30, 2016	<u>169,493</u>
Less Agency Funds	<u>-</u>
<i>Total Cash</i>	<u><u>\$ 169,493</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Technology Leadership High School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Federal Projects Account 24000
Cash, June 30, 2015	\$ -	-	-	-
Add:				
2015-16 revenues	951,653	5,716	19,345	24,541
Total Cash Available	951,653	5,716	19,345	24,541
Less:				
2015-16 expenditures	(714,228)	(160)	(22,939)	(27,553)
Receivables/Payables	5,469	-	-	-
Outstanding Loans	(80,656)	-	3,594	3,012
Cash June 30, 2016	162,238	5,556	-	-
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	162,238	5,556	-	-
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	75,187	-	-	-
Fund Balance, Modified Accrual Basis	<u>\$ 237,425</u>	<u>5,556</u>	<u>-</u>	<u>-</u>

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

Federal Direct Account 25000	Local Grants 26000	Local or State 29000	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	Total
-	310,821	30,055	-	-	340,876
1,699	-	-	57,363	-	1,060,317
1,699	310,821	30,055	57,363	-	1,401,193
-	(310,821)	(25,908)	(57,363)	(74,050)	(1,233,022)
-	-	(4,147)	-	-	1,322
-	-	-	-	74,050	-
1,699	-	-	-	-	169,493
-	-	-	-	-	-
1,699	-	-	-	-	169,493
-	-	5,417	-	-	80,604
1,699	-	5,417	-	-	250,097

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2016

VOLUME XI



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Learning Community Charter School
 Statement of Net Position
 June 30, 2016

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 24,204
Total Assets	<u>24,204</u>

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	10,710
Total Current Liabilities	<u>10,710</u>

Deferred Inflows-Pensions related	<u>132,000</u>
--	----------------

NET POSITION

Unrestricted (Deficit)	<u>(118,506)</u>
Total Net Position	<u>\$ (118,506)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Learning Community Charter School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ -	-	-	-	-
Support Services:					
General Administration	16,757	501	-	-	(16,256)
Central Services	16,485	-	-	-	(16,485)
Other Support Services	30,858	-	-	-	(30,858)
Total Governmental Activities	\$ 64,100	501	-	-	(63,599)
Transfers:					
					Reallocation of pension activities for inactive employers
					2,181,325
					Total Transfers
					2,181,325
					Change in Net Position
					2,117,726
					Net Position (Deficit), Beginning
					(2,236,232)
					Net position (Deficit), Ending
					\$ (118,506)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Learning Community Charter School
 Balance Sheets - Governmental Funds
 June 30, 2016

	Operational 11000	Foundation	Total
ASSETS			
Cash and Cash Equivalents	\$ 24,204	-	24,204
Accounts Receivable			-
Due from Other Funds	375	-	375
Total Assets	\$ 24,579	-	24,579
LIABILITIES AND FUND BALANCES			
<i>Liabilities:</i>			
Accounts Payable	\$ -	10,710	10,710
Due to Other Funds	-	375	375
Total Liabilities	-	11,085	11,085
<i>Fund Balances</i>			
Fund Balance:			
Assigned to:			
Subsequent Years Expenditures and Other Programs	24,579	-	24,579
Unassigned	-	(11,085)	(11,085)
Total Fund Balance	24,579	(11,085)	13,494
<i>Total Liabilities and Fund Balances (Deficit)</i>	\$ 24,579	-	24,579

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Learning Community Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016**

Fund Balances - Total Governmental Funds **\$ 13,494**

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

Defined benefit pension plan deferred inflows are not due and
payable in the current period and, therefore, are not reported
in the funds.

(132,000)

Net Position (Deficit)-Total Governmental Activities

\$ (118,506)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Learning Community Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balance
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Foundation	Total
REVENUES			
Miscellaneous Income	\$ 501	-	501
Total Revenues	<u>501</u>	<u>-</u>	<u>501</u>
EXPENDITURES			
Current:			
Support Services:			
General Administration	16,757	-	16,757
Central Services	16,485	-	16,485
Other Support Services Operations	-	30,858	30,858
Total Expenditures	<u>33,242</u>	<u>30,858</u>	<u>64,100</u>
Net Changes in Fund Balances	<u>(32,741)</u>	<u>(30,858)</u>	<u>(63,599)</u>
Fund Balances - Beginning of Year	<u>57,320</u>	<u>19,773</u>	<u>77,093</u>
Fund Balances (Deficit) - End of Year	<u>\$ 24,579</u>	<u>(11,085)</u>	<u>13,494</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Learning Community Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds	\$ (63,599)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Changes in proportion due to inactive employers	<u>2,181,325</u>
Change in Net Position-Total Governmental Activities	<u><u>\$ 2,117,726</u></u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to The Learning Community Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and The Learning Community Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. Since The Learning Community Charter School was closed in 2014 there were no contributions to the plan.

For fiscal year ended June 30, 2016 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from The Learning Community Charter School was \$0 for the year ended June 30, 2016 due to the closure of the School in 2014.

Pension Liabilities, Pension Expense, and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, The Learning Community Charter School reported a liability of \$0 for its proportionate share of the net pension liability due to the Schools closure in 2014. The Learning Community Charter School proportion of the net pension liability is based on the

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Learning Community Charter School
 Notes to the Financial Statements
 June 30, 2016

NOTE 2. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD – (CONTINUED)

employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, The Learning Community Charter School’s proportion was 0%, which was a decrease of 0.03346% from its proportion measured as of June 30, 2014.

The Learning Community Charter School ceased operations at the end of the 2014 fiscal year. The balance of their proportionate share of the net pension liability and deferred inflows of resources were reallocated to active 2015 employers based on their 2015 employer allocation percentage and included in change in proportion calculations. The following schedule presents the Learning Community Charter School’s amounts that have been reallocated.

Beginning Net Pension Liability			
Employer Allocation %	Actuarial Experience	Investment Experience	Total
<u>\$ (1,909,134)</u>	<u>(28,439)</u>	<u>(173,544)</u>	<u>(2,111,117)</u>

NOTE 3. BUDGET

Due to the closure of The Learning Community Charter School in May 2014, The Learning Community Charter School does not present any Schedule of Budgetary Comparisons as of June 30, 2016.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Learning Community Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N/A	N/A	N/A	N/A	\$ -
				\$ -

Total Cash per Schedule of Cash Accounts:	\$	27,730
Less: FDIC coverage:		<u>(27,730)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Learning Community Charter School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo and Bank of America</u>
Checking - Operational Account	<u>\$ 27,730</u>
<i>Total on Deposit</i>	27,730
Reconciling Items	<u>(3,526)</u>
Reconciled Balance June 30, 2016	<u><u>\$ 24,204</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Learning Community Charter School
Cash Reconciliation
June 30, 2016

	Operational	Total
	11000	
	<u> </u>	<u> </u>
Cash, June 30, 2015	\$ 57,320	57,320
Add:		
2015-16 revenues	<u>501</u>	<u>501</u>
Total Cash Available	57,821	57,821
Less:		
2015-16 expenditures	(33,242)	(33,242)
Receivables/Payables	<u>(375)</u>	<u>(375)</u>
Cash June 30, 2016	<u>24,204</u>	<u>24,204</u>
Fund Balance Reconciliations to GAAP Basis:		
Audit reclassifications to cash	-	-
Cash Per Books	<u>24,204</u>	<u>24,204</u>
Fund Balance Reconciliation to GAAP Basis:		
Modified Accrual Adjustments	<u>375</u>	<u>375</u>
Fund Balance, Modified Accrual Basis	<u>\$ 24,579</u>	<u>\$ 24,579</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 160,286
Receivables	
Due from Other Governments	194,853
Deposits	<u>11,428</u>
Total Current Assets	<u><u>366,567</u></u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	61,558
Less: Accumulated Depreciation	<u>(45,499)</u>
Total Noncurrent Assets	<u>16,059</u>

Total Assets	<u><u>382,626</u></u>
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Deferred Outflows - Pension Related	<u>725,718</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	16,651
Accrued Liabilities	<u>146,808</u>
Total Current Liabilities	<u>163,459</u>

Noncurrent Liabilities:

Net Pension Liability	<u>3,081,883</u>
Total Noncurrent Liabilities	<u>3,081,883</u>

Total Liabilities	<u><u>3,245,342</u></u>
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Deferred Inflows - Pension Related	<u>71,008</u>
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NET POSITION

Investment in Capital Assets	16,059
Restricted	40,030
Unrestricted (deficit)	<u>(2,264,095)</u>
Total Net Position	<u><u>\$ (2,208,006)</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position	
	Expenses	Charges for Service	Operating Grants and Contributions		Capital Grants and Contributions
Governmental activities:					
Instruction	\$ 1,715,680	-	196,459	-	(1,519,221)
Support Services:					
Students	292,460	-	-	-	(292,460)
Instruction	23,175	-	-	-	(23,175)
General Administration	21,704	-	-	-	(21,704)
School Administration	360,657	-	-	-	(360,657)
Central Services	214,145	-	-	-	(214,145)
Operation & Maintenance of Plant	165,625	-	-	-	(165,625)
Food Services	93,230	24,437	68,417	-	(376)
Facilities Materials, Supplies & Other Services	311,839	-	-	311,839	-
Total Governmental Activities	\$ 3,198,515	24,437	264,876	311,839	(2,597,363)
General Revenues:					
					\$ 2,589,240
					2,589,240
Change in Net Position					(8,123)
					(2,199,883)
					\$ (2,208,006)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 131,670	23,321	153	-
Accounts Receivable				
Due from Government	-	-	-	14,761
Due from Other Funds	190,741	-	-	-
Deposits	11,428	-	-	-
Total Assets	\$ 333,839	23,321	153	14,761
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 16,651	-	-	-
Accrued Expenditures	142,239	-	-	4,532
Due to Other Funds	-	-	-	10,229
Total Liabilities	158,890	-	-	14,761
Fund Balances (Deficit)				
Fund Balance:				
Nonspendable:				
Deposits	11,428	-	-	-
Restricted for:				
Instruction	-	23,321	-	-
Support Services	-	-	-	-
Food Services	-	-	153	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	163,521	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balance (Deficit)	174,949	23,321	153	-
Total Liabilities and Fund Balances (Deficit)	\$ 333,839	23,321	153	14,761

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25152	Elementary & Middle School Initiative 26177	Dual Credit Instructional Materials 27103
-	-	-	5,004	-	-
33,635	49	-	-	-	152
-	-	-	-	-	-
-	-	-	-	-	-
<u>33,635</u>	<u>49</u>	<u>-</u>	<u>5,004</u>	<u>-</u>	<u>152</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>33,635</u>	<u>49</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>152</u>
<u>33,635</u>	<u>49</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>152</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	5,004	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	5,004	-	-
<u>33,635</u>	<u>49</u>	<u>-</u>	<u>5,004</u>	<u>-</u>	<u>152</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Balance Sheets - Governmental Funds (Continued)
June 30, 2016

	After School Enrichment Program 27168	GOB Instructional Materials 27171	STEM Teacher Initiative Grant 27181	Teachers Hard to Staff 27195
ASSETS				
Cash and Cash Equivalents	\$ -	-	14	-
Accounts Receivable				
Due from Government	-	-	-	4,365
Due from Other Funds	-	-	-	-
Deposits	-	-	-	-
Total Assets	\$ -	-	14	4,365
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	14	23
Due to Other Funds	-	443	-	4,342
Total Liabilities	-	443	14	4,365
Fund Balances (Deficit)				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Support Services	-	-	-	-
Food Services	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Unassigned (Deficit)	-	(443)	-	-
Total Fund Balance (Deficit)	-	(443)	-	-
Total Liabilities and Fund Balances (Deficit)	\$ -	-	14	4,365

The accompanying notes are an integral part of these financial statements

Private Direct Grants 29102	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Total
124	-	-	160,286
-	42,979	98,912	194,853
-	-	-	190,741
-	-	-	11,428
<u>124</u>	<u>42,979</u>	<u>98,912</u>	<u>557,308</u>
-	-	-	16,651
-	-	-	146,808
-	42,979	98,912	190,741
<u>-</u>	<u>42,979</u>	<u>98,912</u>	<u>354,200</u>
-	-	-	11,428
124	-	-	23,445
-	-	-	5,004
-	-	-	153
-	-	-	-
-	-	-	163,521
-	-	-	(443)
<u>124</u>	<u>-</u>	<u>-</u>	<u>203,108</u>
<u>124</u>	<u>42,979</u>	<u>98,912</u>	<u>557,308</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balances - Total Governmental Funds **\$ 203,108**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital Assets	61,558	
Accumulated Depreciation	<u>(45,499)</u>	
		16,059

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds. 725,718

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds. (71,008)

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds. (3,081,883)

Net Position-Total Governmental Activities **\$ (2,208,006)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Local & County Grant	\$ 9,411	-	-	-
State Grant	2,589,240	19,301	-	-
Federal Grant	-	-	68,417	77,912
Charges for Services	-	-	24,437	-
Total Revenues	<u>2,598,651</u>	<u>19,301</u>	<u>92,854</u>	<u>77,912</u>
EXPENDITURES				
Current:				
Instruction	1,472,480	6,335	-	77,912
Support Services:				
Students	218,910	-	-	-
Instruction	23,175	-	-	-
General Administration	21,704	-	-	-
School Administration	327,588	-	-	-
Central Services	207,164	-	-	-
Operation & Maintenance of Plant	160,817	-	-	-
Food Services Operations	-	-	93,230	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,431,838</u>	<u>6,335</u>	<u>93,230</u>	<u>77,912</u>
Net Changes in Fund Balances	<u>166,813</u>	<u>12,966</u>	<u>(376)</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>8,136</u>	<u>10,355</u>	<u>529</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 174,949</u>	<u>23,321</u>	<u>153</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25152	Elementary & Middle School Initiative 26177	Dual Credit Instructional Materials 27103
-	-	-	-	-	-
-	-	-	-	-	346
47,329	49	4,002	1,000	-	-
-	-	-	-	-	-
<u>47,329</u>	<u>49</u>	<u>4,002</u>	<u>1,000</u>	<u>-</u>	<u>346</u>
8,000	-	4,002	-	-	346
39,329	49	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>47,329</u>	<u>49</u>	<u>4,002</u>	<u>-</u>	<u>-</u>	<u>346</u>
-	-	-	1,000	-	-
-	-	-	4,004	-	-
-	-	-	5,004	-	-

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro

Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
 Governmental Funds
 For The Year Ended June 30, 2016

	After School Enrichment Program 27168	GOB Instructional Materials 27171	STEM Teacher Initiative Grant 27181	Teachers Hard to Staff 27195
REVENUES				
Local & County Grant	\$ -	-	-	-
State Grant	-	-	-	37,109
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,109</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	37,109
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,109</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>-</u>	<u>(443)</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>(443)</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Private Direct Grants 29102	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Total
-	-	-	9,411
-	171,914	139,925	2,957,835
-	-	-	198,709
-	-	-	24,437
-	171,914	139,925	3,190,392
-	-	-	1,606,184
-	-	-	258,288
-	-	-	23,175
-	-	-	21,704
-	-	-	327,588
-	-	-	207,164
-	-	-	160,817
-	-	-	93,230
-	171,914	139,925	311,839
-	171,914	139,925	3,009,989
-	-	-	180,403
124	-	-	22,705
124	-	-	203,108

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds	\$ 180,403
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period</p>	
Depreciation Expense	(4,808)
Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability	<u>(183,718)</u>
Change in Net Position-Total Governmental Activities	<u><u>\$ (8,123)</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 77,372
Total Assets	<u>\$ 77,372</u>
LIABILITIES	
Deposits Held for Others	\$ 77,372
Total Liabilities	<u>\$ 77,372</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 51,426	45,985	(20,039)	77,372
Total Assets	<u>\$ 51,426</u>	<u>45,985</u>	<u>(20,039)</u>	<u>77,372</u>
LIABILITIES				
Deposits Held for Others	\$ 51,426	45,985	(20,039)	77,372
Total Liabilities	<u>\$ 51,426</u>	<u>45,985</u>	<u>(20,039)</u>	<u>77,372</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Tierra Adentro's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Tierra Adentro does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. Tierra Adentro utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Furniture, Fixtures and Equipment	5-10 years
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Capital assets for Tierra Adentro are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 61,558	-	-	61,558
<i>Total</i>	<u>61,558</u>	<u>-</u>	<u>-</u>	<u>61,558</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(40,691)	(4,808)	-	(45,499)
<i>Total</i>	<u>(40,691)</u>	<u>(4,808)</u>	<u>-</u>	<u>(45,499)</u>
Capital Assets, Net	<u>\$ 20,867</u>	<u>(4,808)</u>	<u>-</u>	<u>16,059</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following function:

Operation & Maintenance of Plant	\$ 4,808
Total	<u>\$ 4,808</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Tierra Adentro leases equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2016 was \$186,116. Tierra Adentro's minimum future payments on these leases are as follows:

Year Ending June 30:	
2017	\$ 194,360

NOTE 4. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2016:

Instructional Materials - 27171	\$ 443
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Tierra Adentro is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate it.

NOTE 5. RELATED PARTY TRANSACTIONS

The National Institute of Flamenco (NIF) subleases the property to Tierra Adentro. In addition to lease payments, Tierra Adentro pays NIF for marketing and other services. Total payments to NIF during fiscal year 2016 totaled \$261,116.

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Tierra Adentro and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Tierra Adentro are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016, employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from Tierra Adentro were \$201,712 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. The employer's portion was established as of the measurement date of June 30, 2015. At June 30, 2016, Tierra Adentro reported a liability of \$3,081,883 for its proportionate share of the net pension liability. Tierra Adentro's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Tierra Adentro's proportion was 0.04758%, which was an increase of 0.00737% from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Notes to the Financial Statements
June 30, 2016

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Tierra Adentro recognized pension expense of \$391,232. At June 30, 2016, Tierra Adentro reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (57,135)
Changes in assumptions	106,002	-
Net difference between projected and actual earnings on pension plan investments	-	(13,873)
Changes in proportion	418,004	-
Fiscal year 2016 employer contributions	<u>201,712</u>	<u>-</u>
Total	<u>\$ 725,718</u>	<u>(71,008)</u>

The amount of \$201,712 reported as deferred outflows of resources related to pensions resulting from Tierra Adentro contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (149,764)
2018	(146,810)
2019	(113,622)
2020	<u>(42,802)</u>
Total	\$ <u>(452,998)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Notes to the Financial Statements
 June 30, 2016

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Tierra Adentro’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
The School’s proportionate share of the net pension liability	<u>\$ 4,146,880</u>	<u>3,081,883</u>	<u>2,187,175</u>

Payables to the pension plan. At June 30, 2016, Tierra Adentro owed \$50,179 to ERB for fiscal year 2016 contributions.

