STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2014

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, 2014

Administrative Officials

Hanna Skandera	Secretary of Education
Hipolito Aguilar	Deputy Secretary, Finance & Operations
Leighann Lenti	Deputy Secretary, Policy and Program
Marian Rael	Director, Administrative Services Division, CFO
Maria Fidalgo	Audit and Accounting Bureau Chief
Eileen Marrujo-Gallegos	Director, School Budget & Finance Analysis Bureau
Antonio Ortiz	Director, Capital Outlay Bureau
Matthew Montano	Director, Educator Quality Division
Pete Goldschmidt	Ph.D., Director, Accountability & Assessment
Vacant	Director, Parent Options
Ferlin Clark	Assistant Secretary, Indian Education Division
Denise Koscielniak	Director, Federal Programs
Michael Archibeque	Chief Information Officer
Annjenette Torres	Director, Strategic Initiatives and Constituent Services
Larry Behrens	Public Information Officer
Veronica De Leon-Dowd	Director, Division of Vocational Rehabilitation
Vacant	Deputy Director, Division of Vocational Rehabilitation
Annette Ortega	Chief Financial Officer, Division of Vocational Rehabilitation

Public Education Commission

Vacant	Commissioner	Albuquerque	District 1
Millie Pogna	Commissioner	Albuquerque	District 2
Carmie Lynn Toulouse	Commissioner	Albuquerque	District 3
J. Tyson Parker	Commissioner	Corrales	District 4
James Conyers	Commissioner	Bloomfield	District 5
Gilbert G. Peralta	Commissioner	Socorro	District 6
Eugene E. Gant	Vice Chairperson	Las Cruces	District 7
Vince Bergman	Secretary	Roswell	District 8
Carolyn Shearman	Chairperson	Artesia	District 9
Jeff Carr	Commissioner	Eagle Nest	District 10

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INDEPENDENT AUDITOR'S REPORT

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

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, 2014, 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 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, 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Summary of Opinions

Opinion Unit	Type of Opinion
All Governmental Activities Funds	Unmodified
Fiduciary Funds	Unmodified
Discretely Presented Component Unit and its Funds:	
McCurdy Charter School - Statement of Activities, Revenues, Expenditures and Changes in Fund Balance	Disclaimer
McCurdy Charter School - Statement of Net Position	Modified
Southwest Intermediate Learning Center	Disclaimer
Southwest Primary Learning Center	Disclaimer
Southwest Secondary Learning Center	Disclaimer
Southwest Aeronautics, Mathematics, and Science Academy	Disclaimer
Creative Education Preparatory Institute	Disclaimer
Academy of Trades and Technology Foundation (Discretely presented fund of the Academy of Trades and Technology Charter)	Disclaimer
Academy of Trades and Technology (all funds, except foundation)	Unmodified
Each Remaining Discretely Presented Component Unit	Unmodified

Basis for Disclaimer of Opinion on the Statement of Activities, Revenues, Expenditures and Changes in Fund Balance and Consistency for McCurdy Charter School, a Discretely Presented Component Unit and its Funds

The prior auditors were not able to obtain sufficient appropriate audit evidence about the classification and amounts comprising the balance sheet as of June 30, 2013 for the McCurdy Charter School and we have not obtained sufficient appropriate audit evidence by other auditing procedures. The significant aspects of the balance sheet at that date, including classifications and amounts, materially affect the determination of the Statement of Activities, Revenues, Expenditures and Changes in Fund Balance for the year end June 30, 2014, and the consistency of application of accounting principles between fiscal year 2013 and 2014.

Disclaimer of Opinion on Basis for Disclaimer of Opinion on the Statement of Activities, Revenues, Expenditures and Changes in Fund Balance and Consistency for McCurdy Charter School, a Discretely Presented Component Unit and its Funds

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph for McCurdy Charter School, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the Statement of Activities, Revenues, Expenditures and Changes in Fund Balance for the year end June 30, 2014 or on the consistency of application of accounting principles with the preceding year. Accordingly, we do not express an opinion on the Statement of Activities, Revenues, Expenditures and Changes in Fund Balance for the year ended June 30, 2014 or on the consistency of application of accounting principles with the preceding year.

Basis for Modified Opinion on the McCurdy Charter School Balance Sheet, a Discretely Presented Component Unit, and its Funds

Management of the McCurdy Charter School was unable to provide sufficient evidential matter in support of the payroll accrued liabilities as the amounts that have been reported to the IRS and the State of New Mexico were incorrect. Therefore, we were unable to obtain sufficient appropriate audit evidence to verify the accrued payroll liabilities as of June 30, 2014.

Modified Opinion on the McCurdy Charter School Statement of Net Position

In our opinion, except for the effects of the matter described in the "Basis for Modified Opinion on the McCurdy Charter School, a Discretely Presented Component Unit, and its Funds" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of all funds of the McCurdy Charter School as of June 30, 2014, and the changes in financial position thereof 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 budgetary comparisons for all funds of the McCurdy Charter School for the year end ended in accordance with accounting principles generally accepted in the United States of America.

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

The financial statements of the Southwest Charters have not been audited as management of the Southwest Charters was unable to provide sufficient evidential matter to support certain transactions and account balances, as presented for the Southwest Charters financial statements and related fund financial statements as of and for the year ended June 30, 2014. We were unable to satisfy ourselves by other auditing procedures concerning these reported balances for the Southwest Charters as a whole and its funds. As a result of these matters, we were unable to determine whether any adjustments might have been necessary in respect of the balances reported on the Southwest Charters financial statements.

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

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

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

Management of the Creative Education Preparatory Institute ("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, 2014. 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 and its Funds

Because of the significance of the matters described in the "Basis for Disclaimer of Opinion on the Creative Education Preparatory Institute, 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 Creative Education Preparatory Institute or its related funds.