NOTE 7. BUDGETARY OVERAGES

Tierra Adentro has expended in excess of the budget in the following fund and function:

Fund 27168 After School Enrichment Program		
Instructional	\$	13,661

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
TIERRA ADENTRO OF NEW MEXICO
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,294	3,082	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,108	1,299	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.04%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
TIERRA ADENTRO OF NEW MEXICO
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 215	202	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	188	202	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 27	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Deferred	Amortization Years										
2014	\$ 131	5		25	25	29	52	-				
2015	\$ (453)	5			(150)	(147)	(113)	(43)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ (322)			\$ 25	\$ (125)	(118)	(61)	(43)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	3,262	9,411	6,149
State Grant	2,420,303	2,589,340	2,589,240	(100)
Total Revenues	2,420,303	2,592,602	2,598,651	6,049
EXPENDITURES				
Current:				
Instruction	1,459,416	1,529,610	1,489,294	40,316
Support Services:				
Students	303,363	315,042	236,083	78,959
Instruction	7,000	27,856	24,351	3,505
General Administration	22,340	28,631	24,100	4,531
School Administration	365,595	362,817	347,322	15,495
Central Services	125,000	223,656	210,411	13,245
Operation & Maintenance of Plant	137,589	189,499	168,972	20,527
Total Expenditures	2,420,303	2,677,111	2,500,533	176,578
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(84,509)	98,118	182,627
Other Financing Sources (Uses):				
Designated Cash	-	84,509	-	(84,509)
Total Other Financing Sources (Uses):	-	84,509	-	(84,509)
Net Changes in Fund Balances	-	-	98,118	98,118
Cash or Fund Balances - Beginning of Year	-	-	8,136	8,136
Cash or Fund Balances - End of Year	\$ -	-	106,254	106,254
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 98,118	
Adjustments to Revenues			-	
Adjustments to Expenditures			68,695	
NET CHANGE IN FUND BALANCE			\$ 166,813	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 13,165	19,301	19,301	-
Total Revenues	<u>13,165</u>	<u>19,301</u>	<u>19,301</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	13,165	29,656	6,335	23,321
Total Expenditures	<u>13,165</u>	<u>29,656</u>	<u>6,335</u>	<u>23,321</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(10,355)</u>	<u>12,966</u>	<u>23,321</u>
Other Financing Sources (Uses):				
Designated Cash	-	10,355	-	(10,355)
Total Other Financing Sources (Uses):	<u>-</u>	<u>10,355</u>	<u>-</u>	<u>(10,355)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>12,966</u>	<u>12,966</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>10,355</u>	<u>10,355</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>23,321</u>	<u>23,321</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 12,966	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 12,966</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 85,000	85,000	68,417	(16,583)
Charges for Services	-	20,633	24,437	3,804
Total Revenues	<u>85,000</u>	<u>105,633</u>	<u>92,854</u>	<u>(12,779)</u>
EXPENDITURES				
Current:				
Food Services Operations	85,000	106,162	93,230	12,932
Total Expenditures	<u>85,000</u>	<u>106,162</u>	<u>93,230</u>	<u>12,932</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(529)</u>	<u>(376)</u>	<u>153</u>
Other Financing Sources (Uses):				
Designated Cash	-	529	-	(529)
Total Other Financing Sources (Uses):	<u>-</u>	<u>529</u>	<u>-</u>	<u>(529)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(376)</u>	<u>(376)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>529</u>	<u>529</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>153</u>	<u>153</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (376)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (376)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 65,895	81,532	96,872	15,340
Total Revenues	<u>65,895</u>	<u>81,532</u>	<u>96,872</u>	<u>15,340</u>
EXPENDITURES				
Current:				
Instruction	65,895	81,532	77,912	3,620
Total Expenditures	<u>65,895</u>	<u>81,532</u>	<u>77,912</u>	<u>3,620</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	18,960	18,960
Net Changes in Fund Balances	-	-	18,960	18,960
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>18,960</u>	<u>18,960</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 18,960	
Adjustments to Revenues			(18,960)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 40,229	47,330	23,746	(23,584)
Total Revenues	<u>40,229</u>	<u>47,330</u>	<u>23,746</u>	<u>(23,584)</u>
EXPENDITURES				
Current:				
Instruction	8,000	8,000	8,000	-
Support Services:				
Students	32,229	39,330	39,329	1
Total Expenditures	<u>40,229</u>	<u>47,330</u>	<u>47,329</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(23,583)	(23,583)
Net Changes in Fund Balances	-	-	(23,583)	(23,583)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(23,583)</u>	<u>(23,583)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (23,583)	
Adjustments to Revenues			23,583	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	49	53	4
Total Revenues	<u>-</u>	<u>49</u>	<u>53</u>	<u>4</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	49	49	-
Total Expenditures	<u>-</u>	<u>49</u>	<u>49</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4</u>	<u>4</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4	
Adjustments to Revenues			(4)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 10,682	13,963	10,766	(3,197)
Total Revenues	<u>10,682</u>	<u>13,963</u>	<u>10,766</u>	<u>(3,197)</u>
EXPENDITURES				
Current:				
Instruction	10,682	13,963	4,002	9,961
Total expenditures	<u>10,682</u>	<u>13,963</u>	<u>4,002</u>	<u>9,961</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	6,764	6,764
Net changes in Fund Balances	-	-	6,764	6,764
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>6,764</u>	<u>6,764</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 6,764	
Adjustments to Revenues			(6,764)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25152
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	-	1,000	1,000
Total Revenues	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	4,191	187	4,004
Total Expenditures	<u>-</u>	<u>4,191</u>	<u>187</u>	<u>4,004</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(4,191)</u>	<u>813</u>	<u>5,004</u>
Other Financing Sources (Uses):				
Designated Cash	-	4,191	-	(4,191)
Total Other Financing Sources (Uses):	<u>-</u>	<u>4,191</u>	<u>-</u>	<u>(4,191)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>813</u>	<u>813</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>4,004</u>	<u>4,004</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,817</u>	<u>4,817</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 813	
Adjustments to Revenues			-	
Adjustments to Expenditures			187	
NET CHANGE IN FUND BALANCE			<u>\$ 1,000</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Elementary and Middle School Initiative 26177
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	3,839	-	(3,839)
Total Revenues	<u>-</u>	<u>3,839</u>	<u>-</u>	<u>(3,839)</u>
EXPENDITURES				
Current:				
Instruction	-	3,839	3,839	-
Total Expenditures	<u>-</u>	<u>3,839</u>	<u>3,839</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,839)</u>	<u>(3,839)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,839)</u>	<u>(3,839)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,839)</u>	<u>(3,839)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,839)	
Adjustments to revenues			-	
Adjustments to expenditures			<u>3,839</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	551	458	(93)
Total Revenues	<u>-</u>	<u>551</u>	<u>458</u>	<u>(93)</u>
EXPENDITURES				
Current:				
Instruction	-	551	551	-
Total Expenditures	<u>-</u>	<u>551</u>	<u>551</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(93)	(93)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(93)</u>	<u>(93)</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(93)</u>	<u>(93)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (93)	
Adjustments to Revenues			(112)	
Adjustments to Expenditures			205	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
After School Enrichment Program 27168
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	47,189	47,189
Total Revenues	<u>-</u>	<u>-</u>	<u>47,189</u>	<u>47,189</u>
EXPENDITURES				
Current:				
Instruction	-	-	13,661	(13,661)
Total Expenditures	<u>-</u>	<u>-</u>	<u>13,661</u>	<u>(13,661)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	33,528	33,528
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>33,528</u>	<u>33,528</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>33,528</u>	<u>33,528</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 33,528	
Adjustments to Revenues			(47,189)	
Adjustments to Expenditures			13,661	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Schedule of Budgetary Comparisons - Budgetary Basis
 GOB Instructional Materials 27171
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Schedule of Budgetary Comparisons - Budgetary Basis
 STEM Teacher Initiative Grant 27181
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	6,656	6,656
Total Revenues	<u>-</u>	<u>-</u>	<u>6,656</u>	<u>6,656</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			<u>6,656</u>	<u>6,656</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>6,656</u>	<u>6,656</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>6,656</u>	<u>6,656</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,656	
Adjustments to Revenues			(6,656)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teachers Hard to Staff 27195
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	42,525	32,745	(9,780)
Total Revenues	<u>-</u>	<u>42,525</u>	<u>32,745</u>	<u>(9,780)</u>
EXPENDITURES				
Current:				
Instruction	-	42,525	37,109	5,416
Total Expenditures	<u>-</u>	<u>42,525</u>	<u>37,109</u>	<u>5,416</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,364)</u>	<u>(4,364)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,364)</u>	<u>(4,364)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,364)</u>	<u>(4,364)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,364)	
Adjustments to Revenues			4,364	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	124	-	(124)
Total Revenues	<u>-</u>	<u>124</u>	<u>-</u>	<u>(124)</u>
EXPENDITURES				
Current:				
Instruction	-	124	-	124
Total Expenditures	<u>-</u>	<u>124</u>	<u>-</u>	<u>124</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>124</u>	<u>124</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>124</u>	<u>124</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	171,914	164,006	(7,908)
Total Revenues	<u>-</u>	<u>171,914</u>	<u>164,006</u>	<u>(7,908)</u>
EXPENDITURES				
Capital Outlay	-	171,914	171,914	-
Total Expenditures	<u>-</u>	<u>171,914</u>	<u>171,914</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(7,908)	(7,908)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(7,908)</u>	<u>(7,908)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,908)</u>	<u>(7,908)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,908)	
Adjustments to Revenues			7,908	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay State 31400
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	139,926	106,013	(33,913)
Total Revenues	<u>-</u>	<u>139,926</u>	<u>106,013</u>	<u>(33,913)</u>
EXPENDITURES				
Capital Outlay	-	139,926	139,925	1
Total Expenditures	<u>-</u>	<u>139,926</u>	<u>139,925</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(33,912)	(33,912)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(33,912)</u>	<u>(33,912)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(33,912)</u>	<u>(33,912)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (33,912)	
Adjustments to Revenues			33,912	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Wells Fargo	FNMA FNMS	31374CNU6	03/01/41	\$ 26,785
Wells Fargo	FNMA FNMS	31416WFW7	05/01/40	2,253
				<u>\$ 29,038</u>
Total Cash in Bank per Schedule of Cash Accounts:				\$ 263,676
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				13,676
Collateral Requirement:				6,838
Pledged Collateral Held by Pledging Financial Institution:				<u>29,038</u>
Balance Over Collateralized:				<u>\$ 22,200</u>
Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Schedule of Cash Accounts
 June 30, 2016

Bank Account Type	Wells Fargo
Checking - Operational Account	\$ 186,304
Checking - Activity Account	<u>77,372</u>
Total on Deposit	263,676
Reconciling Items	<u>(26,018)</u>
Reconciled Balance June 30, 2016	<u>237,658</u>
Less Agency Funds	<u>(77,372)</u>
Total Cash	<u><u>\$ 160,286</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 36,486	10,355	529	51,426
Add:				
2015-16 revenues	<u>2,598,651</u>	<u>19,301</u>	<u>92,854</u>	<u>45,985</u>
Total Cash Available	2,635,137	29,656	93,383	97,411
Less:				
2015-16 expenditures	(2,500,533)	(6,335)	(93,230)	(20,039)
Receivables/Payables	4,789	-	-	-
Outstanding Loans	<u>(7,723)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>131,670</u>	<u>23,321</u>	<u>153</u>	<u>77,372</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>131,670</u>	<u>23,321</u>	<u>153</u>	<u>77,372</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>43,279</u>	<u>-</u>	<u>-</u>	<u>(77,372)</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 174,949</u>	<u>23,321</u>	<u>153</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	Federal Direct Account 25000	Local Grant Account 26000	State Account 27000	Local or State Fund 29000	Public School Capital Outlay 31200
-	4,191	3,988	-	124	-
<u>131,437</u>	<u>1,000</u>	<u>-</u>	<u>87,048</u>	<u>-</u>	<u>164,006</u>
131,437	5,191	3,988	87,048	124	164,006
(129,292)	(187)	(3,839)	(51,321)	-	(171,914)
(2,759)	-	(149)	(1,002)	-	-
<u>614</u>	<u>-</u>	<u>-</u>	<u>(34,711)</u>	<u>-</u>	<u>7,908</u>
<u>-</u>	<u>5,004</u>	<u>-</u>	<u>14</u>	<u>124</u>	<u>-</u>
-	-	-	-	-	-
<u>-</u>	<u>5,004</u>	<u>-</u>	<u>14</u>	<u>124</u>	<u>-</u>
-	-	-	(457)	-	-
<u>-</u>	<u>5,004</u>	<u>-</u>	<u>(443)</u>	<u>124</u>	<u>-</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Cash Reconciliation - (Continued)
 June 30, 2016

	Special Capital Outlay - State	
	<u>31400</u>	<u>Total</u>
Cash, June 30, 2015	\$ -	107,099
Add:		
2015-16 revenues	<u>106,013</u>	<u>3,246,295</u>
Total Cash Available	106,013	3,353,394
Less:		
2015-16 expenditures	(139,925)	(3,116,615)
Receivables/Payables	-	879
Outstanding Loans	<u>33,912</u>	<u>-</u>
Cash June 30, 2016	<u>-</u>	<u>237,658</u>
Fund Balance Reconciliations to GAAP Basis:		
Audit reclassifications to cash	<u>-</u>	<u>-</u>
Cash Per Books	<u>-</u>	<u>237,658</u>
Less: Activity Funds:		<u>(77,372)</u>
		<u>\$ 160,286</u>
Fund Balance Reconciliation to GAAP Basis:		
Modified Accrual Adjustments	<u>-</u>	<u>(34,550)</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ -</u>	<u>203,108</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Encantada Charter School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 689,972
Receivables	
Due from Other Governments	340,270
Total Current Assets	<u>1,030,242</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	18,969
Furniture, Fixtures, and Equipment	238,572
Less: Accumulated Depreciation	(160,780)
Total Noncurrent Assets	<u>96,761</u>
Total Assets	<u>1,127,003</u>

Deferred Outflows - Pension Related	<u>438,778</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	8,426
Accrued Liabilities	35,960
Unearned Revenue	83,679
Total Current Liabilities	<u>128,065</u>

Noncurrent Liabilities:

Net Pension Liability	<u>3,348,099</u>
Total Noncurrent Liabilities	<u>3,348,099</u>
Total Liabilities	<u>3,476,164</u>

Deferred Inflows - Pension Related	<u>101,794</u>
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NET POSITION

Investment in Capital Assets	96,761
Restricted	563,757
Unrestricted (Deficit)	(2,672,695)
Total Net Position	<u>\$ (2,012,177)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Encantada Charter School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,410,672	-	94,897	-	(1,315,775)
Support Services:					
Students	416,802	-	-	-	(416,802)
Instruction	3,285	-	-	-	(3,285)
General Administration	213,506	-	-	-	(213,506)
School Administration	140,005	-	-	-	(140,005)
Central Services	243,833	-	-	-	(243,833)
Operation & Maintenance of Plant	278,146	-	-	-	(278,146)
Student Transportation	51,504	-	50,295	-	(1,209)
Food Services	117,278	47,677	-	-	(69,601)
Facilities Materials, Supplies & Other Services	274,532	-	-	376,979	102,447
Total Governmental Activities	\$ 3,149,563	47,677	145,192	376,979	(2,579,715)
General Revenues:					
Property Taxes					\$ 294,348
State Equalization Guarantee					2,590,138
Total General Revenues					<u>2,884,486</u>
Change in Net Position					<u>304,771</u>
Net Position (Deficit), Beginning of Year					<u>(2,316,948)</u>
Net Position (Deficit), Ending					<u>\$ (2,012,177)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Encantada Charter School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 41,579	697	29,986	49,181
Accounts Receivable				
Due from Government	219,525	-	-	-
Due from Other Funds	120,735	-	-	-
Total Assets	\$ 381,839	697	29,986	49,181
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 7,469	697	260	-
Accrued Expenditures	35,950	-	-	-
Due to Other Funds	-	-	-	-
Unearned revenue	-	-	-	12,550
Total Liabilities	43,419	697	260	12,550
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Restricted for:				
Instruction	-	-	29,726	-
Food Service Operations	-	-	-	36,631
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	338,420	-	-	-
Total Fund Balance (Deficit)	338,420	-	29,726	36,631
Total Liabilities and Fund Balances (Deficit)	\$ 381,839	697	29,986	49,181

IDEA-B Entitlement 24106	Dual Credit Instructional Materials/HB2 27103	2012 Student Library SB-66 27107	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700
-	-	-	-	144,576	423,953
26,895	-	6,572	87,278	-	-
-	-	-	-	-	-
<u>26,895</u>	<u>-</u>	<u>6,572</u>	<u>87,278</u>	<u>144,576</u>	<u>423,953</u>
-	-	-	-	-	-
10	-	-	-	-	-
26,885	-	6,572	87,278	-	-
-	-	-	-	-	71,129
<u>26,895</u>	<u>-</u>	<u>6,572</u>	<u>87,278</u>	<u>-</u>	<u>71,129</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	144,576	352,824
-	-	-	-	-	-
-	-	-	-	144,576	352,824
<u>26,895</u>	<u>-</u>	<u>6,572</u>	<u>87,278</u>	<u>144,576</u>	<u>423,953</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Balance Sheets - Governmental Funds - (Continued)
 June 30, 2016

	<u>Total</u>
ASSETS	
Cash and Cash Equivalents	\$ 689,972
Accounts Receivable	
Due from Government	340,270
Due from Other Funds	<u>120,735</u>
Total Assets	<u><u>\$ 1,150,977</u></u>
LIABILITIES AND FUND BALANCES	
<i>Liabilities:</i>	
Accounts Payable	\$ 8,426
Accrued Expenditures	35,960
Due to Other Funds	120,735
Unearned revenue	<u>83,679</u>
Total Liabilities	<u><u>248,800</u></u>
<i>Fund Balances (Deficit)</i>	
Fund Balance:	
Restricted for:	
Instruction	29,726
Food Service Operations	36,631
Capital Improvements	497,400
Assigned to:	
Subsequent Years Expenditures and Other Programs	<u>338,420</u>
Total Fund Balance (Deficit)	<u><u>902,177</u></u>
Total Liabilities and Fund Balances (Deficit)	<u><u>\$ 1,150,977</u></u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balance - Total Governmental Funds **\$ 902,177**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital Assets	257,541	
Accumulated Depreciation	(160,780)	
		96,761

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.

438,778

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability		(3,348,099)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds

(101,794)

Net Position (Deficit) - Total Governmental Activities **\$ (2,012,177)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Encantada Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Pupil Transportion 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	4,031	-	-	-
State Grant	2,590,138	50,295	20,802	-
Federal Grant	-	-	-	-
Charges for Services	54	-	-	47,623
Total Revenues	<u>2,594,223</u>	<u>50,295</u>	<u>20,802</u>	<u>47,623</u>
EXPENDITURES				
Current:				
Instruction	1,356,574	-	19,787	-
Support Services:				
Students	337,521	-	-	-
Instruction	-	-	-	-
General Administration	207,015	-	-	-
School Administration	128,669	-	-	-
Central Services	244,649	-	-	-
Operation & Maintenance of Plant	274,756	-	-	-
Student Transportation	1,209	50,295	-	-
Food Services Operations	67,861	-	-	55,792
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,618,254</u>	<u>50,295</u>	<u>19,787</u>	<u>55,792</u>
Net Changes in Fund Balances	<u>(24,031)</u>	<u>-</u>	<u>1,015</u>	<u>(8,169)</u>
Fund Balances(Deficit) - Beginning of Year	<u>362,451</u>	<u>-</u>	<u>28,711</u>	<u>44,800</u>
Fund Balances (Deficit) - End of Year	<u>\$ 338,420</u>	<u>-</u>	<u>29,726</u>	<u>36,631</u>

IDEA-B Entitlement 24106	Dual Credit Instructional Materials/HB2 27103	2012 Student Library SB-66 27107	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700
-	-	-	-	144,576	149,772
-	-	-	-	-	-
-	774	-	174,555	-	202,424
62,718	-	6,572	-	-	-
-	-	-	-	-	-
<u>62,718</u>	<u>774</u>	<u>6,572</u>	<u>174,555</u>	<u>144,576</u>	<u>352,196</u>
-	774	-	-	-	-
62,718	-	-	-	-	-
-	-	3,285	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	176,585	-	149,772
<u>62,718</u>	<u>774</u>	<u>3,285</u>	<u>176,585</u>	<u>-</u>	<u>149,772</u>
-	-	3,287	(2,030)	144,576	202,424
-	-	(3,287)	2,030	-	150,400
-	-	-	-	144,576	352,824

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Encantada Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	<u>Total</u>
REVENUES	
Property Taxes	\$ 294,348
Local & County Grant	4,031
State Grant	3,038,988
Federal Grant	69,290
Charges for Services	47,677
Total Revenues	<u>3,454,334</u>
EXPENDITURES	
Current:	
Instruction	1,377,135
Support Services:	
Students	400,239
Instruction	3,285
General Administration	207,015
School Administration	128,669
Central Services	244,649
Operation & Maintenance of Plant	274,756
Student Transportation	51,504
Food Services Operations	123,653
Capital Outlay	326,357
Total Expenditures	<u>3,137,262</u>
Net Changes in Fund Balances	<u>317,072</u>
Fund Balances(Deficit) - Beginning of Year	<u>585,105</u>
Fund Balances (Deficit) - End of Year	<u>\$ 902,177</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encatada Charter School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2016

Net Change in Fund Balance-Total Governmental Funds **\$ 317,072**

Amounts reported for governmental activities in the Statement of
 Activities are different because:

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Capital Outlays	69,000	
Depreciation Expense	<u>(17,175)</u>	
		51,825

Changes in Deferred Outflows of Resources-Pension Related, Deferred Inflows of Resources-Pension Related, and the Net Pension Liability	<u>(64,126)</u>	
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Change in Net Position-Total Governmental Activities **\$ 304,771**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 16,836
Total Assets	<u>\$ 16,836</u>
LIABILITIES	
Accounts payable	\$ 114
Deposits Held for Others	16,722
Total Liabilities	<u>\$ 16,836</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 20,497	49,456	(53,117)	16,836
Total Assets	<u>\$ 20,497</u>	<u>49,456</u>	<u>(53,117)</u>	<u>16,836</u>
 LIABILITIES				
Accounts Payable	\$ 1,000	114	(1,000)	114
Deposits Held for Others	19,497	49,342	(52,117)	16,722
Total Liabilities	<u>\$ 20,497</u>	<u>49,456</u>	<u>(53,117)</u>	<u>16,836</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Encantada Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Tierra Encantada Charter School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Tierra Encantada Charter School does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. Tierra Encantada Charter School utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for Tierra Encantada Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Encantada Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	June 30, 2015	Additions	Deletions	June 30, 2016
<i>Capital Assets being Depreciated:</i>				
Buildings and building improvements	\$ 18,969	-	-	18,969
Furniture, Fixtures and Equipment	169,572	69,000	-	238,572
<i>Total</i>	<u>188,541</u>	<u>69,000</u>	<u>-</u>	<u>257,541</u>
<i>Less: Accumulated Depreciation</i>				
Buildings and building improvements	(3,215)	(6,141)	-	(9,356)
Furniture, fixtures and equipment	(140,390)	(11,034)	-	(151,424)
<i>Total</i>	<u>(143,605)</u>	<u>(17,175)</u>	<u>-</u>	<u>(160,780)</u>
Capital Assets, Net	\$ 44,936	51,825	-	96,761

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Capital Outlay	\$ 17,175
Total	<u><u>\$ 17,175</u></u>

NOTE 3. COMMITMENTS AND LIABILITIES

Tierra Encantada Charter School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$219,033. Tierra Encantada Charter School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 214,477
2018	215,077
2019	215,677
2020	216,277
Total	<u><u>\$ 861,508</u></u>

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Tierra Encantada Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Tierra Encantada Charter School are established in state statute under Section 22-11-21, NMSA 1978. The requirements may be amended by acts of the legislature. For fiscal years ended June 30, 2015 and 2016, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Tierra Encantada were \$231,167 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2016, Tierra Encantada reported a liability of \$3,348,099 for its proportionate share of the net pension liability. The proportionate share of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Tierra Encantada Charter School's proportion was 0.05169 percent, which was a decrease of 0.0005 percent from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Encantada Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Tierra Encantada Charter School recognized pension expense of \$295,294. At the June 30, 2016, Tierra Encantada Charter School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	<62,071>
Changes in assumptions	115,159	-
Net difference between projected and actual earnings on pension plan investments	-	<15,071>
Changes in proportion and differences between Tierra Encantada Charter School contributions and proportionate share of contributions	92,452	<24,652>
Tierra Encantada Charter School contributions subsequent to the measurement date	<u>231,167</u>	<u>-</u>
Total	<u>\$ 438,778</u>	<u><101,794></u>

Deferred outflows of resources of \$231,167 resulted from contributions made subsequent to the June 30, 2015 measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ <32,957>
2018	<28,887>
2019	2,529
2020	<u><46,502></u>
Total	<u>\$ <105,817></u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Notes to the Financial Statements
 June 30, 2016

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Tierra Encantada Charter School's proportionate share of the net pension liability to changes in the discount rate. The following presents the net pension liability calculated using the discount rate of 7.75%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Tierra Encantada Charter School's proportionate share of the net pension liability	<u>\$ 4,505,091</u>	<u>3,348,099</u>	<u>2,376,105</u>

Payables to the pension plan. For the year ending June 30, 2016, Tierra Encantada Charter School's accrued liability due to ERB was \$0.

NOTE 5. RECLASSIFICATION

Tierra Encantada Charter School previously operated as a component unit of Santa Fe Public Schools. Effective as of July 1, 2015, the school began to operate under the Public Education Department.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
TIERRA ENCANTADA CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.05%	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,978	3,348	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,439	1,411	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.00%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
TIERRA ENCANTADA CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 233	231	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	204	231	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 29	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (173)	5		\$ (34)	(34)	(38)	(67)	-				
2015	(106)	5			(33)	(29)	3	(47)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5					-	-	-	-	-	-
2020	-	5						-	-	-	-	-
2021	-	5							-	-	-	-
2022	-	5								-	-	-
2023	-	5									-	-
	\$ (279)			\$ (34)	(67)	(67)	(64)	(47)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Encantada Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	4,031	4,031
State Grant	2,568,053	2,590,138	2,370,613	(219,525)
Charges for Services	-	-	54	54
Total Revenues	2,568,053	2,590,138	2,374,698	(215,440)
EXPENDITURES				
Current:				
Instruction	1,386,708	1,436,232	1,359,727	76,505
Support Services:				
Students	396,414	411,414	337,521	73,893
General Administration	190,682	210,182	203,294	6,888
School Administration	134,401	134,401	128,669	5,732
Central Services	257,610	253,152	244,796	8,356
Operation & Maintenance of Plant	366,763	316,972	275,427	41,545
Student Transportation	-	1,249	1,209	40
Other Support Services Operations	-	72,085	-	72,085
Food Services Operations	68,284	111,784	67,861	43,923
Total Expenditures	2,800,862	2,947,471	2,618,504	328,967
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(232,809)	(357,333)	(243,806)	113,527
Other Financing Sources (Uses):				
Designated Cash	232,809	357,333	-	(357,333)
Total Other Financing Sources (Uses):	232,809	357,333	-	(357,333)
Net Changes in Fund Balances	-	-	(243,806)	(243,806)
Cash or Fund Balances - Beginning of Year	-	-	355,304	355,304
Cash or Fund Balances - End of Year	\$ -	-	111,498	111,498
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (243,806)	
Adjustments to Revenues			219,525	
Adjustments to Expenditures			250	
NET CHANGE IN FUND BALANCE			\$ (24,031)	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Pupil Transportation 13000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 56,733	50,992	50,992	-
Total Revenues	56,733	50,992	50,992	-
EXPENDITURES				
Current:				
Student Transportation	56,733	50,992	50,295	697
Total Expenditures	56,733	50,992	50,295	697
Net Changes in Fund Balances	-	-	697	697
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	697	697
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ 697	
Adjustments to Revenues			(697)	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 14,880	18,084	20,802	2,718
Total Revenues	<u>14,880</u>	<u>18,084</u>	<u>20,802</u>	<u>2,718</u>
EXPENDITURES				
Current:				
Instruction	29,203	32,407	20,193	12,214
Total Expenditures	<u>29,203</u>	<u>32,407</u>	<u>20,193</u>	<u>12,214</u>
Other Financing Sources (Uses):				
Designated Cash	14,323	14,323	-	(14,323)
Total Other Financing Sources (Uses):	<u>14,323</u>	<u>14,323</u>	<u>-</u>	<u>(14,323)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>609</u>	<u>609</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>29,377</u>	<u>29,377</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>29,986</u>	<u>29,986</u>
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ 609	
Adjustments to Expenditures			406	
NET CHANGE IN FUND BALANCE			<u>\$ 1,015</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Charges for Services	\$ 16,240	60,587	44,387	(16,200)
Total Revenues	16,240	60,587	44,387	(16,200)
EXPENDITURES				
Current:				
Food Services Operations	16,240	60,587	55,792	4,795
Total Expenditures	16,240	60,587	55,792	4,795
Net Changes in Fund Balances	-	-	(11,405)	(11,405)
Cash or Fund Balances - Beginning of Year	-	-	60,586	60,586
Cash or Fund Balances - End of Year	\$ -	-	49,181	49,181
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ (11,405)	
Adjustments to Revenues			3,236	
NET CHANGE IN FUND BALANCE			\$ (8,169)	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 56,038	65,433	35,823	(29,610)
Total Revenues	56,038	65,433	35,823	(29,610)
EXPENDITURES				
Current:				
Instruction	647	-	-	-
Support Services:				
Students	55,391	65,433	62,565	2,868
Total Expenditures	56,038	65,433	62,565	2,868
Net Changes in Fund Balances	-	-	(26,742)	(26,742)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(26,742)	(26,742)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ (26,742)	
Adjustments to Revenues			26,895	
Adjustments to Expenditures			(153)	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Dual Credit Instructional Materials/HB2 27103
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	911	774	(137)
Total Revenues	-	911	774	(137)
EXPENDITURES				
Current:				
Instruction	-	911	774	137
Total Expenditures	-	911	774	137
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 Student Library SB-66 27107
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,817	3,817	-	(3,817)
Total Revenues	<u>3,817</u>	<u>3,817</u>	<u>-</u>	<u>(3,817)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,817	3,817	3,378	439
Total Expenditures	<u>3,817</u>	<u>3,817</u>	<u>3,378</u>	<u>439</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,378)</u>	<u>(3,378)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,378)</u>	<u>(3,378)</u>
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ (3,378)	
Adjustments to Revenues			6,572	
Adjustments to Expenditures			93	
NET CHANGE IN FUND BALANCE			<u>\$ 3,287</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	44,582	44,582
State Grant	-	174,555	87,277	(87,278)
Total Revenues	-	174,555	131,859	(42,696)
EXPENDITURES				
Capital Outlay	-	174,555	174,555	-
Total Expenditures	-	174,555	174,555	-
Net Changes in Fund Balances	-	-	(42,696)	(42,696)
Cash or Fund Balances - Beginning of Year	-	-	2,030	2,030
Cash or Fund Balances - End of Year	\$ -	-	(40,666)	(40,666)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (42,696)	
Adjustments to Revenues			42,696	
Adjustments to Expenditures			(2,030)	
NET CHANGE IN FUND BALANCE			\$ (2,030)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Encantada Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 152,463	\$ 146,102	\$ 144,576	(1,526)
Total Revenues	<u>152,463</u>	<u>146,102</u>	<u>144,576</u>	<u>(1,526)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	1,525	1,525	-	1,525
Capital Outlay	150,938	144,577	-	144,577
Total Expenditures	<u>152,463</u>	<u>146,102</u>	<u>-</u>	<u>146,102</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>144,576</u>	<u>144,576</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>144,576</u>	<u>144,576</u>
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			\$ 144,576	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 144,576</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 8,524	15,436	202,424	186,988
Total Revenues	<u>8,524</u>	<u>15,436</u>	<u>202,424</u>	<u>186,988</u>
EXPENDITURES				
Capital Outlay	374,074	380,986	150,502	230,484
Total Expenditures	<u>374,074</u>	<u>380,986</u>	<u>150,502</u>	<u>230,484</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(365,550)</u>	<u>(365,550)</u>	<u>51,922</u>	<u>417,472</u>
Other Financing Sources (Uses):				
Designated Cash	365,550	365,550	-	(365,550)
Total Other Financing Sources (Uses):	<u>365,550</u>	<u>365,550</u>	<u>-</u>	<u>(365,550)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>51,922</u>	<u>51,922</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>372,031</u>	<u>372,031</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>423,953</u>	<u>423,953</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 51,922	
Adjustments to Revenues			149,772	
Adjustments to Expenditures			730	
NET CHANGE IN FUND BALANCE			<u>\$ 202,424</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
NM Bank & Trust	GO Bonds	15987EFB5	5/1/2029	\$ 416,180
				<u>\$ 416,180</u>

Total Cash per Schedule of Cash Accounts:	\$	828,132
Less: FDIC coverage:		<u>(430,690)</u>
Uninsured Public Funds:		397,442
Collateral Requirement:		198,721
Pledged Collateral Held by Pledging Financial Institution:		<u>416,180</u>
Balance Over Collateralized:	\$	<u>217,459</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Encantada Charter School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>New Mexico Bank & Trust</u>
Checking - Operational Account	\$ 647,442
Money Market - Operational Account	<u>180,690</u>
<i>Total on Deposit</i>	828,132
Reconciling Items	<u>(121,324)</u>
Reconciled Balance June 30, 2015	<u>706,808</u>
Less Agency Funds	<u>(16,836)</u>
<i>Total Cash</i>	<u><u>\$ 689,972</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Encantada Charter School
Cash Reconciliation
June 30, 2016

	Operational 11000	Transportation Fund 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2015	\$ 355,304	-	29,377	60,586
Add:				
2015-16 revenues	<u>2,374,698</u>	<u>50,992</u>	<u>20,802</u>	<u>44,387</u>
Total Cash Available	2,730,002	50,992	50,179	104,973
Less:				
2015-16 expenditures	(2,618,504)	(50,295)	(20,193)	(55,792)
Receivables/Payables	3,040	-	-	-
Outstanding Loans	<u>(72,959)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>41,579</u>	<u>697</u>	<u>29,986</u>	<u>49,181</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>41,579</u>	<u>697</u>	<u>29,986</u>	<u>49,181</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>296,841</u>	<u>(697)</u>	<u>(260)</u>	<u>(12,550)</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 338,420</u>	<u>-</u>	<u>29,726</u>	<u>36,631</u>

Athletics Fund 22000	Non-Instruct. Fund 23000	Federal Projects Account 24000	State Account 27000	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600
1,636	18,861	-	-	2,030	-
<u>47,042</u>	<u>2,414</u>	<u>35,823</u>	<u>774</u>	<u>131,860</u>	<u>144,576</u>
48,678	21,275	35,823	774	133,890	144,576
(44,083)	(9,034)	(62,565)	(4,152)	(174,556)	-
-	-	(143)	-	(2,030)	-
-	-	26,885	3,378	42,696	-
<u>4,595</u>	<u>12,241</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,576</u>
-	-	-	-	-	-
<u>4,595</u>	<u>12,241</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,576</u>
<u>(4,595)</u>	<u>(12,241)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,576</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Encantada Charter School
Cash Reconciliation
June 30, 2016

	SB-9 Capital Improvements	
	<u>31700</u>	<u>Total</u>
Cash, June 30, 2015	372,031	839,825
Add:		
2015-16 revenues	<u>202,424</u>	<u>3,055,792</u>
Total Cash Available	574,455	3,895,617
Less:		
2015-16 expenditures	(150,502)	(3,189,676)
Receivables/Payables	-	867
Outstanding Loans	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>423,953</u>	<u>706,808</u>
Fund Balance Reconciliations to GAAP Basis:		
Audit reclassifications to cash	-	-
Cash Per Books	<u>423,953</u>	<u>706,808</u>
	Less: Agency Fund:	<u>(16,836)</u>
		<u>\$ 689,972</u>
Fund Balance Reconciliation to GAAP Basis:		
Modified Accrual Adjustments	<u>(71,129)</u>	<u>195,369</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>352,824</u>	<u>902,177</u>
	Balance Sheets - Governmental Funds:	<u>\$ 902,177</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,053,153
Receivables	
Due from Other Governments	200,031
Total Current Assets	<u>1,253,184</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	138,212
Furniture, Fixtures, and Equipment	123,524
Less: Accumulated Depreciation	<u>(100,378)</u>
Total Noncurrent Assets	<u>161,358</u>
Total Assets	<u>1,414,542</u>

Deferred Outflows - Pension related	<u>603,951</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	22,938
Accrued Liabilities	393,284
Compensated Absences	<u>4,721</u>
Total Current Liabilities	<u>420,943</u>

Noncurrent Liabilities:

Net Pension Liability	<u>5,422,767</u>
Total Noncurrent Liabilities	<u>5,422,767</u>

Total Liabilities	<u>5,843,710</u>
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Deferred Inflows - Pension related	<u>202,502</u>
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NET POSITION

Net Investment in Capital Assets	161,358
Restricted	293,129
Unrestricted (Deficit)	<u>(4,482,206)</u>
Total Net Position	<u>\$ (4,027,719)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,727,409	66,763	482,162	581,478	(1,597,006)
Support Services:					
Students	369,473	-	-	-	(369,473)
Instruction	23,375	-	-	-	(23,375)
General Administration	46,248	-	-	-	(46,248)
School Administration	284,137	-	-	-	(284,137)
Central Services	143,203	-	-	-	(143,203)
Operation & Maintenance of Plant	316,974	-	-	-	(316,974)
Other Support Services	3,475	-	-	-	(3,475)
Student Transportation	182,450	-	-	-	(182,450)
Food Services	196,900	-	-	-	(196,900)
Facilities Materials, Supplies & Other Services	942,962	-	-	355,766	(587,196)
Total Governmental Activities	\$ 5,236,606	66,763	482,162	937,244	(3,750,437)
General Revenues:					
Property Taxes					\$ 597,427
State Equalization Guarantee					3,245,249
Total General Revenues					<u>3,842,676</u>
Change in Net Position					92,239
Net Position (Deficit), Beginning					(4,119,958)
Net position (Deficit), Ending					<u>\$ (4,027,719)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 767,858	27,109	12,856	-
Accounts Receivable				
Due from Government	-	-	-	4,276
Due from Other Funds	140,165	-	-	-
Total Assets	\$ 908,023	27,109	12,856	4,276
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 4,871	-	-	-
Accrued Expenditures	359,319	532	-	22
Due to Other Funds	-	-	-	4,254
Total Liabilities	364,190	532	-	4,276
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	12,856	-
Student Transportation	-	26,577	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	543,833	-	-	-
Total Fund Balance	543,833	26,577	12,856	-
Total Liabilities and Fund Balances	\$ 908,023	27,109	12,856	4,276

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	Teacher Principal Training 24154	2012 GO Bond Student Library SB-66 27107	Reads to Lead 27114	Pre-K Initiative 27149
-	-	-	-	-	-
30,483	-	4,785	4,000	11,601	24,248
-	-	-	-	-	-
<u>30,483</u>	<u>-</u>	<u>4,785</u>	<u>4,000</u>	<u>11,601</u>	<u>24,248</u>
-	-	4,288	-	-	-
508	-	-	-	7,654	15,562
29,975	-	497	4,000	3,947	8,686
<u>30,483</u>	<u>-</u>	<u>4,785</u>	<u>4,000</u>	<u>11,601</u>	<u>24,248</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>30,483</u>	<u>-</u>	<u>4,785</u>	<u>4,000</u>	<u>11,601</u>	<u>24,248</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Balance Sheets - Governmental Funds - (Continued)
June 30, 2016

	Kindergarten Three Plus 27166	Teachers Hard to Staff 27195	Medicaid HSD 28144	Private Dir Grants 29102
ASSETS				
Cash and Cash Equivalents	\$ -	-	7,204	8,271
Accounts Receivable				
Due from Government	25,784	-	4,128	-
Due from Other Funds	-	-	-	-
Total Assets	\$ 25,784	-	11,332	8,271
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 9,694	-	-	-
Accrued Expenditures	8,438	-	1,249	-
Due to Other Funds	7,652	-	-	-
Total Liabilities	25,784	-	1,249	-
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	10,083	8,271
Student Transportation	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Total Fund Balance	-	-	10,083	8,271
Total Liabilities and Fund Balances	\$ 25,784	-	11,332	8,271

The accompanying notes are an integral part of these financial statements

Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
-	150,076	79,779	1,053,153
81,154	-	9,572	200,031
-	-	-	140,165
<u>81,154</u>	<u>150,076</u>	<u>89,351</u>	<u>1,393,349</u>
-	-	4,085	22,938
-	-	-	393,284
81,154	-	-	140,165
<u>81,154</u>	<u>-</u>	<u>4,085</u>	<u>556,387</u>
-	-	-	31,210
-	-	-	26,577
-	150,076	85,266	235,342
-	-	-	543,833
-	150,076	85,266	836,962
<u>81,154</u>	<u>150,076</u>	<u>89,351</u>	<u>1,393,349</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 836,962**

Amounts reported for governmental activities in the Statement of
 Net Position are different because:

Capital assets used in governmental activities are not financial
 resources and, therefore, are not reported in the funds.