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

Management of the Academy of Trades and Technology Foundation ("Foundation") was unable to provide sufficient evidential matter in support of certain transactions and account balances, as presented in the Foundation's financial statements and the related fund financial statements as of and for the year ended June 30, 2014. We were unable to satisfy ourselves by other auditing procedures concerning these reported balances for the Foundation as a whole (as a discretely presented fund of the Academy of Trades and Technology Charter School). Most notably we noted that the accounting lacked a full year of accounting transactions being recorded. In addition, one person and the only board member was responsible for issuing and signing all checks, making all deposits and reconciling related bank statements. 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 Foundation's financial statements (presented as a discretely presented fund of the Academy of Trades and Technology Charter School).

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

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

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each discretely presented component unit (New Mexico state chartered charter schools), each major fund, and the aggregate remaining fund information of the Department, as of June 30, 2014, 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, 2014, and the respective changes in financial position and budgetary comparisons for 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, 2014, 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.

As noted in Note 21 of the financial statements, the Department restated fund balance and net position as of July 1, 2013 for the Special Projects Fund 79000 in the amount of $23,118,458.

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 15-44 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of federal awards as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and the other schedules 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.

Uncertainties Regarding Violations of New Mexico State Law

As discussed in Note 22 to the financial statements, the Cottonwood Classical Preparatory School and the Horizon Academy West Charter School (discretely presented component units) have pledged State Equalization Guarantee ("SEG") monies to guarantee debt secured by the Cottonwood Classical Foundation and Horizon Academy Foundation. The guarantee of SEG monies may have violated New Mexico Anti-Donation laws. The possible outcome of this matter cannot presently be determined.

Change in Accounting Principle

As discussed in Note 23 to the financial statements, in 2014 the Department adopted new accounting guidance, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities.* Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 1, 2015 on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.

Axiom

Albuquerque, New Mexico
July 1, 2015

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MANAGEMENTS DISCUSSION AND ANALYSIS
Year Ended June 30, 2014

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, 2014. 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 55 discretely presented component units: the Public Education Department, the Division of Vocational Rehabilitation, and 55 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 55 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.

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, 2014. 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 2014 fiscal year. This also includes health and welfare related expenses and cost of general government operations of the Division of Vocational Rehabilitation, with a comparison of program revenues obtained to finance them, and the general revenues made available to fund the difference.

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

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

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

Governmental Funds

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

Fiduciary Funds

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

Reconciliation of Department-wide Financial Statements to Fund Financial Statements: Differences in amounts reported in the department-wide financial statements versus the fund financial statements result from the different measurement focus and basis of accounting used. The measurement focus used for governmental funds is based on budgetary control and the flow of resources in the current year. As an example, capital purchases are treated as

expenditures of the current year. Department-wide financial statements reflect such 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 55 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 55 state authorized chartered schools following the department-wide discussion and analysis.

Financial Highlights

Public Education Department

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

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

Division of Vocational Rehabilitation

- As noted above, DVR has two major funds, which are combined in the financial statements for reporting purposes. The Vocational Rehabilitation Program is funded under the U.S. Department of Education's Rehabilitation Services Administration (RSA) with federal funding that requires 21.3% of the total expenditures under the program to be made with state matching funds. The remaining 78.7% are funded with the federal grant. DVR's other major program is the Disability Determination Program, which is funded by the U.S. Social Security Administration (SSA). The program does not require a state match and is funded 100% with a federal grant from SSA.

- DVR capital assets decreased by $693,910, which was a result of a physical inventory count completed during the fiscal year that identified approximately $804,288 of fully depreciated assets that were disposed of during the course of the fiscal year or did not exist. The reductions were offset by approximately $67,479 of asset additions, net of $42,899 of depreciation expensed during the fiscal year.

- Administration – The DVR program is a joint effort of the federal and state governments to assist people with disabilities, as a function of the Rehabilitation Act of 1973, as amended 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.

Financial Analysis of the Department as a Whole

Net Position

The Department's net position at June 30, 2014 was $55,489,356. Table A-1 summarizes the Department's net position for the fiscal year ended June 30, 2014.

Table A-1
The Department's Net Position

	(Dollars in Thousands)			
	June 30, 2014			June 30, 2013
	PED	**DVR**	**Department**	**Department**
Assets				
Current Assets	$ 274,227	11,410	285,637	237,433
Capital assets, net	107	163	270	243
Total assets	274,334	11,573	285,907	237,676
Liabilities	220,468	9,950	230,418	199,702
Net Position				
Investment in capital assets	107	163	270	243
Restricted	38,772	2,144	40,916	28,180
Unrestricted (Deficit)	14,987	(684)	14,303	9,551
Total Net Position	$ 53,866	1,623	55,489	37,974

Changes in Net Position

The Department's change in net position for the year ended June 30, 2014 was $(5,603,269). Table A-2 summarizes the Department's changes in net position for fiscal year 2014.

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

	(Dollars in Thousands)			
	Year Ended June 30, 2014			Year Ended June 30, 2013
	PED	**DVR**	**Department**	**Department**
Program Revenue Grants	$ 404,199	26,927	431,126	438,559
General Revenues				
State appropriation	2,574,576	5,617	2,580,193	2,499,355
Inter-agency transfer, net	(2,144)	485	(1,659)	1,313
Reversions	(12,649)	-	(12,649)	(15,771)
Proceeds of state general obligation and severance tax bonds	40,537	-	40,537	28,944
Total general revenues	2,600,320	6,102	2,606,422	2,513,841
Expenses				
Education	(3,010,588)	-	(3,010,588)	(2,922,181)
Health and Welfare	-	(32,564)	(32,564)	(32,813)
Total Expenses	(3,010,588)	(32,564)	(3,043,152)	(2,954,994)
Change in net position	(6,069)	465	(5,604)	(2,594)
Net Position Beginning of Year	36,816	1,158	37,974	37,721
Restatement	23,119	-	23,119	2,847
Net Position Beginning of Year, as restated	59,935	1,158	61,093	40,568
Total Net Position	$ 53,866	1,623	55,489	37,974

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

PED's funding passes through to the schools. Administrative costs are approximately .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 2014, PED did not dispose of equipment and furniture so there were not changes between FY 13 and FY 14 deletions. DVR disposed of equipment and furniture with a value of $54,440.

Table A-3
The Department's Capital Assets

	(Dollars in Thousands)			
	June 30, 2014			June 30, 2013
	PED	DVR	Department	Department
Art Acquisitions	$ 6	-	6	6
Equipment and Machinery	4,441	1,076	5,517	6,196
Accumulated Depreciation	(4,340)	(913)	(5,253)	(5,959)
Total capital assets, net	$ 107	163	270	243

Capital Assets for the Department are presented in Note 8 to the financial statements to illustrate changes from the prior year.

Reporting the Department's Most Significant Funds

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

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

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

- Special revenue funds – These account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

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

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

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

General Fund Budgetary Highlights

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

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

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

- Budget adjustment requested made during the fiscal year to allow the Department to utilize funds where needed.

- Budget adjustment requests to increase or decrease other state funds based on actual revenues.

- Budget adjustment requests that adhere to required operating budget cuts in compliance with Legislative actions.

With regard to the Public Education Department, general fund support increased by $1.9 million or 4.6% for FY14. Most of this increase is the result of moving previously recognized nonrecurring funding for the Operating Management Budget System and the Student, Teacher Accountability Reporting System, both important components of the state's accountability and management operations, into the agency base. A modest increase was also included to fund five previously unfunded positions.

Recognizing the importance of early learning of future student success, the Governor signed the General Appropriations Act that increased funding for Prekindergarten by $4.9Million, Kindergarten-three Plus by $8.1 million, and $3 million for early reading initiatives.

As part of the Governors new Ready for Success initiative, the Governor appropriated through general fund dollars, $500,000 each for the Workforce Readiness Initiative, Early College and High School Start Up initiative, and Dropout Prevention initiative. The programs provide access to explore careers and skills needed for success in school and work. Additionally, the programs propel students forward by engaging in a high school level class designed to expose students to the rigors of college; and creates opportunities for earned college credit upon postsecondary enrollment.

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	$	11,540,700	11,520,966
Contractual Services		1,048,800	1,049,350
Other		1,158,100	1,796,997
Total Expenditures	$	13,747,600	14,367,313

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		2,466,302,275	2,454,753,470
Total Education	$	2,466,302,275	2,454,753,470

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 FY14 in the areas of financial management, indirect costs, and maintenance-of-effort of

effort requirements for non-federal expenditures. It is anticipated that DVR will make concerted efforts to increase performance levels, accountability, and the ability to derive detailed accounting information from the SHARE accounting system in FY15.

The DVR budget for the Disability Determination Services program for FY14 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.

The potential for a lack of federal appropriations, and the federal government operating under continuing resolutions, continues to be a risk to the federal grant funding streams that support DVR. These risks generally are resolved relatively quickly at the federal level when they do occur, and federal funding generally is restored at previous levels.

Economic and Budgetary Factors

The Public Education Department overall FY 14 Budget was an increase of approximately $1.5 or 5 % from the FY 13 appropriated budget. The increase was to support and prioritize classroom funding and for statewide education reform initiatives.

NMDVR: The NMDVR experienced a reduction in its federal grant allotment under the Vocational Rehabilitation grant from Federal Fiscal Year 2013 (FFY2013) to FFY14 totaling approximately $2.9 million (from $19,759.7 in FFY13 to $16,830.8 in FFY14). The FFY15 federal allotment under the program is expected to remain relatively consistent with the FFY14 amount, barring a maintenance of effort penalty.

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

Component Units — New Mexico State-Chartered Schools

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

In FY 2009, seven additional schools were authorized as state-chartered. The seven schools include: Cien Aguas International School, Horizon Academy West, The International School at

Mesa Del Sol, The New America School, North Valley Academy, School of Dreams Academy, and Taos Academy.

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

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

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

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

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

Academy of Trades & technology

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

ACE Leadership Academy

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

Albuquerque Institute of Math and Science

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

Albuquerque School of Excellence

- **Brief Discussion**
  Albuquerque School of Excellence (ASE) will be a college preparatory charter school focusing on math, science and technology. Members of the ASE believe that excelling in

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

The Albuquerque Sign Language Academy

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

Aldo Leopold Charter School

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

Alma d'Arte Charter High School

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

Amy Biehl High School

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

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

Anthony Charter School

- **Brief Discussion**
  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.

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.

Creative Education Preparatory Institute #1

- **Brief Discussion**
  The Creative Education Preparatory Institutes (CEPI's) mission is to engage students and their families in learning experiences directed at gaining academic and social skills necessary for personal, social and career success. Students, family and community will view this school as one founded in community and family values, offering societal and career relevant education utilizing technology, community and family resources, and innovative and creative learning. Service learning in the community linked to careers and mentorship will be a core part of the curricula. Success will be judged using a

continuous improvement process within the Baldridge Framework for Education, as well as tests mandated by the New Mexico Public Education Department.

East Mountain High School

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

Estancia Valley Classical Academy

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

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.

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.

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.

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 Jicarita Community School

- **Brief Discussion**
  The mission of La Jicarita Community School (LJCS) is to provide a safe, open and creative environment for a culturally diverse kindergarten through 6th grade student population in the Peñasco area to learn through curriculum that is firmly based in state and national standards, and also fosters compelling life-relevant connections for children through learning expeditions. As an Expeditionary Learning school, our program focuses on service learning, place-based education and ecological education, with an added emphasis in second language learning and teaching through the arts. We honor a child's individuality and natural desire to learn, as well as their ability to think critically, reflect upon their world and promote positive change in their community.

La Promesa Early Learning Center

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

La Resolana Leadership Academy

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

La Tierra Montessori School of the Arts and Sciences

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

The MASTERS Program

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

McCurdy Charter School

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

Media Arts Collaborative Charter School

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

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

Mission Achievement and Success

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

The Montessori Elementary School

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

The New America School

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

The New America School-Las Cruces

- **Brief Discussion**
  The New America School is a system of publicly funded charter high schools. The mission of The New America School is to empower new immigrants and English Language Learners with the educational tools and support they need to maximize their potential, succeed and live the American dream. New America schools are located in diverse communities where the need is greatest. We have three campuses in the metro Denver area, a campus in Albuquerque, New Mexico and opened a new campus in August 2012 in Las Cruces, New Mexico.