Capital Assets	261,736	
Accumulated Depreciation	<u>(100,378)</u>	
		161,358

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		603,951
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Defined benefit plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(202,502)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		(5,422,767)
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Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		
Compensated Absences		<u>(4,721)</u>

Net Position-Total Governmental Activities		<u><u>\$ (4,027,719)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	138,265	-	-	-
State Grant	3,245,249	173,101	32,811	-
Federal Grant	-	-	-	120,816
Charges for Services	-	-	-	66,763
Contributions	-	-	-	-
Total Revenues	3,383,514	173,101	32,811	187,579
EXPENDITURES				
Current:				
Instruction	2,241,613	-	25,493	-
Support Services:				
Students	233,885	-	-	-
Instruction	18,984	-	-	-
General Administration	34,433	-	-	-
School Administration	273,813	-	-	-
Central Services	140,944	-	-	-
Operation & Maintenance of Plant	312,940	-	-	-
Student Transportation	-	146,524	-	-
Other Support Services Operations	3,475	-	-	-
Food Services Operations	9,241	-	-	187,579
Capital Outlay	-	-	-	-
Total Expenditures	3,269,328	146,524	25,493	187,579
Net Changes in Fund Balances	114,186	26,577	7,318	-
Fund Balances - Beginning of Year	429,647	-	5,538	-
Fund Balances - End of Year	\$ 543,833	26,577	12,856	-

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	Teacher Principal Training 24154	2012 GO Bond Student Library SB-66 27107	Reads to Lead 27114	Pre-K Initiative 27149
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	4,000	50,000	166,823
93,599	94,646	14,598	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>93,599</u>	<u>94,646</u>	<u>14,598</u>	<u>4,000</u>	<u>50,000</u>	<u>166,823</u>
91,307	-	14,598	-	50,000	152,975
-	92,867	-	-	-	-
-	-	-	4,000	-	-
2,292	1,779	-	-	-	1,559
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	12,289
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>93,599</u>	<u>94,646</u>	<u>14,598</u>	<u>4,000</u>	<u>50,000</u>	<u>166,823</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	Kindergarten Three Plus 27166	Teachers Hard to Staff 27195	Medicaid HSD 28144	Private Dir Grants 29102
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	110,421	18,225	43,334	3,001
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Contributions	-	-	-	-
Total Revenues	<u>110,421</u>	<u>18,225</u>	<u>43,334</u>	<u>3,001</u>
EXPENDITURES				
Current:				
Instruction	79,707	18,225	-	3,161
Support Services:				
Students	-	-	39,000	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	5,804	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	1,511	-	-	-
Student Transportation	23,399	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>110,421</u>	<u>18,225</u>	<u>39,000</u>	<u>3,161</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>4,334</u>	<u>(160)</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>5,749</u>	<u>8,431</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>10,083</u>	<u>8,271</u>

The accompanying notes are an integral part of these financial statements

Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
-	250,841	346,586	597,427
-	-	-	138,265
324,619	-	31,147	4,202,731
-	-	-	323,659
-	-	-	66,763
-	-	-	-
<u>324,619</u>	<u>250,841</u>	<u>377,733</u>	<u>5,328,845</u>
-	-	-	2,677,079
-	-	-	365,752
-	-	-	22,984
-	2,508	3,538	46,109
-	-	-	279,617
-	-	-	140,944
-	-	-	314,451
-	-	-	182,212
-	-	-	3,475
-	-	-	196,820
324,619	70,747	682,748	1,078,114
<u>324,619</u>	<u>73,255</u>	<u>686,286</u>	<u>5,307,557</u>
-	177,586	(308,553)	21,288
-	(27,510)	393,819	815,674
-	150,076	85,266	836,962

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ 21,288**

Amounts reported for governmental activities in the Statement of
 Activities are different because:

Change in Compensated Absences 505

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Capital Outlays	156,898	
Depreciation Expense	<u>(21,746)</u>	135,152

Changes in long-term liabilities

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		<u>(64,706)</u>
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Change in Net Position-Total Governmental Activities **\$ 92,239**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Turquoise Trail Charter School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 14,317
Total Assets	<u>\$ 14,317</u>
 LIABILITIES	
Accrued liabilities	\$ 181
Deposits Held for Others	14,136
Total Liabilities	<u>\$ 14,317</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Turquoise Trail Charter School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 29,323	103,861	(118,867)	14,317
Total Assets	<u>\$ 29,323</u>	<u>103,861</u>	<u>(118,867)</u>	<u>14,317</u>
 LIABILITIES				
Accrued liabilities	\$ 342	181	(342)	181
Deposits Held for Others	28,981	103,680	(118,525)	14,136
Total Liabilities	<u>\$ 29,323</u>	<u>103,861</u>	<u>(118,867)</u>	<u>14,317</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Turquoise Trail Charter School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Turquoise Trail Charter School does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. Turquoise Trail Charter School utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Building and improvements	7 – 30 years
Furniture, fixtures & equipment	5 years

Capital assets for Turquoise Trail Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, fixtures and equipment	\$ 104,838	18,686	-	123,524
Building and improvements	-	138,212	-	138,212
<i>Total</i>	<u>104,838</u>	<u>156,898</u>	<u>-</u>	<u>261,736</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(78,632)	(10,280)	-	(88,912)
Building and improvements	-	(11,466)	-	(11,466)
<i>Total</i>	<u>(78,632)</u>	<u>(21,746)</u>	<u>-</u>	<u>(100,378)</u>
Capital Assets, Net	<u>\$ 26,206</u>	<u>(135,152)</u>	<u>-</u>	<u>161,358</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following function:

Facilities Materials, Supplies & Other Services	\$ 21,746
Total	<u>\$ 21,746</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Turquoise Trail Charter School leases their facilities from the Santa Fe Public Schools' Board of Education (Board of Education). The lease requires Turquoise Trail Charter School to pay the Board of Education the sum of \$1 of each lease year. In addition, Turquoise Trail Charter School must pay the Board of Education the sum of all grant funds received by Turquoise Trail Charter School from the Public School Capital Outlay fund (31200). Rental expenses for the year ended June 30, 2016 was \$324,619. Turquoise Trail Charter School will pay \$323,098 in future payments on this lease for the year ending June 30, 2017.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Turquoise Trail Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Turquoise Trail Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016, employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Turquoise Trail Charter School was \$334,249 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, Turquoise Trail Charter School reported a liability of \$5,422,767 for its proportionate share of the net pension liability. Turquoise Trail Charter School proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Turquoise Trail Charter School proportion was 0.08372%, which was a decrease of 0.02328% from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, Turquoise Trail Charter School recognized pension expense of \$399,518. At June 30, 2016, Turquoise Trail Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	(54,083)
Changes in assumptions	186,518	-
Net difference between projected and actual earnings on pension plan investments	-	301,268
Changes in proportion	83,184	(449,687)
Fiscal year 2016 employer contributions	334,249	-
	<hr/>	<hr/>
Ending balance	<u>\$ 603,951</u>	<u>(202,502)</u>

Turquoise Trail Charter School reported \$334,249 as deferred outflows of resources related to pensions resulting from Turquoise Trail Charter School contributions subsequent to the measurement date June 30, 2015 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	
2017	\$ 25,358
2018	17,443
2019	(34,697)
2021	(75,304)
Total	<u>\$ (67,200)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Turquoise Trail Charter School
 Notes to the Financial Statements
 June 30, 2016

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Turquoise Trail Charter School proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Turquoise Trail Charter School proportionate share of the net pension liability	\$ 7,296,696	5,422,767	3,848,472

Payables to the pension plan. At June 30, 2016, Turquoise Trail Charter School owed \$89,214 to ERB for fiscal year 2016 contributions.

NOTE 5. OVERSPENT BUDGET LINE ITEM

As stated in finding 2016-007, Turquoise Trail Charter School had expenditures in excess of the budget in the following fund:

27149 Pre-K Initiative	
Instruction	601
Support Services	35

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
TURQUOISE TRAIL CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.11%	0.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 4,674	5,423	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 2,258	2,286	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.00%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 TURQUOISE TRAIL CHARTER SCHOOL
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2016

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 75	331	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	75	331	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 614	5		\$ 172	172	164	106	-				
2015	(67)	5			25	17	(34)	(75)	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ 547			\$ 172	197	181	72	(75)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	137,000	137,000
State Grant	3,235,675	3,249,619	3,245,249	(4,370)
Charges for Services	1,797	1,797	7,408	5,611
Total Revenues	3,237,472	3,251,416	3,389,657	138,241
EXPENDITURES				
Current:				
Instruction	2,394,115	2,394,115	2,248,258	145,857
Support Services:				
Students	335,450	335,450	233,911	101,539
Instruction	24,937	38,881	18,996	19,885
General Administration	37,106	37,106	35,235	1,871
School Administration	302,414	296,414	273,839	22,575
Central Services	142,060	148,060	140,955	7,105
Operation & Maintenance of Plant	349,725	349,725	315,060	34,665
Other Support Services Operations	35,323	35,323	3,475	31,848
Total Expenditures	3,621,130	3,635,074	3,269,729	365,345
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(383,658)	(383,658)	119,928	503,586
Other Financing Sources (Uses):				
Designated Cash	383,658	383,658	-	(383,658)
Total Other Financing Sources (Uses):	383,658	383,658	-	(383,658)
Net Changes in Fund Balances	-	-	119,928	119,928
Cash or Fund Balances - Beginning of Year	-	-	429,647	429,647
Cash or Fund Balances - End of Year	\$ -	-	549,575	549,575
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 119,928	
Adjustments to Revenues			(6,143)	
Adjustments to Expenditures			401	
NET CHANGE IN FUND BALANCE			\$ 114,186	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 191,225	173,101	173,101	-
Total Revenues	<u>191,225</u>	<u>173,101</u>	<u>173,101</u>	<u>-</u>
EXPENDITURES				
Support Services:				
Student Transportation	191,225	173,101	146,524	26,577
Total Expenditures	<u>191,225</u>	<u>173,101</u>	<u>146,524</u>	<u>26,577</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	26,577	26,577
Net Changes in Fund Balances	-	-	26,577	26,577
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>26,577</u>	<u>26,577</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 26,577	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 26,577</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Turquoise Trail Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 25,552	25,552	33,812	8,260
Total Revenues	<u>25,552</u>	<u>25,552</u>	<u>33,812</u>	<u>8,260</u>
EXPENDITURES				
Current:				
Instruction	25,552	25,552	25,493	59
Total Expenditures	<u>25,552</u>	<u>25,552</u>	<u>25,493</u>	<u>59</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	8,319	8,319
Net Changes in Fund Balances	-	-	8,319	8,319
Cash or Fund Balances - Beginning of Year	-	-	5,538	5,538
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>13,857</u>	<u>13,857</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,319	
Adjustments to Revenues			(1,001)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 7,318</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 250,000	250,000	116,540	(133,460)
Charges for Services	27,100	27,100	66,763	39,663
Total Revenues	277,100	277,100	183,303	(93,797)
EXPENDITURES				
Current:				
Food Services Operations	277,100	277,100	197,250	79,850
Total Expenditures	277,100	277,100	197,250	79,850
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(13,947)	(13,947)
Net Changes in Fund Balances	-	-	(13,947)	(13,947)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(13,947)	(13,947)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (13,947)	
Adjustments to Revenues			4,276	
Adjustments to Expenditures			9,671	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 60,000	96,700	70,342	(26,358)
Total Revenues	<u>60,000</u>	<u>96,700</u>	<u>70,342</u>	<u>(26,358)</u>
EXPENDITURES				
Current:				
Instruction	58,531	94,332	91,307	3,025
Support Services:				
General Administration	1,469	2,368	2,292	76
Total Expenditures	<u>60,000</u>	<u>96,700</u>	<u>93,599</u>	<u>3,101</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(23,257)</u>	<u>(23,257)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(23,257)</u>	<u>(23,257)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(23,257)</u>	<u>(23,257)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (23,257)	
Adjustments to Revenues			23,257	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Turquoise Trail Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 89,007	94,646	94,646	-
Total Revenues	89,007	94,646	94,646	-
EXPENDITURES				
Current:				
Support Services:				
Students	86,828	92,326	92,867	(541)
General Administration	2,179	2,320	1,779	541
Total Expenditures	89,007	94,646	94,646	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Turquoise Trail Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	17,350	9,814	(7,536)
Total Revenues	-	17,350	9,814	(7,536)
EXPENDITURES				
Current:				
Instruction	-	17,350	11,019	6,331
Total expenditures	-	17,350	11,019	6,331
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,205)	(1,205)
Net changes in Fund Balances	-	-	(1,205)	(1,205)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(1,205)	(1,205)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,205)	
Adjustments to Revenues			4,784	
Adjustments to Expenditures			(3,579)	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Turquoise Trail Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 GO Bond Student Library SB-66 27107
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 7,811	7,811	-	(7,811)
Total Revenues	<u>7,811</u>	<u>7,811</u>	<u>-</u>	<u>(7,811)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	7,811	7,811	4,000	3,811
Total Expenditures	<u>7,811</u>	<u>7,811</u>	<u>4,000</u>	<u>3,811</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(4,000)	(4,000)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,000)</u>	<u>(4,000)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,000)</u>	<u>(4,000)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,000)	
Adjustments to Revenues			4,000	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Reads to Lead 27114
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 50,000	50,000	38,399	(11,601)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>38,399</u>	<u>(11,601)</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	50,000	-
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(11,601)	(11,601)
Net Changes in Fund Balances	-	-	(11,601)	(11,601)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(11,601)</u>	<u>(11,601)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (11,601)	
Adjustments to Revenues			11,601	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Pre-K Initiative 27149
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 207,372	168,898	183,818	14,920
Total Revenues	207,372	168,898	183,818	14,920
EXPENDITURES				
Current:				
Instruction	190,470	152,374	152,975	(601)
Support Services:				
General Administration	1,902	1,524	1,559	(35)
Student Transportation	15,000	15,000	12,289	2,711
Total Expenditures	207,372	168,898	166,823	2,075
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	16,995	16,995
Net Changes in Fund Balances	-	-	16,995	16,995
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	16,995	16,995
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 16,995	
Adjustments to Revenues			(16,995)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Kindergarten Three Plus 27166
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 108,202	134,824	85,596	(49,228)
Total Revenues	108,202	134,824	85,596	(49,228)
EXPENDITURES				
Current:				
Instruction	78,467	98,871	79,707	19,164
Support Services:				
School Administration	9,735	5,804	5,804	-
Operation & Maintenance of Plant	-	6,000	1,511	4,489
Student Transportation	20,000	24,149	23,399	750
Total Expenditures	108,202	134,824	110,421	24,403
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(24,825)	(24,825)
Net Changes in Fund Balances	-	-	(24,825)	(24,825)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(24,825)	(24,825)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (24,825)	
Adjustments to Revenues			24,825	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Turquoise Trail Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teachers Hard to Staff 27195
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	18,225	18,225	-
Total Revenues	-	18,225	18,225	-
EXPENDITURES				
Current:				
Instruction	-	18,225	18,225	-
Total Expenditures	-	18,225	18,225	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Medicaid HSD 28144
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 39,000	39,000	39,206	206
Total Revenues	<u>39,000</u>	<u>39,000</u>	<u>39,206</u>	<u>206</u>
EXPENDITURES				
Current:				
Support Services:				
Students	39,000	39,000	39,000	-
Total Expenditures	<u>39,000</u>	<u>39,000</u>	<u>39,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	206	206
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>206</u>	<u>206</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>206</u>	<u>206</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 206	
Adjustments to Revenues			4,128	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 4,334</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Private Dir Grants 29102
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Contribution income	\$ -	-	3,001	3,001
Total Revenues	<u>-</u>	<u>-</u>	<u>3,001</u>	<u>3,001</u>
EXPENDITURES				
Current:				
Instruction	8,431	8,431	3,161	5,270
Total Expenditures	<u>8,431</u>	<u>8,431</u>	<u>3,161</u>	<u>5,270</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(8,431)</u>	<u>(8,431)</u>	<u>(160)</u>	<u>8,271</u>
Other financing sources (uses):				
Designated Cash	8,431	8,431	-	(8,431)
Total other financing sources (uses):	<u>8,431</u>	<u>8,431</u>	<u>-</u>	<u>(8,431)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(160)</u>	<u>(160)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>8,431</u>	<u>8,431</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>8,271</u>	<u>8,271</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (160)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (160)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Turquoise Trail Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	324,619	324,619	-
Total Revenues	-	324,619	324,619	-
EXPENDITURES				
Capital Outlay	-	324,619	324,619	-
Total Expenditures	-	324,619	324,619	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 261,878	261,878	250,841	(11,037)
Total Revenues	<u>261,878</u>	<u>261,878</u>	<u>250,841</u>	<u>(11,037)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	3,200	3,200	2,508	692
Capital Outlay	258,678	258,678	70,747	187,931
Total Expenditures	<u>261,878</u>	<u>261,878</u>	<u>73,255</u>	<u>188,623</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>177,586</u>	<u>177,586</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>177,586</u>	<u>177,586</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(27,510)</u>	<u>(27,510)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>150,076</u>	<u>150,076</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 177,586	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 177,586</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 349,171	360,097	375,397	15,300
Total Revenues	349,171	360,097	375,397	15,300
EXPENDITURES				
Current:				
Support Services:				
General Administration	4,300	4,300	3,538	762
Capital Outlay	837,107	848,033	687,593	160,440
Total Expenditures	841,407	852,333	691,131	161,202
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(492,236)</i>	<i>(492,236)</i>	<i>(315,734)</i>	<i>176,502</i>
Other financing sources (uses):				
Designated Cash	492,236	492,236	-	(492,236)
Total other financing sources (uses):	492,236	492,236	-	(492,236)
Net Changes in Fund Balances	-	-	(315,734)	(315,734)
Cash or Fund Balances - Beginning of Year	-	-	393,819	393,819
Cash or Fund Balances - End of Year	\$ -	-	78,085	78,085
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (315,734)	
Adjustments to Revenues			2,336	
Adjustments to Expenditures			4,845	
NET CHANGE IN FUND BALANCE			\$ (308,553)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Turquoise Trail Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Wells Fargo, N.A.	FNMA FNMS	3138ASKC5	9/1/2041	\$ 643,717
				<u>\$ 643,717</u>
Total Cash per Schedule of Cash Accounts:				\$ 1,137,261
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				887,261
Collateral Requirement:				443,631
Pledged Collateral Held by Pledging Financial Institution:				<u>643,717</u>
Balance Over Collateralized:				<u>\$ 200,086</u>
Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Turquoise Trail Charter School
 Schedule of Cash Accounts
 June 30, 2016