New Mexico Connections Academy

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

New Mexico International School

- **Brief Discussion**
  New Mexico International School (NMIS) will provide K-5 students an educational program focused on inquiry-based teaching and learning, the acquisition of languages, and the development of social, emotional, and rigorous academic skills necessary to function in our local, national, and international community. Students at NMIS will learn respect for themselves; their community; and the larger diverse world in which they live

while developing a moral consciousness that will help them build integrity into their lives.

New Mexico School for the Arts

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

The North Valley Academy

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

Ralph J. Bunche Academy

- **Brief Discussion**
  Ralph J. Bunche Academy will be a community of learners who explore, discover, and prepare to assume leadership roles through the use of Afrocentric, technology infused, interdisciplinary project-based, and standards guided learning experiences.

Red River Valley Charter School

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

Sage Montessori Charter

- **Brief Discussion**
  In partnership with parents, Sage Montessori Charter School (SMCS) will provide K-8 students the broad educational opportunity afforded by a model Montessori program

coupled with exciting and enriching artistic experiences in art and music, enabling each student to develop values and abilities essential to successfully meet their educational goals and lifelong fulfillment as productive citizens and members of a global community.

School of Dreams Academy

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

South Valley Preparatory School

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

Southwest Aeronautics, Mathematics, and Science Academy

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

Southwest Intermediate Learning Center

- **Brief Discussion**
  The Southwest Intermediate Learning Center is to prepare students to become self-motivated, self-controlled, independent, competent, life-long learners and productive members of society. Southwest Intermediate Learning Center students will

be equipped with the reading, writing, mathematical, technological and problem-solving skills necessary for success in secondary, post-secondary and personal career choices.

Southwest Primary Learning Center

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

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.

The Learning Community Charter School

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

Tierra Adentro

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

Uplift Academy

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

Village Academy

- **Brief Discussion**
  Village Academy Charter School is available to students in grades 6 through 8, in Bernalillo, Rio Rancho, Placitas and all nearby tribal communities. At Village Academy Charter School, teachers and students are focused on the Core Knowledge curriculum. Core Knowledge is a rigorous and relevant curriculum, offered in hundreds of schools across the country. It is based on the belief that a child should not only be academically educated, but also culturally competent. Core Knowledge is built on the foundation that knowledge must be solid, specific, sequenced and shared. Core Knowledge places more emphasis on content, less emphasis on the memorization of facts, and focuses more directly on teaching children how to learn so they can adapt to a rapidly changing world.

Walatowa High Charter School

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

William W. & Josephine Dorn Charter Community School

- **Brief Discussion**
  William W. & Josephine Dorn Charter Community School (WWJDC) is a new k- 5 public community charter school. We believe that residents of the community should have

direct input on how their children are being educated. WWJDC's academic program and school design propels student learning and achievement. Here at WWJDC we believe that all children should be able to read by the third grade, and know their multiplication tables by the fifth. We believe that developing a lifelong passion for learning is essential in having children succeed. WWJDC has adopted a unique educational model to teach students with more hands on activities than standard schools.

Financial Analysis of the Component Units as a Whole

Net Position

The Component Units' net position as June 30, 2014 was $33.5 million. Table A-4 summarizes the Component Units' net position for the fiscal years ended June 30, 2014 and 2013.

Table A-4
The Component Units' Net Position

		June 30, 2014 **Component Units**	June 30, 2013 Component Units
Assets:			
Current assets	$	**30,141,849**	27,698,423
Other assets		**271,393**	117,050
Capital assets, net		**44,394,633**	45,403,499
Total Assets		**74,807,875**	73,218,972
Current Liabilities			
Accounts payable		**1,400,398**	948,151
Accrued payroll		**4,246,075**	3,758,747
Unearned revenue		**771,248**	2,639,063
Other current liabilities		**3,190,441**	2,727,283
Compensated absences		**246,474**	140,218
Total Current liabilities		**9,854,636**	10,213,462
Non-Current Liabilities			
Other non-current liabilities		**31,394,354**	34,913,696
Net Position:			
Net investment in capital assets		**11,373,149**	21,875,974
Restricted		**8,042,093**	2,564,835
Unrestricted		**14,143,643**	3,651,005
Total net position		**33,558,885**	28,091,814
Total net position and liabilities	$	**74,807,875**	73,218,972

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

		June 30, 2014 Component Units	June 30, 2013 Component Units
Revenues:			
Program Revenues			
Charges for services	$	**1,160,299**	916,566
Operating Grants & contributions		**13,618,863**	14,325,147
Capital grants & contributions		**12,709,454**	7,210,607
General revenues and transfers:			
State equalization guarantee		**95,042,427**	81,168,253
State appropriations		**142,386**	593,638
Miscellaneous		**3,845,730**	4,489,282
Gain (loss) on disposal of capital assets		**(109,594)**	811
Total Revenues		**126,409,565**	108,704,304
Expenses:			
Instruction		**58,773,481**	103,353,106
Support Services		**47,160,192**	-
Operation of Non-Instructional Services		**13,920,202**	-
Interest on Long-Term Debt		**553,951**	-
		120,407,826	103,353,106
Changes in Net Position		**6,001,739**	5,351,198
Beginning Net Position		**28,091,814**	22,373,042
(Restatement)/Transfer in Component Units		**(534,668)**	367,574
Ending Net Position	$	**33,558,885**	28,091,814

Changes in Capital Assets

During fiscal year 2014, Component Unit net capital assets increased by $22,009,330 primarily due to acquisition of buildings and land as well as capitalization of land and building improvements.

		June 30, 2014 Component unit	June 30, 2013 Component Units
Capital Assets	$	**52,615,799**	28,629,568
Accumulated depreciation		**(8,221,166)**	(6,244,265)
Total capital assets, net	$	**44,394,633**	22,385,303

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.