Bank Account Type	Wells Fargo
Checking - Operational Account	\$ 1,122,348
Checking - Activity Account	14,913
<i>Total on Deposit</i>	1,137,261
Reconciling Items	<u>(69,606)</u>
Reconciled Balance June 30, 2016	1,067,655
Less Agency Funds	<u>(14,502)</u>
<i>Total Cash</i>	<u>\$ 1,053,153</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Cash Reconciliation
June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2015	\$ 531,616	-	5,538	-
Add:				
2015-16 revenues	3,389,657	173,101	33,812	183,303
Total Cash Available	3,921,273	173,101	39,350	183,303
Less:				
2015-16 expenditures	(3,269,729)	(146,524)	(25,493)	(197,250)
Receivables/Payables	136,770	532	(8,227)	18,201
Outstanding Loans	(20,456)	-	7,226	(4,254)
Cash June 30, 2016	767,858	27,109	12,856	-
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	767,858	27,109	12,856	-
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(224,025)	(532)	-	-
Fund Balance, Modified Accrual Basis	\$ 543,833	26,577	12,856	-

The accompanying notes are an integral part of these financial statements

Non-Instruct. Fund 23000	Federal Projects Account 24000	State Account 27000	Medicaid HSD 28000	Private Dir Grants 29102	Public School Capital Outlay 31200
29,323	1,397	6,186	5,749	8,431	-
<u>103,861</u>	<u>174,802</u>	<u>326,038</u>	<u>39,206</u>	<u>3,001</u>	<u>324,619</u>
133,184	176,199	332,224	44,955	11,432	324,619
(118,867)	(199,264)	(349,469)	(39,000)	(3,161)	(324,619)
-	52,007	(1,670)	1,249	-	(1)
-	<u>(28,942)</u>	<u>18,915</u>	-	-	<u>1</u>
<u>14,317</u>	-	-	<u>7,204</u>	<u>8,271</u>	-
-	-	-	-	-	-
<u>14,317</u>	-	-	<u>7,204</u>	<u>8,271</u>	-
<u>(14,317)</u>	-	-	<u>2,879</u>	-	-
-	-	-	<u>10,083</u>	<u>8,271</u>	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Turquoise Trail Charter School
Cash Reconciliation-(Continued)
June 30, 2016

	HB-33 Capital Improvements	SB-9 Capital Improvements	Total
	<u>31600</u>	<u>31700</u>	
Cash, June 30, 2015	\$ -	386,586	974,826
Add:			
2015-16 revenues	<u>250,841</u>	<u>375,397</u>	<u>5,377,638</u>
Total Cash Available	250,841	761,983	6,352,464
Less:			
2015-16 expenditures	(73,255)	(691,131)	(5,437,762)
Receivables/Payables	(55,020)	8,927	152,768
Outstanding Loans	<u>27,510</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>150,076</u>	<u>79,779</u>	<u>1,067,470</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>150,076</u>	<u>79,779</u>	<u>1,067,470</u>
		Less: Agency Funds:	<u>(14,317)</u>
			<u>\$ 1,053,153</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>-</u>	<u>5,487</u>	<u>(230,508)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 150,076</u>	<u>85,266</u>	<u>836,962</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Statement of Net Position
 June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 236,425
Receivables	
Due from Other Governments	79,129
Total Current Assets	<u>315,554</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	60,963
Less: Accumulated Depreciation	<u>(20,291)</u>
Total Noncurrent Assets	<u>40,672</u>

Total Assets	<u>356,226</u>
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Deferred Outflows - Pension Related	<u>398,769</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	112,842
Accrued Liabilities	<u>88,590</u>
Total Current Liabilities	<u>201,432</u>

Noncurrent Liabilities:

Net Pension Liability	<u>1,402,976</u>
Total Noncurrent Liabilities	<u>1,402,976</u>

Total Liabilities	<u>1,604,408</u>
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Deferred Inflows - Pension Related	<u>172,861</u>
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NET POSITION

Investment in Capital Assets	40,672
Restricted	9,433
Unrestricted (Deficit)	<u>(1,072,379)</u>
Total Net Position	<u>\$ (1,022,274)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 771,741	-	93,392	-	(678,349)
Support Services:					
Students	59,591	-	-	-	(59,591)
Instruction	7,116	-	-	-	(7,116)
General Administration	46,989	-	-	-	(46,989)
School Administration	160,632	-	-	-	(160,632)
Central Services	114,248	-	-	-	(114,248)
Operation & Maintenance of Plant	154,759	-	-	-	(154,759)
Student Transportation	65,909	-	-	-	(65,909)
Food Services	85,225	3,503	23	-	(81,699)
Facilities Materials, Supplies & Other Services	111,000	-	-	111,000	-
Total Governmental Activities	\$ 1,577,210	3,503	93,415	111,000	(1,369,292)
General Revenues:					
State Equalization Guarantee					\$ 1,251,999
Total General Revenues					<u>1,251,999</u>
Change in Net Position					<u>(117,293)</u>
Net Position (Deficit) - Beginning of Year					(903,776)
Restatement					<u>(1,205)</u>
Net Position (Deficit), as Restated					<u>(904,981)</u>
Net Position (Deficit), Ending					<u>\$ (1,022,274)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 120,149	106,843	9,410	23
Accounts Receivable				
Due from Government	-	-	-	-
Due from Other Funds	76,192	-	-	-
Total Assets	\$ 196,341	106,843	9,410	23
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 5,999	106,843	-	-
Accrued Expenditures	85,653	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	91,652	106,843	-	-
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	9,410	-
Food Service Operations	-	-	-	23
Unassigned	104,689	-	-	-
Total Fund Balance	104,689	-	9,410	23
Total Liabilities and Fund Balances	\$ 196,341	106,843	9,410	23

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 3/21 Years 25153	New Mexico Reads 27114
-	-	-	-	-	-
30,147	6,120	32	-	-	15,080
-	-	-	-	-	-
<u>30,147</u>	<u>6,120</u>	<u>32</u>	<u>-</u>	<u>-</u>	<u>15,080</u>
-	-	-	-	-	-
2,937	-	-	-	-	-
27,210	6,120	32	-	-	15,080
<u>30,147</u>	<u>6,120</u>	<u>32</u>	<u>-</u>	<u>-</u>	<u>15,080</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>30,147</u>	<u>6,120</u>	<u>32</u>	<u>-</u>	<u>-</u>	<u>15,080</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Balance Sheets - Governmental Funds - (Continued)
June 30, 2015

	Public School Capital Outlay 31200	Total
	<u>31200</u>	<u>Total</u>
ASSETS		
Cash and Cash Equivalents	\$ -	236,425
Accounts Receivable		
Due from Government	27,750	79,129
Due from Other Funds	-	76,192
	<u>27,750</u>	<u>76,192</u>
Total Assets	\$ 27,750	391,746
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ -	112,842
Accrued Expenditures	-	88,590
Due to Other Funds	27,750	76,192
	<u>27,750</u>	<u>76,192</u>
Total Liabilities	27,750	277,624
Fund Balances		
Fund Balance:		
Restricted for:		
Instruction	-	9,410
Food Service Operations	-	23
Unassigned	-	104,689
	<u>-</u>	<u>114,122</u>
Total Fund Balance	-	114,122
Total Liabilities and Fund Balances	\$ 27,750	391,746

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2016

Fund Balance - Total Governmental Funds **\$ 114,122**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital Assets	60,963	
Accumulated Depreciation	<u>(20,291)</u>	
		40,672

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.

398,769

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability		(1,402,976)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.

(172,861)

Net Position (Deficit) - Total Governmental Activities **\$ (1,022,274)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Local & County Grant	\$ 1,713	-	-	23
State Grant	1,251,999	-	12,295	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	3,503
Total Revenues	<u>1,253,712</u>	<u>-</u>	<u>12,295</u>	<u>3,526</u>
EXPENDITURES				
Current:				
Instruction	636,375	-	8,463	-
Support Services:				
Students	27,316	-	-	-
Instruction	3,871	-	-	-
General Administration	43,936	-	-	-
School Administration	141,284	-	-	-
Central Services	116,393	-	-	-
Operation & Maintenance of Plant	147,429	-	-	-
Student Transportation	4,530	61,500	-	-
Food Services Operations	75,658	-	-	1,995
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,196,792</u>	<u>61,500</u>	<u>8,463</u>	<u>1,995</u>
Net Changes in Fund Balances	<u>56,920</u>	<u>(61,500)</u>	<u>3,832</u>	<u>1,531</u>
Fund Balances - Beginning of Year	47,769	56,623	5,578	4,574
Prior Period Adjustment	-	4,877	-	(6,082)
Fund Balances - End of Year	<u>\$ 104,689</u>	<u>-</u>	<u>9,410</u>	<u>23</u>

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 3/21 Years 25153	New Mexico Reads 27114
-	-	-	-	-	-
-	-	-	-	-	27,612
41,210	10,530	32	-	-	-
-	-	-	-	-	-
<u>41,210</u>	<u>10,530</u>	<u>32</u>	<u>-</u>	<u>-</u>	<u>27,612</u>
10,257	-	-	-	-	27,612
24,253	10,530	32	-	135	-
3,647	-	-	-	-	-
3,053	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>41,210</u>	<u>10,530</u>	<u>32</u>	<u>-</u>	<u>135</u>	<u>27,612</u>
-	-	-	-	(135)	-
-	-	-	-	135	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Statement of Revenues, Expenditures, and Changes In Fund Balances - (Continued)
 Governmental Funds
 For The Year Ended June 30, 2015

	Public School Capital Outlay 31200	Total
REVENUES		
Local & County Grant	\$ -	1,736
State Grant	111,000	1,402,906
Federal Grant	-	51,772
Charges for Services	-	3,503
Total Revenues	<u>111,000</u>	<u>1,459,917</u>
EXPENDITURES		
Current:		
Instruction	-	682,707
Support Services:		
Students	-	62,266
Instruction	-	7,518
General Administration	-	46,989
School Administration	-	141,284
Central Services	-	116,393
Operation & Maintenance of Plant	-	147,429
Student Transportation	-	66,030
Food Services Operations	-	77,653
Capital Outlay	111,000	111,000
Total Expenditures	<u>111,000</u>	<u>1,459,269</u>
Net Changes in Fund Balances	<u>-</u>	<u>648</u>
Fund Balances - Beginning of Year	-	114,679
Prior Period Adjustment	-	(1,205)
Fund Balances - End of Year	<u>\$ -</u>	<u>114,122</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds \$ 648

Amounts reported for governmental activities in the Statement of
 Activities are different because:

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Depreciation Expense (5,880)

Changes in Deferred Outflows of Resources-Pension Related, Deferred
 Inflows of Resources-Pension Related, and the Net Pension Liability (112,061)

Change in Net Position-Total Governmental Activities \$ (117,293)

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 1,071
Total Assets	<u>\$ 1,071</u>
LIABILITIES	
Deposits Held for Others	\$ 1,071
Total Liabilities	<u>\$ 1,071</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 385	7,363	(6,677)	1,071
Total Assets	<u>\$ 385</u>	<u>7,363</u>	<u>(6,677)</u>	<u>1,071</u>
 LIABILITIES				
Deposits Held for Others	\$ 385	7,363	(6,677)	1,071
Total Liabilities	<u>\$ 385</u>	<u>7,363</u>	<u>(6,677)</u>	<u>1,071</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Uplift Community School’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Uplift Community School does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. Uplift Community School utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Furniture, Fixtures and Equipment	5 years
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Capital assets for Uplift Community School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 60,963	-	-	60,963
<i>Total</i>	<u>60,963</u>	<u>-</u>	<u>-</u>	<u>60,963</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(14,411)	(5,880)	-	(20,291)
<i>Total</i>	<u>(14,411)</u>	<u>(5,880)</u>	<u>-</u>	<u>(20,291)</u>
Capital Assets, Net	<u>\$ 46,552</u>	<u>(5,880)</u>	<u>-</u>	<u>40,672</u>

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expensed for the year ended June 30, 2016 was expensed to the following functions:

Instruction	\$ 2,113
Operation & Maintenance of Plant	3,767
Total	<u>\$ 5,880</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Uplift Community School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$156,860. The Uplift Community School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	\$ 164,400
Total	<u>\$ 164,400</u>

NOTE 4. RELATED PARTY TRANSACTIONS

The business manager services are performed by Vigil Group, which performed services for multiple state charter schools.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Uplift Community School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Contributions. The contribution requirements of defined benefit plan members and Uplift Community School are established in state statute under Section 22-11-21, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal years ended June 30, 2015 and 2016, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from Uplift Community School were \$86,832 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2016, Uplift Community School reported a liability of \$1,402,976 for its proportionate share of the net pension liability. The proportionate share of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Uplift Community School's proportion was 0.02166 percent, which was a decrease of 0.00298 percent from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Uplift Community School recognized pension expense of \$198,793. As of June 30, 2016, Uplift Community School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	<26,010>
Changes in assumptions	48,256	-
Net difference between projected and actual earnings on pension plan investments	-	<6,315>
Changes in proportion and differences between Uplift Community School contributions and proportionate share of contributions	263,681	<140,536>
Uplift Community School contributions subsequent to the measurement date	<u>86,832</u>	<u>-</u>
Total	<u>\$ 398,769</u>	<u><172,861></u>

Deferred outflows of resources of \$86,832 resulted from contributions made subsequent to the June 30, 2015 measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ <88,868>
2017	<72,804>
2018	42,083
2019	<u><19,487></u>
Total	<u>\$ <139,076></u>

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Uplift Community School's proportionate share of the net pension liability to changes in the discount rate. The following presents the net pension liability calculated using the discount rate of 7.75%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Uplift Community School's proportionate share of the net pension liability	\$ 1,887,798	1,402,976	995,675

Payables to the pension plan. For the year ending June 30, 2016, Uplift Community School's accrued liability due to ERB was \$25,300 for June 2016 payroll paid in July 2016.

NOTE 6. RESTATEMENTS

Beginning fund balance was restated in the Pupil Transportation Fund in the amount of \$4,877 due to the overstatement of accounts payable in the prior year. Beginning fund balance was also restated in the Food Services Fund in the amount of \$(6,082) due to receivables recorded in the prior year that were never received.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 UPLIFT COMMUNITY SCHOOL
 SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 June 30, 2016