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, 2014

	Governmental Activities	Component Units
ASSETS		
CURRENT ASSETS:		
Cash and Cash Equivalents	$ -	24,194,596
Investment in State General Fund Investment Pool	106,943,762	-
Due from Federal Government	114,960,410	-
Due from Other State Agencies	60,227,870	5,053,728
Due from to Local Education Authorities	321,617	-
Due from External Miscellaneous Parties	38,300	79,879
Due from Agency Fund	3,118,458	-
Prepaid Expenditures	-	813,646
Other Assets	26,889	271,393
Total Current Assets	285,637,306	30,413,242
NON-CURRENT ASSETS:		
Capital Assets	5,523,232	52,615,799
Accumulated Depreciation	(5,252,658)	(8,221,166)
Total Non-Current Assets	270,574	44,394,633
Total Assets	285,907,880	74,807,875
LIABILITIES		
CURRENT LIABILITIES:		
Accounts Payable	152,582,757	1,400,398
Accrued Payroll and Taxes	790,993	4,246,075
Interest in State General Fund Investment Pool-Overdraft	308,767	-
Cash Overdraft	-	222,452
Due to State General Fund	12,971,883	-
Due to Other State Agencies	1,970,254	305,990
Due to Federal Government	3,086,123	-
Due to Local Education Authorities	414,948	-
Unearned Revenue	2,499,852	771,248
Accrued Interest	-	235,090
Compensated Absences - Due Within One Year	1,242,032	246,474
Current Portion of Long - Term Debt	-	2,426,909
Other Current Liabilities	5,432,349	-
TOTAL CURRENT LIABILITIES	181,299,958	9,854,636
NON-CURRENT LIABILITIES:		
Contingency Payable - Maintenance of State Financial Support	49,118,548	-
Long-Term Debt	-	31,394,354
TOTAL NON-CURRENT LIABILITIES	49,118,548	31,394,354
TOTAL LIABILITIES	230,418,506	41,248,990
NET POSITION		
Net Investment in Capital Assets	270,574	11,373,149
Restricted	40,916,272	8,042,093
Unrestricted	14,302,528	14,143,643
TOTAL NET POSITION	$ 55,489,374	33,558,885

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Units
PRIMARY GOVERNMENT						
GOVERNMENTAL ACTIVITIES:						
Education	$ 3,009,492,788	6,427,268	397,772,119	-	(2,605,293,401)	-
Health and Welfare	32,563,815	311,452	26,615,768	-	(5,636,595)	-
Total Primary Government	$ 3,042,056,603	6,738,720	424,387,887	-	(2,610,929,996)	-
COMPONENT UNITS						
Instruction	$ 58,773,481	841,245	10,657,949	716,100	-	(46,558,187)
Support Services	47,160,192	44,641	1,355,951	611,302	-	(45,148,298)
Operation of Non-Instructional Services	13,920,202	274,413	1,604,963	11,382,052	-	(658,774)
Interest on Long-Term Debt	553,951	-	-	-	-	(553,951)
Total Component Units	$ 120,407,826	1,160,299	13,618,863	12,709,454	-	(92,919,210)

GENERAL REVENUES AND TRANSFERS:		
State general fund - general appropriations	$ 2,523,362,700	142,386
State general fund - special appropriations	56,829,900	-
State equalization guarantee	-	95,042,427
Bond proceeds appropriations	40,537,035	-
Transfers in - other	1,209,500	-
Transfers out - other	(2,868,519)	-
Transfers out - State General fund reversions - FY14	(12,648,925)	-
Property taxes	-	1,591,577
Interest Income	-	-
Miscellaneous	-	2,254,153
Loss on the disposal of assets	-	(109,594)
TOTAL GENERAL REVENUES AND TRANSFERS	2,606,421,691	98,920,949
CHANGE IN NET POSTION	(4,508,305)	6,001,739
NET POSITION, BEGINNING	37,974,167	28,091,814
RESTATEMENT (NOTE 21)	22,023,512	(534,668)
NET POSITION, BEGINNING AS RESTATED	59,997,679	27,557,146
NET POSTION, ENDING	$ 55,489,374	33,558,885

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
BALANCE SHEETS - GOVERNMENTAL FUNDS
June 30, 2014

	PED General Fund **05700**	DVR General Fund **50000**	Disability Determination Services **50100**
ASSETS			
Interest in State General Fund Investment Pool	$ 2,314,064	9,389,427	-
Due from Federal Government	-	1,481,102	528,274
Due from Other State Agencies	2,545	-	-
Due from Local Education Authorities	-	-	-
Due from External Miscellaneous Parties	-	-	-
Due from Agency Fund	-	-	-
Due from Other Funds	-	-	-
Other Assets	639	10,552	-
Total Assets	$ 2,317,248	10,881,081	528,274
LIABILITIES AND FUND BALANCES (DEFICIT):			
Accounts Payable	$ 898,971	6,193,440	379,576
Accrued Payroll and Taxes	259,500	259,611	121,404
Interest in State General Fund Investment Pool-Overdraft	-	-	128,096
Due to State General Fund	322,958	-	-
Due to Other State Agencies	105,620	-	-
Due to Federal Government	5,101	235,067	41
Due to Local Education Authorities	400	-	-
Unearned Revenue	-	2,048,773	3,582
Due to Other Funds	-	-	-
Contingency Payable - Maintenance of State Financial Support	-	-	-
Other Liabilities	28,294	-	-
Total Liabilities	1,620,844	8,736,891	632,699
FUND BALANCES (DEFICIT)			
Restricted	-	2,144,190	-
Committed	696,404	-	-
Unassigned (deficit)	-	-	(104,425)
Total Fund Balances (Deficit)	696,404	2,144,190	(104,425)
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	$ 2,317,248	10,881,081	528,274