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data*
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.02%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,406	1,403	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 679	591	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.04%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceding year.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
UPLIFT COMMUNITY SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 86	87	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	86	87	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (255)	5		\$ (101)	(101)	(85)	32	-				
2015	(139)	5			(89)	(73)	42	(19)				
2016	-	5				-	-	-				
2017	-	5				-	-	-				
2018	-	5				-	-	-				
2019	-	5				-	-	-				
2020	-	5				-	-	-				
2021	-	5				-	-	-				
2022	-	5				-	-	-				
2023	-	5				-	-	-				
	\$ (394)			\$ (101)	(190)	(158)	74	(19)	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	1,713	1,713
State Grant	1,246,457	1,246,457	1,251,999	5,542
Total Revenues	1,246,457	1,246,457	1,253,712	7,255
EXPENDITURES				
Current:				
Instruction	778,484	648,278	635,981	12,297
Support Services:				
Students	35,792	53,761	28,084	25,677
Instruction	6,200	6,200	3,871	2,329
General Administration	47,954	47,954	42,025	5,929
School Administration	140,320	144,120	140,002	4,118
Central Services	67,820	122,820	116,750	6,070
Operation & Maintenance of Plant	154,887	185,845	145,851	39,994
Student Transportation	-	7,000	4,530	2,470
Food Services Operations	15,000	80,206	75,658	4,548
Total Expenditures	1,246,457	1,296,184	1,192,752	103,432
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(49,727)	60,960	110,687
Other Financing Sources (Uses):				
Designated Cash	-	49,727	-	(49,727)
Total Other Financing Sources (Uses):	-	49,727	-	(49,727)
Net Changes in Fund Balances	-	-	60,960	60,960
Cash or Fund Balances - Beginning of Year	-	-	79,514	79,514
Cash or Fund Balances - End of Year	\$ -	-	140,474	140,474
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 60,960	
Adjustments to Expenditures			(4,040)	
NET CHANGE IN FUND BALANCE			\$ 56,920	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	93,726	101,072	7,346
Total Revenues	<u>-</u>	<u>93,726</u>	<u>101,072</u>	<u>7,346</u>
EXPENDITURES				
Current:				
Student Transportation	-	160,997	61,500	99,497
Total Expenditures	<u>-</u>	<u>160,997</u>	<u>61,500</u>	<u>99,497</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(67,271)</u>	<u>39,572</u>	<u>106,843</u>
Other Financing Sources (Uses):				
Designated Cash	-	67,271	-	(67,271)
Total Other Financing Sources (Uses):	<u>-</u>	<u>67,271</u>	<u>-</u>	<u>(67,271)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>39,572</u>	<u>39,572</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>134,542</u>	<u>134,542</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>174,114</u>	<u>174,114</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 39,572	
Adjustments to Revenues			(101,072)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (61,500)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 8,463	12,295	12,295	-
Total Revenues	<u>8,463</u>	<u>12,295</u>	<u>12,295</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	8,463	17,873	8,463	9,410
Total Expenditures	<u>8,463</u>	<u>17,873</u>	<u>8,463</u>	<u>9,410</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(5,578)</u>	<u>3,832</u>	<u>9,410</u>
Other Financing Sources (Uses):				
Designated Cash	-	5,578	-	(5,578)
Total Other Financing Sources (Uses):	<u>-</u>	<u>5,578</u>	<u>-</u>	<u>(5,578)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,832</u>	<u>3,832</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>5,578</u>	<u>5,578</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>9,410</u>	<u>9,410</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,832	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 3,832</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Local & County Grant	\$ -	-	23	23
Federal Grant	52,000	52,000	6,009	(45,991)
Charges for Services	8,000	8,000	3,503	(4,497)
Total Revenues	60,000	60,000	9,535	(50,465)
EXPENDITURES				
Current:				
Food Services Operations	60,000	60,000	2,236	57,764
Total Expenditures	60,000	60,000	2,236	57,764
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	7,299	7,299
Net Changes in Fund Balances	-	-	7,299	7,299
Cash or Fund Balances - Beginning of Year	-	-	(7,517)	(7,517)
Cash or Fund Balances - End of Year	\$ -	-	(218)	(218)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 7,299	
Adjustments to Revenues			(6,009)	
Adjustments to Expenditures			241	
NET CHANGE IN FUND BALANCE			\$ 1,531	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 46,162	103,411	20,271	(83,140)
Total Revenues	<u>46,162</u>	<u>103,411</u>	<u>20,271</u>	<u>(83,140)</u>
EXPENDITURES				
Current:				
Instruction	42,742	69,991	10,257	59,734
Support Services:				
Students	-	25,000	24,253	747
Instruction	-	5,000	3,647	1,353
General Administration	3,420	3,420	3,053	367
Total Expenditures	<u>46,162</u>	<u>103,411</u>	<u>41,210</u>	<u>62,201</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(20,939)</u>	<u>(20,939)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(20,939)</u>	<u>(20,939)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(20,939)</u>	<u>(20,939)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (20,939)	
Adjustments to Revenues			20,939	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 24,541	44,609	6,115	(38,494)
Total Revenues	<u>24,541</u>	<u>44,609</u>	<u>6,115</u>	<u>(38,494)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	24,541	44,609	10,530	34,079
Total Expenditures	<u>24,541</u>	<u>44,609</u>	<u>10,530</u>	<u>34,079</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,415)</u>	<u>(4,415)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,415)</u>	<u>(4,415)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,415)</u>	<u>(4,415)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,415)	
Adjustments to Revenues			<u>4,415</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	32	40	8
Total Revenues	<u>-</u>	<u>32</u>	<u>40</u>	<u>8</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	32	32	-
Total Expenditures	<u>-</u>	<u>32</u>	<u>32</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>8</u>	<u>8</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>8</u>	<u>8</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>8</u>	<u>8</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8	
Adjustments to Revenues			<u>(8)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 8,307	8,307	-	(8,307)
Total Revenues	8,307	8,307	-	(8,307)
EXPENDITURES				
Current:				
Instruction	7,307	7,307	-	7,307
Support Services:				
School Administration	500	500	-	500
Central Services	500	500	-	500
Total expenditures	8,307	8,307	-	8,307
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 3/21 Years 25153
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Current:				
Support Services:				
Students	-	135	135	-
Total Expenditures	-	135	135	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(135)	(135)	-
Other financing sources (uses):				
Designated Cash	-	135	-	(135)
Total other financing sources (uses):	-	135	-	(135)
Net Changes in Fund Balances	-	-	(135)	(135)
Cash or Fund Balances - Beginning of Year	-	-	135	135
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (135)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (135)	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 New Mexico Reads 27114
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 50,000	50,000	38,693	(11,307)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>38,693</u>	<u>(11,307)</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	27,612	22,388
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>27,612</u>	<u>22,388</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			11,081	11,081
Net Changes in Fund Balances			11,081	11,081
Cash or Fund Balances - Beginning of Year				
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>11,081</u>	<u>11,081</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 11,081	
Adjustments to Revenues			(11,081)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	111,000	106,350	(4,650)
Total Revenues	<u>-</u>	<u>111,000</u>	<u>106,350</u>	<u>(4,650)</u>
EXPENDITURES				
Capital Outlay	-	111,000	111,000	-
Total Expenditures	<u>-</u>	<u>111,000</u>	<u>111,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(4,650)	(4,650)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,650)</u>	<u>(4,650)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,650)</u>	<u>(4,650)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,650)	
Adjustments to Revenues			<u>4,650</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
Bank of Colorado	Zuni NM Public	98981RAE7	8/1/2016	\$ 125,176
				<u>\$ 125,176</u>
Total Cash per Schedule of Cash Accounts:				\$ 253,162
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				3,162
Collateral Requirement:				1,581
Pledged Collateral Held by Pledging Financial Institution:				<u>125,176</u>
Balance Over Collateralized:				<u>\$ 123,595</u>
Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ -</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Bank of Colorado</u>
Checking - Operational Account	\$ 253,162
<i>Total on Deposit</i>	253,162
Reconciling Items	<u>(15,666)</u>
Reconciled Balance June 30, 2016	<u>237,496</u>
Less Agency Funds	<u>(1,071)</u>
<i>Total Cash</i>	<u><u>\$ 236,425</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Cash Reconciliation
June 30, 2016

	Operational 11000	Transportation Fund 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2015	\$ 77,663	134,542	5,578	2,553
Add:				
2015-16 revenues	<u>1,253,712</u>	<u>101,072</u>	<u>12,295</u>	<u>9,535</u>
Total Cash Available	1,331,375	235,614	17,873	12,088
Less:				
2015-16 expenditures	(1,192,752)	(128,771)	(8,463)	(2,236)
Receivables/Payables	53,242	-	-	(9,829)
Outstanding Loans	<u>(76,192)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2016	<u>115,673</u>	<u>106,843</u>	<u>9,410</u>	<u>23</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	4,476	-	-	-
Cash Per Books	<u>120,149</u>	<u>106,843</u>	<u>9,410</u>	<u>23</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(15,460)</u>	<u>(106,843)</u>	<u>-</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 104,689</u>	<u>-</u>	<u>9,410</u>	<u>23</u>

Non-Instruct. Fund 23000	Federal Projects Account 24000	Federal Direct 25000	State Account 27000	Public School Capital Outlay 31200	Total
385	-	135	(25,937)	(23,100)	171,819
<u>7,363</u>	<u>26,427</u>	<u>-</u>	<u>38,693</u>	<u>106,350</u>	<u>1,555,447</u>
7,748	26,427	135	12,756	83,250	1,727,266
(6,677)	(51,772)	(135)	(27,612)	(111,000)	(1,529,418)
-	(8,017)	-	(224)	-	35,172
-	33,362	-	15,080	27,750	-
<u>1,071</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>233,020</u>
-	-	-	-	-	4,476
<u>1,071</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>237,496</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:					<u>(1,071)</u>
					<u>\$ 236,425</u>
<u>(1,071)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(123,374)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,122</u>
Balance Sheets - Governmental Funds:					<u>\$ 114,122</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,690,443
Receivables	
Due from Other Governments	109,902
Prepaid Expenses	5,600
Total Current Assets	<u>1,805,945</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	8,755
Less: Accumulated Depreciation	<u>(8,755)</u>
Total Noncurrent Assets	<u>-</u>
Total Assets	<u>1,805,945</u>

Deferred Outflows - Pension Related	<u>251,339</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accrued Liabilities	4,907
Compensated Absences	32,099
Total Current Liabilities	<u>37,006</u>

Noncurrent Liabilities:

Net Pension Liability	1,165,908
Total Noncurrent Liabilities	<u>1,165,908</u>
Total Liabilities	<u>1,202,914</u>

Deferred Inflows - Pension Related	<u>26,863</u>
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NET POSITION

Restricted	301,724
Unrestricted	525,783
Total Net Position	<u>\$ 827,507</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 641,159	4,256	1,155,831	-	518,928
Support Services:					
Students	18,841	-	-	-	(18,841)
Instruction	63,073	-	-	-	(63,073)
General Administration	15,363	-	-	-	(15,363)
School Administration	157,010	-	-	-	(157,010)
Central Services	119,902	-	-	-	(119,902)
Operation & Maintenance of Plant	45,702	-	-	-	(45,702)
Student Transportation	6,131	-	-	-	(6,131)
Food Services	67,205	-	-	-	(67,205)
Facilities Materials, Supplies & Other Services	51,017	-	-	53,037	2,020
Total Governmental Activities	\$ 1,185,403	4,256	1,155,831	53,037	27,721
General Revenues:					
State Equalization Guarantee					\$ 700,163
Total General Revenues					700,163
Change in Net Position					727,884
Net Position, Beginning					99,623
Net position, Ending					\$ 827,507

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 1,386,134	25,086	18,862	-
Accounts Receivable				
Due from Government	1,013	-	-	5,143
Due from Other Funds	119,259	-	-	-
Prepaid Expenditures	4,000	-	-	-
Total Assets	\$ 1,510,406	25,086	18,862	5,143
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accrued Expenditures	\$ 4,348	-	-	10
Due to Other Funds	-	-	-	2,260
Total Liabilities	4,348	-	-	2,270
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	4,000	-	-	-
Restricted for:				
Instruction	-	25,086	-	2,873
Food Service Operations	-	-	18,862	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	1,502,058	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balance (Deficit)	1,506,058	25,086	18,862	2,873
Total Liabilities and Fund Balances (Deficit)	\$ 1,510,406	25,086	18,862	5,143

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Teacher Principal Training 24154	Title VII Indian Education 24155	USHHS/CDC School Health 24186	Impact Aid Special Education 25145
3,188	-	4,753	11,649	-	36,878
-	-	-	-	3,544	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,188</u>	<u>-</u>	<u>4,753</u>	<u>11,649</u>	<u>3,544</u>	<u>36,878</u>
-	-	-	-	-	-
-	-	4,753	-	3,544	-
-	-	4,753	-	3,544	-
-	-	-	-	-	-
3,188	-	-	11,649	-	36,878
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,188</u>	<u>-</u>	<u>-</u>	<u>11,649</u>	<u>-</u>	<u>36,878</u>
<u>3,188</u>	<u>-</u>	<u>4,753</u>	<u>11,649</u>	<u>3,544</u>	<u>36,878</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Balance Sheets - Governmental Funds - (Continued)
June 30, 2016

	Impact Aid Special Indian 25147	"Gear Up" NM State Initiative 25205	Center Native Education 26181	Dual Credit 27103
ASSETS				
Cash and Cash Equivalents	\$ 189,354	-	5,583	705
Accounts Receivable				
Due from Government	-	80,197	-	-
Due from Other Funds	-	-	-	-
Prepaid Expenditures	-	1,600	-	-
Total Assets	<u>189,354</u>	<u>81,797</u>	<u>5,583</u>	<u>705</u>
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accrued Expenditures	\$ -	548	-	-
Due to Other Funds	-	82,541	-	705
Total Liabilities	<u>-</u>	<u>83,089</u>	<u>-</u>	<u>705</u>
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	189,354	-	5,583	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Unassigned (Deficit)	-	(1,292)	-	-
Total Fund Balance (Deficit)	<u>189,354</u>	<u>(1,292)</u>	<u>5,583</u>	<u>-</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 189,354</u>	<u>81,797</u>	<u>5,583</u>	<u>705</u>

The accompanying notes are an integral part of these financial statements

Risk PED 27107	Indian Education Act Appropriation 27150	NM Grown FVV 27183	Gear Up CHE 28178	Private Direct Grant 29102	Public School Capital Outlay 31200
-	-	-	1,132	803	-
-	5,586	-	-	-	10,768
-	-	-	-	-	-
-	-	-	-	-	-
-	5,586	-	1,132	803	10,768
-	1	-	-	-	-
3,818	7,219	-	-	-	10,768
3,818	7,220	-	-	-	10,768
-	-	-	-	-	-
-	-	-	1,132	803	-
-	-	-	-	-	-
-	-	-	-	-	-
(3,818)	(1,634)	-	-	-	-
(3,818)	(1,634)	-	1,132	803	-
-	5,586	-	1,132	803	10,768

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Balance Sheets - Governmental Funds - (Continued)
June 30, 2016

	Special Capital Outlay 31500	SB-9 Capital Improvements 31700	Total
ASSETS			
Cash and Cash Equivalents	\$ 6,316	-	1,690,443
Accounts Receivable			
Due from Government	-	3,651	109,902
Due from Other Funds	-	-	119,259
Prepaid Expenditures	-	-	5,600
Total Assets	\$ 6,316	3,651	1,925,204
LIABILITIES AND FUND BALANCES			
<i>Liabilities:</i>			
Accrued Expenditures	\$ -	-	4,907
Due to Other Funds	-	3,651	119,259
Total Liabilities	-	3,651	124,166
<i>Fund Balances (Deficit)</i>			
Fund Balance:			
Nonspendable:			
Prepaid Expenditures	-	-	4,000
Restricted for:			
Instruction	-	-	276,546
Food Service Operations	-	-	18,862
Capital Improvements	6,316	-	6,316
Assigned to:			
Subsequent Years Expenditures and Other Programs	-	-	1,502,058
Unassigned (Deficit)	-	-	(6,744)
Total Fund Balance (Deficit)	6,316	-	1,801,038
Total Liabilities and Fund Balances (Deficit)	\$ 6,316	3,651	1,925,204

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 1,801,038**

Amounts reported for governmental activities in the Statement of
 Net Position are different because:

Capital assets used in governmental activities are not financial
 resources and, therefore, are not reported in the funds.

Capital Assets	8,755	
Accumulated Depreciation	(8,755)	
		-

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.	251,339
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Deferred benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	(26,863)
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The net pension liability are not due and payable in the current period and, therefore, is not reported in the funds.	(1,165,908)
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Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.	
Compensated absences	(32,099)

Net Position-Total Governmental Activities **\$ 827,507**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
State Grant	\$ 700,163	3,562	-	-
Federal Grant	658,475	-	28,463	13,250
Miscellaneous Income	4,251	-	-	-
Total Revenues	<u>1,362,889</u>	<u>3,562</u>	<u>28,463</u>	<u>13,250</u>
EXPENDITURES				
Current:				
Instruction	362,870	12,740	-	13,250
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	15,363	-	-	-
School Administration	141,145	-	-	-
Central Services	110,295	-	-	-
Operation & Maintenance of Plant	44,055	-	-	-
Student Transportation	5,318	-	-	-
Food Services Operations	40,400	-	26,805	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>719,446</u>	<u>12,740</u>	<u>26,805</u>	<u>13,250</u>
Net Changes in Fund Balances	<u>643,443</u>	<u>(9,178)</u>	<u>1,658</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>862,615</u>	<u>34,264</u>	<u>17,204</u>	<u>2,873</u>
Fund Balances (Deficit) - End of Year	<u>\$ 1,506,058</u>	<u>25,086</u>	<u>18,862</u>	<u>2,873</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Teacher Principal Training 24154	Title VII Indian Education 24155	USHHS/CDC School Health 24186	Impact Aid Special Education 25145
-	-	-	-	-	-
5,055	-	510	-	3,544	17,498
-	-	-	-	-	-
<u>5,055</u>	<u>-</u>	<u>510</u>	<u>-</u>	<u>3,544</u>	<u>17,498</u>
-	-	510	3,600	3,544	-
5,055	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,055</u>	<u>-</u>	<u>510</u>	<u>3,600</u>	<u>3,544</u>	<u>-</u>
-	-	-	(3,600)	-	17,498
<u>3,188</u>	<u>-</u>	<u>-</u>	<u>15,249</u>	<u>-</u>	<u>19,380</u>
<u>3,188</u>	<u>-</u>	<u>-</u>	<u>11,649</u>	<u>-</u>	<u>36,878</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	Impact Aid Special Indian 25147	"Gear Up" NM State Initiative 25205	Center Native Education 26181	Dual Credit 27103
REVENUES				
State Grant	\$ -	-	-	485
Federal Grant	177,428	223,387	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>177,428</u>	<u>223,387</u>	<u>-</u>	<u>485</u>
EXPENDITURES				
Current:				
Instruction	3,291	164,467	-	485
Support Services:				
Students	-	12,391	-	-
Instruction	-	55,925	-	-
General Administration	-	-	-	-
School Administration	-	1,175	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>3,291</u>	<u>233,958</u>	<u>-</u>	<u>485</u>
Net Changes in Fund Balances	<u>174,137</u>	<u>(10,571)</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>15,217</u>	<u>9,279</u>	<u>5,583</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 189,354</u>	<u>(1,292)</u>	<u>5,583</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Risk PED 27107	Indian Education Act Appropriation 27150	NM Grown FVV 27183	Gear Up CHE 28178	Private Direct Grant 29102	Public School Capital Outlay 31200
-	24,174	-	-	-	43,071
-	-	-	-	-	-
-	-	-	-	5	-
-	24,174	-	-	5	43,071
-	24,176	-	-	-	-
-	-	-	-	-	-
1,563	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	43,071
1,563	24,176	-	-	-	43,071
(1,563)	(2)	-	-	5	-
(2,255)	(1,632)	-	1,132	798	-
(3,818)	(1,634)	-	1,132	803	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	Special Capital Outlay 31500	SB-9 Capital Improvements 31700	Total
REVENUES			
State Grant	\$ -	3,650	775,105
Federal Grant	6,316	-	1,133,926
Miscellaneous Income	-	-	4,256
Total Revenues	6,316	3,650	1,913,287
EXPENDITURES			
Current:			
Instruction	-	-	588,933
Support Services:			
Students	-	-	17,446
Instruction	-	-	57,488
General Administration	-	-	15,363
School Administration	-	-	142,320
Central Services	-	-	110,295
Operation & Maintenance of Plant	-	-	44,055
Student Transportation	-	-	5,318
Food Services Operations	-	-	67,205
Capital Outlay	-	3,650	46,721
Total Expenditures	-	3,650	1,095,144
Net Changes in Fund Balances	6,316	-	818,143
Fund Balances (Deficit) - Beginning of Year	-	-	982,895
Fund Balances (Deficit) - End of Year	\$ 6,316	-	1,801,038

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds	\$ 818,143
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
Change in Compensated Absences	(14,293)
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period</p>	
Depreciation Expense	(813)
Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability.	<u>(75,153)</u>
Change in Net Position-Total Governmental Activities	<u><u>\$ 727,884</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	<u>\$ 19,787</u>
Total Assets	<u><u>\$ 19,787</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 19,787</u>
Total Liabilities	<u><u>\$ 19,787</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2016

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
ASSETS				
Cash in Bank	\$ 18,305	18,940	(17,458)	19,787
Total Assets	<u>\$ 18,305</u>	<u>18,940</u>	<u>(17,458)</u>	<u>19,787</u>
LIABILITIES				
Deposits Held for Others	\$ 18,305	18,940	(17,458)	19,787
Total Liabilities	<u>\$ 18,305</u>	<u>18,940</u>	<u>(17,458)</u>	<u>19,787</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Walatowa High Charter School capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Walatowa High Charter School does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. Walatowa High Charter School utilizes the Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Furniture, Fixtures and Equipment 5 years

Capital assets for Walatowa High Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Balance			Balance
	<u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, fixtures and equipment	\$ 8,755	-	-	8,755
<i>Total</i>	<u>8,755</u>	<u>-</u>	<u>-</u>	<u>8,755</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(7,942)	(813)	-	(8,755)
<i>Total</i>	<u>(7,942)</u>	<u>(813)</u>	<u>-</u>	<u>(8,755)</u>
Capital Assets, Net	<u>\$ 813</u>	<u>(813)</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Notes to the Financial Statements
 June 30, 2016

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expensed for the year ended June 30, 2016 was expensed to the following function:

Student Transportation	\$	813
Total	\$	813

NOTE 3. COMMITMENTS AND LIABILITIES

Walatowa High Charter School leases portable buildings under a cancellable operating lease. Rental expense for the year ended June 30, 2016 was \$43,071. Walatowa High Charter School's minimum future payments on the lease for the year ending June 30, 2017 is \$43,071.