See Notes to Financial Statements

Federal Department of Education Flowthrough **67300**	Special Projects **79000**	Public School Support Flowthrough **85800**	Other Non-Major Governmental Funds	Total Governmental Funds
-	26,498,692	9,403,437	59,338,142	106,943,762
99,984,703	-	-	12,966,331	114,960,410
-	46,000,000	-	14,225,325	60,227,870
313,068	-	-	8,549	321,617
-	-	-	38,300	38,300
-	3,118,458	-	-	3,118,458
-	-	-	190,392	190,392
6,070	1,517	-	8,111	26,889
100,303,841	75,618,667	9,403,437	86,775,150	285,827,698
93,149,873	12,923,979	-	39,036,918	152,582,757
-	8,723	-	141,755	790,993
180,671	-	-	-	308,767
-	2,385,734	10,263,191	-	12,971,883
-	-	-	1,864,634	1,970,254
1,341,183	-	9,388	1,495,343	3,086,123
4,983	-	-	409,565	414,948
-	-	-	447,497	2,499,852
-	-	-	190,392	190,392
-	49,118,548	-	-	49,118,548
60,763	48,041	74,140	5,221,111	5,432,349
94,737,473	64,485,025	10,346,719	48,807,215	229,366,866
5,566,368	11,133,642	-	22,072,072	40,916,272
-	-	-	16,556,928	17,253,332
-	-	(943,282)	(661,065)	(1,708,772)
5,566,368	11,133,642	(943,282)	37,967,935	56,460,832
100,303,841	75,618,667	9,403,437	86,775,150	285,827,698

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
RECONCILIATION OF THE BALANCE SHEETS - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2014

		Primary Government
		Governmental Activities
Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)		$ 56,460,832
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	5,523,232	
Accumulated Depreciation	(5,252,658)	
Total Capital Assets		270,574
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		(1,242,032)
Net Position of Governmental Activities (Statement of Net Position)		$ 55,489,374

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, 2014

	PED General Fund **05700**	DVR General Fund **50000**	Disability Determination Services **50100**
REVENUES:			
Federal Grants	$ -	17,301,655	9,314,113
Other Revenue	2,010,056	309,656	1,796
Total Revenues	2,010,056	17,611,311	9,315,909
EXPENDITURES:			
Current:			
Education	13,781,930	-	-
Health and Welfare	-	23,364,699	9,293,655
Capital Outlay	14,226	110,378	-
Total Expenditures	13,796,156	23,475,077	9,293,655
(DEFICIENCY) EXCESS OF REVENUES (UNDER) OVER EXPENDITURES	(11,786,100)	(5,863,766)	22,254
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	11,711,900	5,616,700	-
Appropriations Funded with State Severance Bond Proceeds	-	-	-
Transfers in:			
Interfund	-	-	-
Other	74,200	485,300	-
Transfers out:			
Reversions	-	-	-
Interfund	-	-	-
Other	-	-	-
Total Other Financing Sources (Uses):	11,786,100	6,102,000	-
NET CHANGES IN FUND BALANCES	-	238,234	22,254
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	1,267,561	1,905,956	(126,679)
RESTATEMENT (NOTE 21)	(571,157)	-	-
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED	696,404	1,905,956	(126,679)
FUND BALANCES (DEFICIT) - END OF YEAR	$ 696,404	2,144,190	(104,425)

See Notes to Financial Statements

Federal Department of Education Flowthrough **67300**	Special Projects **79000**	Public School Support Flowthrough **85800**	Other Non-Major Governmental Funds	Total Governmental Funds
230,788,562	-	-	166,983,557	424,387,887
20,583	118,620	214,386	4,063,623	6,738,720
230,809,145	118,620	214,386	171,047,180	431,126,607
230,496,078	47,769,844	2,454,753,470	263,365,902	3,010,167,224
-	-	-	-	32,658,354
-	-	-	-	124,604
230,496,078	47,769,844	2,454,753,470	263,365,902	3,042,950,182
313,067	(47,651,224)	(2,454,539,084)	(92,318,722)	(2,611,823,575)
-	38,079,300	2,464,802,275	59,982,425	2,580,192,600
-	-	-	40,537,035	40,537,035
-	-	-	3,600,000	3,600,000
-	650,000	-	-	1,209,500
-	(2,385,734)	(10,263,191)	-	(12,648,925)
-	(3,600,000)	-	-	(3,600,000)
-	-	-	(2,868,519)	(2,868,519)
-	32,743,566	2,454,539,084	101,250,941	2,606,421,691
313,067	(14,907,658)	-	8,932,219	(5,401,884)
5,253,301	3,505,624	(943,282)	28,976,723	39,839,204
-	22,535,676	-	58,993	22,023,512
5,253,301	26,041,300	(943,282)	29,035,716	61,862,716
5,566,368	11,133,642	(943,282)	37,967,935	56,460,832

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, 2014

		Primary Government
		Governmental Activities
Net Change in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances/Deficit)		$ (5,401,884)
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		866,474
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	124,604	
Depreciation expense	(97,499)	
Excess of capital outlay over depreciation expense		27,105
Change in Net Position of Governmental Activities (Statement of Activities)		$ (4,508,305)

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
State General Fund Appropriations	$ 11,711,900	11,711,900	11,711,900	-
Other Revenue	1,617,600	1,961,500	2,010,056	48,556
Other Financing Sources	74,200	74,200	74,200	-
Reversions	-	-	(322,958)	(322,958)
Total Revenues	13,403,700	13,747,600	13,473,198	(274,402)
Expenditures:				
Education:				
Personal Services & Employee Benefits	11,196,800	11,540,700	11,362,077	178,623
Contractual Services	1,048,800	1,048,800	999,755	49,045
Other	1,158,100	1,158,100	1,111,366	46,734
Total Expenditures	13,403,700	13,747,600	13,473,198	274,402
NET CHANGE IN FUND BALANCE	$ -	-	-	-

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Federal Grants	$ 23,079,500	23,079,500	17,301,655	(5,777,845)
State General Fund Appropriations	5,616,700	5,616,700	5,616,700	-
Other Revenue	-	-	309,656	309,656
Other Financing Sources	485,300	485,300	485,300	-
Total Revenues	29,181,500	29,181,500	23,713,311	(5,468,189)
Expenditures:				
Health and welfare:				
Personal Services & Employee Benefits	12,521,400	12,540,700	10,830,591	1,710,109
Contractual Services	776,900	776,900	305,093	471,807
Other	15,863,900	15,863,900	12,339,393	3,524,507
Total Expenditures	29,162,200	29,181,500	23,475,077	5,706,423
NET CHANGE IN FUND BALANCE	$ 19,300	-	238,234	238,234