NOTE 4. RELATED PARTIES TRANSACTIONS

Walatowa High Charter School is located on the Pueblo of Jemez (the Pueblo). Walatowa High Charter School leases from the Pueblo the portable buildings exclusively used for educational purposes.

NOTE 5. COMPENSATED ABSENCES

Walatowa High Charter School had a compensated absences balance of \$17,806 at the beginning of the fiscal year. Increases to the balance were \$14,293 which resulted in an ending balance of \$32,099. All of this balance is considered to be current.

NOTE 6. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2016:

New Mexico Gear Up	\$	1,292
Risk PED		3,818
Indian Education Act Appropriation		1,634

Walatowa High Charter School is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 7. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Walatowa High Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Walatowa High Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2016 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from Walatowa High Charter School were \$71,190 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2015. At June 30, 2016, Walatowa High Charter School reported a liability of \$1,165,908 for its proportionate share of the net pension liability. Walatowa High Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Walatowa High Charter School's proportion was 0.01800%, which was an increase of 0.00139% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, Walatowa High Charter School recognized pension expense of \$75,558. At June 30, 2016, Walatowa High Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 7. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (21,615)
Changes in assumptions	40,102	-
Net difference between projected and actual earnings on pension plan investments	-	(5,248)
Changes in proportion	140,047	-
Fiscal year 2016 employer contributions	<u>71,190</u>	<u>-</u>
Ending balance	<u>\$ 251,339</u>	<u>(26,863)</u>

Walatowa High Charter School reported \$71,190 as deferred outflows of resources related to pensions resulting from Walatowa High Charter School contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (59,484)
2018	(55,326)
2019	(22,282)
2020	<u>(16,194)</u>
Total	<u>\$ (153,286)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Notes to the Financial Statements
 June 30, 2016

NOTE 7. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Walatowa High Charter School proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Walatowa High Charter School’s proportionate share of the net pension liability	<u>\$ 1,568,807</u>	<u>1,165,908</u>	<u>827,431</u>

Payables to the pension plan. At June 30, 2016, Walatowa High Charter School did not owe ERB for fiscal year 2016 contributions.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
WALATOWA HIGH CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.02%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 948	1,166	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 458	491	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.02%	237.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 WALATOWA HIGH CHARTER SCHOOL
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2016

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 60	\$ 71	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	60	71	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	\$ -	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount		Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Deferred												
2014	\$ (15)	5		\$ (14)	\$ (14)	\$ (9)	\$ 22	-					
2015	\$ (153)	5			(60)	(55)	(22)	(16)					
2016	-	5				-	-	-					
2017	-	5				-	-	-					
2018	-	5				-	-	-					
2019	-	5				-	-	-					
2020	-	5				-	-	-					
2021	-	5				-	-	-					
2022	-	5				-	-	-					
2023	-	5				-	-	-					
	\$ (168)			\$ (14)	\$ (74)	(64)	-	(16)	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 698,429	700,163	700,163	-
Federal Grant	-	658,475	658,475	-
Miscellaneous income	12,330	12,330	4,251	(8,079)
Total Revenues	<u>710,759</u>	<u>1,370,968</u>	<u>1,362,889</u>	<u>(8,079)</u>
EXPENDITURES				
Current:				
Instruction	489,717	647,602	358,460	289,142
Support Services:				
Students	31,896	7,440	-	7,440
General Administration	26,500	26,500	19,363	7,137
School Administration	150,560	282,255	141,145	141,110
Central Services	117,656	253,725	110,295	143,430
Operation & Maintenance of Plant	318,408	445,729	44,055	401,674
Student Transportation	33,300	33,300	5,318	27,982
Food Services Operations	104,290	235,985	40,400	195,585
Total Expenditures	<u>1,272,327</u>	<u>1,932,536</u>	<u>719,036</u>	<u>1,213,500</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(561,568)</u>	<u>(561,568)</u>	<u>643,853</u>	<u>1,205,421</u>
Other Financing Sources (Uses):				
Designated Cash	561,568	561,568	-	(561,568)
Total Other Financing Sources (Uses):	<u>561,568</u>	<u>561,568</u>	<u>-</u>	<u>(561,568)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>643,853</u>	<u>643,853</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>862,615</u>	<u>862,615</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,506,468</u>	<u>1,506,468</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 643,853	
Adjustments to Revenues			-	
Adjustments to Expenditures			(410)	
NET CHANGE IN FUND BALANCE			<u>\$ 643,443</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 2,992	2,992	3,562	570
Total Revenues	<u>2,992</u>	<u>2,992</u>	<u>3,562</u>	<u>570</u>
EXPENDITURES				
Current:				
Instruction	37,256	37,256	12,740	24,516
Total Expenditures	<u>37,256</u>	<u>37,256</u>	<u>12,740</u>	<u>24,516</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(34,264)</u>	<u>(34,264)</u>	<u>(9,178)</u>	<u>25,086</u>
Other Financing Sources (Uses):				
Designated Cash	34,264	34,264	-	(34,264)
Total Other Financing Sources (Uses):	<u>34,264</u>	<u>34,264</u>	<u>-</u>	<u>(34,264)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(9,178)</u>	<u>(9,178)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>34,264</u>	<u>34,264</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>25,086</u>	<u>25,086</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,178)	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (9,178)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 40,972	40,972	28,463	(12,509)
Total Revenues	40,972	40,972	28,463	(12,509)
EXPENDITURES				
Current:				
Food Services Operations	63,294	63,294	26,805	36,489
Total Expenditures	63,294	63,294	26,805	36,489
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(22,322)</i>	<i>(22,322)</i>	<i>1,658</i>	<i>23,980</i>
Other financing sources (uses):				
Designated Cash	17,204	17,204	-	(17,204)
Total other financing sources (uses):	17,204	17,204	-	(17,204)
Net Changes in Fund Balances	(5,118)	(5,118)	1,658	6,776
Cash or Fund Balances - Beginning of Year	-	-	17,204	17,204
Cash or Fund Balances - End of Year	\$ (5,118)	(5,118)	18,862	23,980
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,658	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 1,658	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 18,856	36,338	8,106	(28,232)
Total Revenues	<u>18,856</u>	<u>36,338</u>	<u>8,106</u>	<u>(28,232)</u>
EXPENDITURES				
Current:				
Instruction	18,856	36,338	13,250	23,088
Total Expenditures	<u>18,856</u>	<u>36,338</u>	<u>13,250</u>	<u>23,088</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(5,144)	(5,144)
Net Changes in Fund Balances	-	-	(5,144)	(5,144)
Cash or Fund Balances - Beginning of Year	-	-	2,873	2,873
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,271)</u>	<u>(2,271)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,144)	
Adjustments to Revenues			5,144	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 12,621	30,078	5,055	(25,023)
Total Revenues	<u>12,621</u>	<u>30,078</u>	<u>5,055</u>	<u>(25,023)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	12,621	30,078	5,055	25,023
Total Expenditures	<u>12,621</u>	<u>30,078</u>	<u>5,055</u>	<u>25,023</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	3,188	3,188
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,188</u>	<u>3,188</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B "Risk Pool" 24120
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	13	-	(13)
Total Revenues	-	13	-	(13)
EXPENDITURES				
Current:				
Support Services:				
Students	-	13	-	13
Total Expenditures	-	13	-	13
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	3,243	510	(2,733)
Total Revenues	-	3,243	510	(2,733)
EXPENDITURES				
Current:				
Instruction	-	3,243	510	2,733
Total expenditures	-	3,243	510	2,733
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title VII Indian Education 24155
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	8,000	-	(8,000)
Total Revenues	<u>-</u>	<u>8,000</u>	<u>-</u>	<u>(8,000)</u>
EXPENDITURES				
Current:				
Instruction	-	8,000	3,600	4,400
Total Expenditures	<u>-</u>	<u>8,000</u>	<u>3,600</u>	<u>4,400</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,600)</u>	<u>(3,600)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,600)</u>	<u>(3,600)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>15,249</u>	<u>15,249</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>11,649</u>	<u>11,649</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,600)	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (3,600)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 USHHS/CDC School Health 24186
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	5,000	-	(5,000)
Total Revenues	-	5,000	-	(5,000)
EXPENDITURES				
Current:				
Instruction	-	4,000	3,544	456
Support Services:				
Instruction	-	250	-	250
Student Transportation	-	250	-	250
Other Support Services Operations	-	500	-	500
Total Expenditures	-	5,000	3,544	1,456
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(3,544)	(3,544)
Net Changes in Fund Balances	-	-	(3,544)	(3,544)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(3,544)	(3,544)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ (3,544)	
Adjustments to Expenditures			3,544	
			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Impact Aid Special Education 25145
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	34,197	17,498	(16,699)
Total Revenues	<u>-</u>	<u>34,197</u>	<u>17,498</u>	<u>(16,699)</u>
EXPENDITURES				
Current:				
Instruction	-	34,197	-	34,197
Total Expenditures	<u>-</u>	<u>34,197</u>	<u>-</u>	<u>34,197</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>17,498</u>	<u>17,498</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>17,498</u>	<u>17,498</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>19,380</u>	<u>19,380</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>36,878</u>	<u>36,878</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 17,498	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 17,498</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Impact Aid Indian Education 25147
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	198,376	177,431	(20,945)
Total Revenues	<u>-</u>	<u>198,376</u>	<u>177,431</u>	<u>(20,945)</u>
EXPENDITURES				
Current:				
Instruction	-	63,611	3,291	60,320
Support Services:				
School Administration	-	43,255	-	43,255
Central Services	-	48,255	-	48,255
Operation & Maintenance of Plant	-	43,255	-	43,255
Total Expenditures	<u>-</u>	<u>198,376</u>	<u>3,291</u>	<u>195,085</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>174,140</u>	<u>174,140</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>174,140</u>	<u>174,140</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>15,217</u>	<u>15,217</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>189,357</u>	<u>189,357</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 174,140	
Adjustments to Revenues			(3)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 174,137</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
New Mexico GEAR-Up 25205
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 220,000	252,035	208,179	(43,856)
Total Revenues	220,000	252,035	208,179	(43,856)
EXPENDITURES				
Current:				
Instruction	145,852	172,887	153,835	19,052
Support Services:				
Students	12,200	12,400	12,391	9
Instruction	58,748	58,548	55,915	2,633
General Administration	200	200	-	200
School Administration	3,000	8,000	1,175	6,825
Total Expenditures	220,000	252,035	223,316	28,719
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(15,137)	(15,137)
Net Changes in Fund Balances	-	-	(15,137)	(15,137)
Cash or Fund Balances - Beginning of Year	-	-	9,279	9,279
Cash or Fund Balances - End of Year	\$ -	-	(5,858)	(5,858)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (15,137)	
Adjustments to Revenues			15,208	
Adjustments to Expenditures			(10,642)	
NET CHANGE IN FUND BALANCE			\$ (10,571)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Center Native Education 26181
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES	\$ -	-	-	-
<i>Total Revenues</i>	-	-	-	-
EXPENDITURES	-	-	-	-
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	5,583	5,583
<i>Cash or Fund Balances - End of Year</i>	\$ -	-	5,583	5,583
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit 27103
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	790	485	(305)
Total Revenues	<u>-</u>	<u>790</u>	<u>485</u>	<u>(305)</u>
EXPENDITURES				
Current:				
Instruction	-	790	485	305
Total Expenditures	<u>-</u>	<u>790</u>	<u>485</u>	<u>305</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Risk PED 27107
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 6,228	6,228	-	(6,228)
Total Revenues	<u>6,228</u>	<u>6,228</u>	<u>-</u>	<u>(6,228)</u>
EXPENDITURES				
Support Services:				
Instruction	6,228	6,228	1,563	4,665
Total Expenditures	<u>6,228</u>	<u>6,228</u>	<u>1,563</u>	<u>4,665</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,563)</u>	<u>(1,563)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,563)</u>	<u>(1,563)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(2,255)</u>	<u>(2,255)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,818)</u>	<u>(3,818)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,563)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (1,563)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Indian Education Act Appropriation 27150
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	25,000	18,590	(6,410)
Total Revenues	<u>-</u>	<u>25,000</u>	<u>18,590</u>	<u>(6,410)</u>
EXPENDITURES				
Current:				
Instruction	-	24,500	24,176	324
Central Services	-	500	-	500
Total Expenditures	<u>-</u>	<u>25,000</u>	<u>24,176</u>	<u>824</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(5,586)</u>	<u>(5,586)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5,586)</u>	<u>(5,586)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(1,632)</u>	<u>(1,632)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,218)</u>	<u>(7,218)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,586)	
Adjustments to Revenues			5,584	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (2)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
NM Grown FVV 27183
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	63	63	-
Total Revenues	-	63	63	-
EXPENDITURES				
Food Services Operations	-	63	63	-
Total Expenditures	-	63	63	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			(63)	
Adjustments to Expenditures			63	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
New Mexico GEAR Up 28178
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Support Services:				
Students	1,165	1,165	-	1,165
Total Expenditures	<u>1,165</u>	<u>1,165</u>	<u>-</u>	<u>1,165</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(1,165)</u>	<u>(1,165)</u>	<u>-</u>	<u>1,165</u>
Other financing sources (uses):				
Designated Cash	1,165	1,165	-	(1,165)
Total other financing sources (uses):	<u>1,165</u>	<u>1,165</u>	<u>-</u>	<u>(1,165)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>1,132</u>	<u>1,132</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,132</u>	<u>1,132</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Private Dir Grant 29102
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Miscellaneous income	\$ -	-	5	5
Total Revenues	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>
EXPENDITURES				
Current:				
Instruction	728	728	-	728
Total Expenditures	<u>728</u>	<u>728</u>	<u>-</u>	<u>728</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(728)</u>	<u>(728)</u>	<u>5</u>	<u>733</u>
Other financing sources (uses):				
Designated Cash	728	728	-	(728)
Total other financing sources (uses):	<u>728</u>	<u>728</u>	<u>-</u>	<u>(728)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>798</u>	<u>798</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>803</u>	<u>803</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 5</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	43,071	32,303	(10,768)
Total Revenues	-	43,071	32,303	(10,768)
EXPENDITURES				
Capital Outlay	-	43,071	43,071	-
Total Expenditures	-	43,071	43,071	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(10,768)	(10,768)
Net Changes in Fund Balances	-	-	(10,768)	(10,768)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(10,768)	(10,768)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (10,768)	
Adjustments to Revenues			10,768	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay 31500
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	6,316	6,316	-
Total Revenues	-	6,316	6,316	-
EXPENDITURES				
Capital Outlay	-	6,316	-	6,316
Total Expenditures	-	6,316	-	6,316
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	6,316	6,316
Net Changes in Fund Balances	-	-	6,316	6,316
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	6,316	6,316
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,316	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 6,316	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa High Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 4,000	6,969	-	(6,969)
Total Revenues	<u>4,000</u>	<u>6,969</u>	<u>-</u>	<u>(6,969)</u>
EXPENDITURES				
Capital Outlay	4,000	6,969	3,650	3,319
Total Expenditures	<u>4,000</u>	<u>6,969</u>	<u>3,650</u>	<u>3,319</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,650)	(3,650)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,650)</u>	<u>(3,650)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,650)</u>	<u>(3,650)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,650)	
Adjustments to Revenues			3,650	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
US Bank National Association	FNMA Pool	31419LKM4	11/1/2025	\$ 605,322
US Bank National Association	FHLMC Gold Pool	3128KRMCS	11/1/2036	1,000,245
				<u>\$ 1,605,567</u>

Total Cash per Schedule of Cash Accounts: \$ 1,746,131
Less: FDIC coverage: (250,000)
Uninsured Public Funds: 1,496,131

Collateral Requirement: 748,066
Pledged Collateral Held by Pledging Financial Institution: 1,605,567

Balance Over Collateralized: \$ 857,501

Balance Uninsured and Uncollateralized at June 30, 2016: \$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Schedule of Cash Accounts
June 30, 2016

<u>Bank Account Type</u>	<u>People's Bank</u>
Checking - Operational Account	\$ 1,746,131
<i>Total on Deposit</i>	1,746,131
Reconciling Items	<u>(35,901)</u>
Reconciled Balance June 30, 2016	1,710,230
Less Agency Funds	<u>(19,787)</u>
<i>Total Cash</i>	<u><u>\$ 1,690,443</u></u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2015	\$ 738,125	34,264	14,986	18,305
Add:				
2015-16 revenues	1,362,889	3,562	28,463	18,940
Total Cash Available	2,101,014	37,826	43,449	37,245
Less:				
2015-16 expenditures	(719,036)	(12,740)	(26,805)	(17,458)
Receivables/Payables	2,848	-	2,218	-
Outstanding Loans	1,308	-	-	-
Cash June 30, 2016	1,386,134	25,086	18,862	19,787
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	1,386,134	25,086	18,862	19,787
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	119,924	-	-	(19,787)
Fund Balance, Modified Accrual Basis	<u>\$1,506,058</u>	<u>25,086</u>	<u>18,862</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	Federal Direct 25000	Local Grants 26000	State Account 27000	State Direct Account 28000	Private 29000
18,338	34,597	5,583	-	1,132	798
13,671	403,108	-	19,138	-	5
32,009	437,705	5,583	19,138	1,132	803
(25,959)	(226,607)	-	26,287	-	-
7,736	12,923	-	(24,524)	-	-
5,804	2,211	-	(20,196)	-	-
19,590	226,232	5,583	705	1,132	803
-	-	-	-	-	-
19,590	226,232	5,583	705	1,132	803
(1,880)	(1,292)	-	(6,157)	-	-
17,710	224,940	5,583	(5,452)	1,132	803

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Cash Reconciliation - (Continued)
June 30, 2016

	Public School Capital Outlay <u>31200</u>	Special Capital Outlay <u>31500</u>	SB-9 Capital Improvements <u>31700</u>	<u>Total</u>
Cash, June 30, 2015	\$ -	-	-	866,128
Add:				
2015-16 revenues	<u>32,303</u>	<u>6,316</u>	<u>-</u>	<u>1,888,395</u>
Total Cash Available	32,303	6,316	-	2,754,523
Less:				
2015-16 expenditures	(43,071)	-	(3,650)	(1,049,039)
Receivables/Payables	-	-	3,545	4,746
Outstanding Loans	<u>10,768</u>	<u>-</u>	<u>105</u>	<u>-</u>
Cash June 30, 2016	<u>-</u>	<u>6,316</u>	<u>-</u>	<u>1,710,230</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>-</u>	<u>6,316</u>	<u>-</u>	<u>1,710,230</u>
			Less: Agency Fund	<u>(19,787)</u>
				<u>\$ 1,690,443</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,808</u>
Fund Balance, Modified Accrual Basis	<u>\$ -</u>	<u>6,316</u>	<u>-</u>	<u>1,801,038</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Statement of Net Position
June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 47,359
Receivables	
Due from Government	53,327
Total Current Assets	<u>100,686</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	27,125
Less: Accumulated Depreciation	<u>(21,700)</u>
Total Noncurrent Assets	<u>5,425</u>
Total Assets	<u>106,111</u>

Deferred Outflows - Pension Related	<u>170,200</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	4,360
Accrued Expenses	<u>34,518</u>
Total Current Liabilities	<u>38,878</u>