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Federal Grants	$ 16,796,200	16,796,200	9,314,113	(7,482,087)
Other Revenue	-	-	1,796	1,796
Total Revenues	16,796,200	16,796,200	9,315,909	(7,480,291)
Expenditures:				
Health and welfare:				
Personal Services & Employee Benefits	6,261,200	6,261,200	4,221,545	2,039,655
Contractual Services	339,100	339,100	279,302	59,798
Other	10,195,900	10,195,900	4,792,808	5,403,092
Total Expenditures	16,796,200	16,796,200	9,293,655	7,502,545
NET CHANGE IN FUND BALANCE	$ -	-	22,254	22,254

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Federal Funds	$ 255,395,366	255,395,366	230,788,562	(24,606,804)
Other Revenue	-	-	20,583	20,583
Total Revenues	255,395,366	255,395,366	230,809,145	(24,586,221)
Expenditures:				
Education:				
Contractual Services	8,293,037	8,315,094	4,920,418	3,394,676
Other	247,102,329	247,080,272	225,575,660	21,504,612
Total Expenditures	255,395,366	255,395,366	230,496,078	24,899,288
NET CHANGE IN FUND BALANCE	$ -	-	313,067	313,067

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
State General Fund Appropriations	$ 85,279,300	85,279,300	38,079,300	(47,200,000)
Other Revenue	-	-	118,620	118,620
Other Financing Sources	2,450,000	2,450,000	650,000	(1,800,000)
Reversions	-	-	(2,385,734)	(2,385,734)
Total Revenues	87,729,300	87,729,300	36,462,186	(51,267,114)
Expenditures:				
Education:				
Personal Services & Employee Benefits	471,937	429,937	418,868	11,069
Contractual Services	19,394,600	18,807,951	16,503,530	2,304,421
Other	64,262,763	64,699,012	30,847,446	33,851,566
Other Financing Uses	3,600,000	3,792,400	3,600,000	192,400
Total Expenditures	87,729,300	87,729,300	51,369,844	36,359,456
NET CHANGE IN FUND BALANCE	$ -	-	(14,907,658)	(14,907,658)

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
State General Fund Appropriations	$ 2,464,802,275	2,464,802,275	2,464,802,275	-
Other Revenue	-	-	214,386	214,386
Other Financing Sources	1,500,000	1,500,000	-	(1,500,000)
Reversions	-	-	(10,263,191)	(10,263,191)
Total Revenues	2,466,302,275	2,466,302,275	2,454,753,470	(11,548,805)
Expenditures:				
Education:				
Other	2,466,302,275	2,466,302,275	2,454,753,470	11,548,805
Total Expenditures	2,466,302,275	2,466,302,275	2,454,753,470	11,548,805
NET CHANGE IN FUND BALANCE	$ -	-	-	-

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF ASSETS AND LIABILITIES - AGENCY FUND
June 30, 2014

	Agency Fund **57300**
ASSETS	
Interest in State General Fund Investment Pool	$ 5,964,212
Due from Other State Agencies	121,071
Total Assets	$ 6,085,283
LIABILITIES	
Due to Other Funds	$ 3,118,458
Due to External Parties	2,966,825
Total Liabilities	$ 6,085,283

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2014

	Private Purpose Trusts **61600 & 99300**
ASSETS	
Interest in State General Fund Investment Pool	$ 44,873
Certificate of Deposit	20,000
Total Assets	64,873
LIABILITIES	
Due to External Parties	-
Total Liabilities	-
NET POSITION	
Reserved for Scholarships	$ 64,873

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, 2014

	Private Purpose Trusts **61600 & 99300**
ADDITIONS	
Investment Earnings - Interest	$ 216
DEDUCTIONS	
Scholarship Expense	-
CHANGE IN NET POSITION	216
NET POSITION, BEGINNING	64,657
NET POSITION, ENDING	$ 64,873

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units
June 30, 2014

	Academy of Trade and Technology	ACE Leadership High School	AIMS at UNM
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalents	$ 214,014	963,170	1,960,351
Receivables			
Due From Other Governments	116,169	279,239	94,499
Other Receivables	-	-	-
Deposits	1,620	-	-
Prepaid Expenditures	14,916	540,265	14,684
Other	-	-	97,142
TOTAL CURRENT ASSETS	346,719	1,782,674	2,166,676
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-	1,196,050	-
Construction-in-Process	-	510,020	-
Building and Improvements	1,877,170	-	-
Leasehold Improvements	-	-	-
Software	-	-	-
Vehicles	67,361	-	-
Furniture, Fixtures, and Equipment	315,189	44,835	77,553
Playground Equipment	-	-	-
Less: Accumulated Depreciation	(561,003)	(15,390)	(20,241)
TOTAL NONCURRENT ASSETS	1,698,717	1,735,515	57,312
TOTAL ASSETS	2,045,436	3,518,189	2,223,988
LIABILITIES			
CURRENT LIABILITIES:			
Accounts Payable	110,469	270,922	44,273
Cash Overdraft	-	-	-
Accrued Liabilities	29,589	2,182	149,826
Accrued Interest	-	-	-
Unearned Revenue	-	575,000	175,000
Compensated Absences	14,000	-	-
Due to Other Governments	-	-	-
Current Portion of Long-Term Debt	55,374	194,125	-
TOTAL CURRENT LIABILITIES	209,432	1,042,229	369,099
NON CURRENT LIABILITIES			
Long Term Debt	929,302	884,384	-
TOTAL NONCURRENT LIABILITIES	929,302	884,384	-
TOTAL LIABILITIES	1,138,734	1,926,613	369,099
NET POSITION			
Net Investment in Capital Assets	714,041	657,006	57,312
Restricted	74,768	1,135,307	701,307
Unrestricted (Deficit)	117,893	(200,737)	1,096,270
TOTAL NET POSITION (DEFICIT)	$ 906,702	1,591,576	1,854,889