Noncurrent Liabilities:

Net Pension Liability	<u>516,886</u>
Total Noncurrent Liabilities	<u>516,886</u>
Total Liabilities	<u>555,764</u>

Deferred Inflows - Pension Related	<u>11,909</u>
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NET POSITION

Investment in Capital Assets	5,425
Restricted	4,592
Unrestricted (Deficit)	<u>(301,379)</u>
Total Net Position	<u>\$ (291,362)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Statement of Activities
For The Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 338,964	-	113,446	-	(225,518)
Support Services:					
Students	11,617	-	-	-	(11,617)
Instruction	4,622	-	-	-	(4,622)
General Administration	19,374	-	-	-	(19,374)
School Administration	151,591	-	-	-	(151,591)
Central Services	91,350	-	-	-	(91,350)
Operation & Maintenance of Plant	66,070	-	-	-	(66,070)
Food Services	52,226	-	32,842	-	(19,384)
Facilities Materials, Supplies & Other Services	35,340	-	-	35,340	-
Total Governmental Activities	\$ 771,154	-	146,288	35,340	(589,526)
General Revenues:					
State Equalization Guarantee					\$ 521,916
Total General Revenues					521,916
Change in Net Position					(67,610)
Net position (Deficit), Beginning					(223,752)
Net position (Deficit), Ending					\$ (291,362)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Balance Sheets - Governmental Funds
 June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 35,913	4,592	3,454	-
Accounts Receivable				
Due from Government	-	-	-	11,130
Due from Other Funds	45,139	-	195	-
Total Assets	\$ 81,052	4,592	3,649	11,130
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 711	-	3,649	-
Accrued Expenditures	23,125	-	-	5,066
Due to Other Funds	-	-	-	6,064
Total Liabilities	23,836	-	3,649	11,130
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	4,592	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	57,216	-	-	-
Total Fund Balance	57,216	4,592	-	-
Total Liabilities and Fund Balances	\$ 81,052	4,592	3,649	11,130

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Literacy for Children 27107	Reads to Lead 27114	K-3 Plus 27166	After School Enrichment 27168
-	-	-	896	2,504	-
5,355	302	3,092	-	16,583	8,030
-	-	-	-	-	-
<u>5,355</u>	<u>302</u>	<u>3,092</u>	<u>896</u>	<u>19,087</u>	<u>8,030</u>
-	-	-	-	-	-
1,632	-	-	896	3,700	99
<u>3,723</u>	<u>302</u>	<u>3,092</u>	<u>-</u>	<u>15,387</u>	<u>7,931</u>
<u>5,355</u>	<u>302</u>	<u>3,092</u>	<u>896</u>	<u>19,087</u>	<u>8,030</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,355</u>	<u>302</u>	<u>3,092</u>	<u>896</u>	<u>19,087</u>	<u>8,030</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Balance Sheets - Governmental Funds - (Continued)
 June 30, 2016

	Public School Capital Outlay 31200	Total
	<u> </u>	<u> </u>
ASSETS		
Cash and Cash Equivalents	\$ -	47,359
Accounts Receivable		
Due from Government	8,835	53,327
Due from Other Funds	<u>-</u>	<u>45,334</u>
Total Assets	<u>\$ 8,835</u>	<u>146,020</u>
LIABILITIES AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ -	4,360
Accrued Expenditures	-	34,518
Due to Other Funds	<u>8,835</u>	<u>45,334</u>
Total Liabilities	<u>8,835</u>	<u>84,212</u>
<i>Fund Balances</i>		
Fund Balance:		
Restricted for:		
Instruction	-	4,592
Assigned to:		
Subsequent Years Expenditures and Other Programs	<u>-</u>	<u>57,216</u>
Total Fund Balance	<u>-</u>	<u>61,808</u>
Total Liabilities and Fund Balances	<u>\$ 8,835</u>	<u>146,020</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balances - Total Governmental Funds **\$ 61,808**

Amounts reported for governmental activities in the Statement of
 Net Position are different because:

Capital assets used in governmental activities are not financial
 resources and, therefore, are not reported in the funds.

Capital Assets	27,125	
Accumulated Depreciation	<u>(21,700)</u>	5,425

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		170,200
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		(11,909)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(516,886)</u>
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Deficit-Total Governmental Activities		<u><u>\$ (291,362)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
State Grant	\$ 521,916	3,217	-	-
Federal Grant	-	-	32,842	32,087
Total Revenues	<u>521,916</u>	<u>3,217</u>	<u>32,842</u>	<u>32,087</u>
EXPENDITURES				
Current:				
Instruction	204,617	5,006	-	32,087
Support Services:				
Students	8,993	-	-	-
Instruction	1,530	-	-	-
General Administration	15,594	-	-	-
School Administration	128,971	-	-	-
Central Services	91,350	-	-	-
Operation & Maintenance of Plant	64,720	-	-	-
Food Services Operations	13,570	-	35,033	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>529,345</u>	<u>5,006</u>	<u>35,033</u>	<u>32,087</u>
Net Changes in Fund Balances	<u>(7,429)</u>	<u>(1,789)</u>	<u>(2,191)</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>64,645</u>	<u>6,381</u>	<u>2,191</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 57,216</u>	<u>4,592</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Literacy for Children 27107	Reads to Lead 27114	K-3 Plus 27166	After School Enrichment 27168
-	-	3,092	22,000	26,365	14,204
12,179	302	-	-	-	-
<u>12,179</u>	<u>302</u>	<u>3,092</u>	<u>22,000</u>	<u>26,365</u>	<u>14,204</u>
9,555	189	-	22,000	17,165	10,424
2,624	-	-	-	-	-
-	-	3,092	-	-	-
-	-	-	-	-	3,780
-	113	-	-	6,389	-
-	-	-	-	-	-
-	-	-	-	1,350	-
-	-	-	-	1,461	-
-	-	-	-	-	-
<u>12,179</u>	<u>302</u>	<u>3,092</u>	<u>22,000</u>	<u>26,365</u>	<u>14,204</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2016

	Public School Capital Outlay 31200	Total
	<u>31200</u>	<u>Total</u>
REVENUES		
State Grant	\$ 35,340	626,134
Federal Grant	-	77,410
Total Revenues	<u>35,340</u>	<u>703,544</u>
EXPENDITURES		
Current:		
Instruction	-	301,043
Support Services:		
Students	-	11,617
Instruction	-	4,622
General Administration	-	19,374
School Administration	-	135,473
Central Services	-	91,350
Operation & Maintenance of Plant	-	66,070
Food Services Operations	-	50,064
Capital Outlay	35,340	35,340
Total Expenditures	<u>35,340</u>	<u>714,953</u>
Net Changes in Fund Balances	<u>-</u>	<u>(11,409)</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>73,217</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>61,808</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net Change in Fund Balances-Total Governmental Funds **\$ (11,409)**

Amounts reported for governmental activities in the Statement of
 Activities are different because:

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Depreciation Expense (5,425)

Changes in deferred outflows of resources-pension related,
 deferred inflows of resources-pension related, and the net
 pension liability (50,776)

Change in Net Position-Total Governmental Activities **\$ (67,610)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. William W. & Josephine Dorn Charter School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The William W. & Josephine Dorn Charter School does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. William W. & Josephine Dorn Charter School utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Furniture, Fixtures and Equipment	5 years
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Capital assets for William W. & Josephine Dorn Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 27,125	-	-	27,125
<i>Total</i>	<u>27,125</u>	<u>-</u>	<u>-</u>	<u>27,125</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(16,275)	(5,425)	-	(21,700)
<i>Total</i>	<u>(16,275)</u>	<u>(5,425)</u>	<u>-</u>	<u>(21,700)</u>
Capital Assets, Net	<u>\$ 10,850</u>	<u>(5,425)</u>	<u>-</u>	<u>5,425</u>

Depreciation expensed for the year ended June 30, 2016 was expensed to the following function:

Instruction	<u>\$ 5,425</u>
Total	<u><u>\$ 5,425</u></u>

NOTE 3. COMMITMENTS AND LIABILITIES

The William W. & Josephine Dorn Charter School leased equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2016 was \$47,900. The William W. & Josephine Dorn Charter School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2017	<u>\$ 51,600</u>
Total	<u><u>\$ 51,600</u></u>

NOTE 4. RELATED PARTY TRANSACTIONS

The son of the William W. & Josephine Dorn Charter School principal is employed as a teacher at the school.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to William W. & Josephine Dorn Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and William W. & Josephine Dorn Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2016, employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2015, employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed to contribute of 10.70% of their gross annual salary. Contributions to the pension plan from William W. & Josephine Dorn Charter School were \$37,707 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, William W. & Josephine Dorn Charter School reported a liability of \$516,886 for its proportionate share of the net pension liability. William W. & Josephine Dorn Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, William W. & Josephine Dorn Charter School's proportion was 0.00798%, which was an increase of 0.00211% from its proportion measured as of June 30, 2014.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Notes to the Financial Statements
June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2016, William W. & Josephine Dorn Charter School recognized pension expense of \$50,799. At June 30, 2016, William W. & Josephine Dorn Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (9,583)
Changes in assumptions	17,779	-
Net difference between projected and actual earnings on pension plan investments	-	(2,326)
Changes in proportionate share	114,714	-
Fiscal year 2016 employer contributions	37,707	-
	<hr/>	<hr/>
Ending balance	<u>\$ 170,200</u>	<u>(11,909)</u>

William W. Josephine Dorn Charter School reported \$37,707 as deferred outflows of resources related to pensions resulting from William W. & Josephine Dorn Charter School contributions subsequent to the measurement date June 30, 2015 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (50,222)
2018	(46,413)
2019	(16,747)
2020	<u>(7,202)</u>
Total	<u>\$ (120,584)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Notes to the Financial Statements
 June 30, 2016

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of William W. & Josephine Dorn Charter School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2016. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
William W. & Josephine Dorn Charter School proportionate share of the net pension liability	<u>\$ 695,504</u>	<u>516,886</u>	<u>366,829</u>

Payables to the pension plan. At June 30, 2016, William W. & Josephine Dorn Charter School owed \$12,104 to ERB for fiscal year 2016 contributions.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

As stated in finding 2016-005, William W. & Josephine Dorn Charter School had expenditures in excess of the budget in the following fund:

K-3 Plus 27166 (Instruction)	\$	995
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
WILLIAM W. AND JOSEPHINE DORN COMMUNITY CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 394	517	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 190	218	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.16%	237.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	63.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 WILLIAM W. AND JOSEPHINE DORN COMMUNITY CHARTER SCHOOL
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2016

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 25	\$ 32	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	25	32	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	\$ -	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Deferred	Amortization Years										
2014	\$ (56)	5	\$ (23)	\$ (23)	\$ (19)	\$ 9	-	-	-	-	-	-
2015	\$ (120)	5	(50)	(46)	(17)	(7)	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-
	\$ (176)		\$ (23)	\$ (73)	(65)	(8)	(7)	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 603,909	521,916	521,916	-
Total Revenues	603,909	521,916	521,916	-
EXPENDITURES				
Current:				
Instruction	300,676	238,832	206,864	31,968
Support Services:				
Students	7,000	9,373	8,993	380
Instruction	3,000	3,000	1,530	1,470
General Administration	18,340	16,007	15,594	413
School Administration	135,805	133,703	128,971	4,732
Central Services	92,074	94,185	90,821	3,364
Operation & Maintenance of Plant	77,146	77,097	65,023	12,074
Food Services Operations	14,868	14,868	13,375	1,493
Total Expenditures	648,909	587,065	531,171	55,894
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(45,000)</i>	<i>(65,149)</i>	<i>(9,255)</i>	<i>55,894</i>
Other Financing Sources (Uses):				
Designated Cash	45,000	65,149	-	(65,149)
Total Other Financing Sources (Uses):	45,000	65,149	-	(65,149)
Net Changes in Fund Balances	-	-	(9,255)	(9,255)
Cash or Fund Balances - Beginning of Year	-	-	64,645	64,645
Cash or Fund Balances - End of Year	\$ -	-	55,390	55,390
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,255)	
Adjustments to Revenues			-	
Adjustments to Expenditures			1,826	
NET CHANGE IN FUND BALANCE			\$ (7,429)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 2,710	2,710	3,217	507
Total Revenues	<u>2,710</u>	<u>2,710</u>	<u>3,217</u>	<u>507</u>
EXPENDITURES				
Current:				
Instruction	2,710	9,091	5,006	4,085
Total Expenditures	<u>2,710</u>	<u>9,091</u>	<u>5,006</u>	<u>4,085</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(6,381)</u>	<u>(1,789)</u>	<u>4,592</u>
Other Financing Sources (Uses):				
Designated Cash	-	6,381	-	(6,381)
Total Other Financing Sources (Uses):	<u>-</u>	<u>6,381</u>	<u>-</u>	<u>(6,381)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,789)</u>	<u>(1,789)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>6,381</u>	<u>6,381</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,592</u>	<u>4,592</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,789)	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (1,789)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 42,000	42,000	37,377	(4,623)
Total Revenues	<u>42,000</u>	<u>42,000</u>	<u>37,377</u>	<u>(4,623)</u>
EXPENDITURES				
Current:				
Food Services Operations	42,000	42,000	31,579	10,421
Total Expenditures	<u>42,000</u>	<u>42,000</u>	<u>31,579</u>	<u>10,421</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,798	5,798
Net Changes in Fund Balances	-	-	5,798	5,798
Cash or Fund Balances - Beginning of Year	-	-	2,191	2,191
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>7,989</u>	<u>7,989</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,798	
Adjustments to Revenues			(4,535)	
Adjustments to Expenditures			<u>(3,454)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (2,191)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I - IASA 24101
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 26,337	54,833	20,957	(33,876)
Total Revenues	<u>26,337</u>	<u>54,833</u>	<u>20,957</u>	<u>(33,876)</u>
EXPENDITURES				
Current:				
Instruction	26,337	54,833	32,087	22,746
Total Expenditures	<u>26,337</u>	<u>54,833</u>	<u>32,087</u>	<u>22,746</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(11,130)	(11,130)
Net Changes in Fund Balances	-	-	(11,130)	(11,130)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(11,130)</u>	<u>(11,130)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (11,130)	
Adjustments to Revenues			11,130	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 7,173	13,928	8,005	(5,923)
Total Revenues	7,173	13,928	8,005	(5,923)
EXPENDITURES				
Current:				
Instruction	6,500	10,255	9,555	700
Support Services:				
Students	673	3,673	2,624	1,049
Total Expenditures	7,173	13,928	12,179	1,749
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(4,174)	(4,174)
Net Changes in Fund Balances	-	-	(4,174)	(4,174)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(4,174)	(4,174)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,174)	
Adjustments to Revenues			4,174	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Literacy for Children 24154
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 3,222	7,363	710	(6,653)
Total Revenues	3,222	7,363	710	(6,653)
EXPENDITURES				
Current:				
Instruction	3,222	3,222	189	3,033
Support Services:				
School Administration	-	4,141	113	4,028
Total expenditures	3,222	7,363	302	7,061
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	408	408
Net changes in Fund Balances	-	-	408	408
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	408	408
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 408	
Adjustments to Revenues			(408)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Literacy for Children 27107
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 6,242	6,242	-	(6,242)
Total Revenues	<u>6,242</u>	<u>6,242</u>	<u>-</u>	<u>(6,242)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	6,242	6,242	3,092	3,150
Total Expenditures	<u>6,242</u>	<u>6,242</u>	<u>3,092</u>	<u>3,150</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,092)</u>	<u>(3,092)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,092)</u>	<u>(3,092)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,092)</u>	<u>(3,092)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,092)	
Adjustments to Revenues			3,092	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Reads to Lead 27114
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 22,000	22,000	22,349	349
Total Revenues	<u>22,000</u>	<u>22,000</u>	<u>22,349</u>	<u>349</u>
EXPENDITURES				
Current:				
Instruction	22,000	22,000	22,000	-
Total Expenditures	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	349	349
Net Changes in Fund Balances	-	-	349	349
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>349</u>	<u>349</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 349	
Adjustments to Revenues			(349)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 K-3 Plus 27166
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 11,542	26,903	33,905	7,002
Total Revenues	11,542	26,903	33,905	7,002
EXPENDITURES				
Current:				
Instruction	7,447	16,170	17,165	(995)
Support Services:				
School Administration	3,011	7,649	6,389	1,260
Operation & Maintenance of Plant	540	1,350	1,350	-
Food Services Operations	544	1,734	1,461	273
Total Expenditures	11,542	26,903	26,365	538
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	7,540	7,540
Net Changes in Fund Balances	-	-	7,540	7,540
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	7,540	7,540
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 7,540	
Adjustments to Revenues			(7,540)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 After School Enrichment 27168
 For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	19,000	6,174	(12,826)
Total Revenues	<u>-</u>	<u>19,000</u>	<u>6,174</u>	<u>(12,826)</u>
EXPENDITURES				
Current:				
Instruction	-	15,220	10,424	4,796
Support Services:				
General Administration	-	3,780	3,780	-
Total Expenditures	<u>-</u>	<u>19,000</u>	<u>14,204</u>	<u>4,796</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,030)</u>	<u>(8,030)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(8,030)</u>	<u>(8,030)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(8,030)</u>	<u>(8,030)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (8,030)	
Adjustments to Revenues			8,030	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	35,340	33,350	(1,990)
Total Revenues	-	35,340	33,350	(1,990)
EXPENDITURES				
Current:				
Capital Outlay	-	35,340	35,340	-
Total Expenditures	-	35,340	35,340	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,990)	(1,990)
Net Changes in Fund Balances	-	-	(1,990)	(1,990)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(1,990)	(1,990)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,990)	
Adjustments to Revenues			1,990	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
N / A	N / A	N / A	N / A	\$ -
				-
				-
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	62,016
Less: FDIC coverage:		<u>(62,016)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2016:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>US Bank</u>
Checking - Operational Account	<u>\$ 62,016</u>
<i>Total on Deposit</i>	62,016
Reconciling Items	<u>(14,657)</u>
Reconciled Balance June 30, 2016	<u>47,359</u>
<i>Total Cash</i>	<u><u>\$ 47,359</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Cash Reconciliation
June 30, 2016

	Operational 11000	Instructional Materials 14000	Food Services 21000	Federal Projects Account 24000
Cash, June 30, 2015	\$ 66,036	6,381	-	-
Add:				
2015-16 revenues	521,916	3,217	37,377	29,672
Total Cash Available	587,952	9,598	37,377	29,672
Less:				
2015-16 expenditures	(531,171)	(5,006)	(31,579)	(44,568)
Receivables/Payables	(5,250)	-	195	8,670
Outstanding Loans	(16,248)	-	(2,539)	8,117
Cash June 30, 2016	35,283	4,592	3,454	1,891
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	630	-	-	(1,891)
Cash Per Books	35,913	4,592	3,454	-
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	21,303	-	(3,454)	-
Fund Balance, Modified Accrual Basis	\$ 57,216	4,592	-	-

The accompanying notes are an integral part of these financial statements

State Account 27000	Public School Capital Outlay 31200	Total
-	-	72,417
62,428	33,350	687,960
62,428	33,350	760,377
(65,661)	(35,340)	(713,325)
22,486	6,845	32,946
8,680	1,990	-
27,933	6,845	79,998
(24,533)	(6,845)	(32,639)
3,400	-	\$ 47,359
(3,400)	-	14,449
-	-	\$ 61,808