Albuquerque School of Excellence	Albuquerque Sign Language Academy	Aldo Leopold High School	Alma d'arte Charter High School	Amy Biehl Charter School	Anthony Charter School
297,242	377,284	633,686	14,640	1,135,003	292,720
120,406	141,685	97,984	14,381	43,888	53,847
-	-	-	-	-	-
-	-	-	-	-	-
-	10,364	5,870	-	-	-
-	-	-	-	4,200	-
417,648	529,333	737,540	29,021	1,183,091	346,567
-	-	-	-	33,950	-
-	-	-	-	-	-
-	-	43,341	-	3,978,516	724,827
-	-	-	-	-	-
-	-	-	-	-	-
-	-	15,200	-	-	-
61,562	15,755	87,826	156,496	171,202	19,873
-	-	-	-	-	-
(29,412)	(10,249)	(52,304)	(140,475)	(1,078,654)	(19,873)
32,150	5,506	94,063	16,021	3,105,014	724,827
449,798	534,839	831,603	45,042	4,288,105	1,071,394
18,506	15,752	3,010	13,132	18,432	7,060
-	-	-	-	-	-
133,977	82,232	22,340	45,867	-	6,645
-	-	-	-	-	-
-	13,718	-	-	-	-
-	-	18,939	-	-	-
-	15,622	-	-	-	-
-	-	-	-	-	-
152,483	127,324	44,289	58,999	18,432	13,705
-	-	-	-	-	-
-	-	-	-	-	-
152,483	127,324	44,289	58,999	18,432	13,705
32,150	5,506	94,063	16,021	3,105,014	724,827
130,978	110,502	80,237	1,017	386,135	45,384
134,187	291,507	613,014	(30,995)	778,524	287,478
297,315	407,515	787,314	(13,957)	4,269,673	1,057,689

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2014

	ASK Academy	Cesar Chavez Community School	Cien Aguas International School
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalents	$ 478,323	532,227	624,870
Receivables			
Due From Other Governments	5,871	51,235	60,433
Other Receivables	-	-	-
Deposits	-	13,000	-
Prepaid Expenditures	-	-	14,352
Other	-	3,600	-
TOTAL CURRENT ASSETS	484,194	600,062	699,655
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-	-	-
Construction-in-Process	-	-	-
Building and Improvements	-	23,270	16,162
Leasehold Improvements	-	-	-
Software	-	-	-
Vehicles	-	-	-
Furniture, Fixtures, and Equipment	6,416	107,402	175,127
Playground Equipment	-	-	-
Less: Accumulated Depreciation	(4,812)	(102,061)	(52,251)
TOTAL NONCURRENT ASSETS	1,604	28,611	139,038
TOTAL ASSETS	485,798	628,673	838,693
LIABILITIES			
CURRENT LIABILITIES:			
Accounts Payable	5,481	4,360	2,434
Cash Overdraft	-	-	-
Accrued Liabilities	97,475	78,035	143,602
Accrued Interest	-	-	-
Unearned Revenue	-	-	-
Compensated Absences	-	-	-
Due to Other Governments	-	-	10,343
Current Portion of Long-Term Debt	-	-	-
TOTAL CURRENT LIABILITIES	102,956	82,395	156,379
NON CURRENT LIABILITIES			
Long Term Debt	-	-	-
TOTAL NONCURRENT LIABILITIES	-	-	-
TOTAL LIABILITIES	102,956	82,395	156,379
NET POSITION			
Net Investment in Capital Assets	1,604	28,611	139,038
Restricted	77,038	51,570	332,170
Unrestricted (Deficit)	304,200	466,097	211,106
TOTAL NET POSITION (DEFICIT)	$ 382,842	546,278	682,314

Coral Community Charter	Cottonwood Classical Preparatory School	Creative Education Preparatory Institute #1	East Mountain High School	Estancia Valley Classical Academy	Gilbert L Sena Charter High School
122,642	1,448,298	22,070	973,005	184,087	330,308
35,672	67,632	174,565	95,505	79,475	124,601
-	75,015	-	-	-	-
-	-	-	-	38,118	-
26,304	14,489	-	1,311	-	-
-	13,597	-	-	6,794	-
184,618	1,619,031	196,635	1,069,821	308,474	454,909
-	3,172,430	-	392,715	-	-
-	-	-	89,752	-	-
-	5,770,204	-	3,718,055	-	-
-	-	-	-	723,897	-
-	-	-	28,228	-	-
-	-	-	-	-	-
67,289	34,782	-	629,240	18,409	162,545
-	-	-	-	-	-
(12,620)	(145,939)	-	(1,036,129)	(217,395)	(84,229)
54,669	8,831,477	-	3,821,861	524,911	78,316
239,287	10,450,508	196,635	4,891,682	833,385	533,225
1,685	5,243	-	99,074	9,482	9,527
-	-	24,174	-	-	-
5,420	282,048	42,520	47,523	157,862	112,655
-	-	-	-	-	-
-	-	-	-	-	-
-	-	9,942	-	1,771	-
-	-	-	-	-	-
-	-	-	185,456	59,303	-
7,105	287,291	76,636	332,053	228,418	122,182
-	10,610,000	-	972,966	147,368	-
-	10,610,000	-	972,966	147,368	-
7,105	10,897,291	76,636	1,305,019	375,786	122,182
54,669	(1,778,523)	-	2,663,439	318,240	78,316
33,815	187,093	23,065	172,476	105,722	69,190
143,698	1,144,647	96,934	750,748	33,637	263,537
232,182	(446,783)	119,999	3,586,663	457,599	411,043

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2014

	GREAT Academy	Health Leadership High School	Horizon Academy West
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalents	$ 474,613	40,192	1,294,482
Receivables			
Due From Other Governments	40,485	36,855	261,015
Other Receivables	-	-	-
Deposits	-	-	-
Prepaid Expenditures	45,000	27,917	-
Other	-	-	-
TOTAL CURRENT ASSETS	560,098	104,964	1,555,497
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-	-	164,000
Construction-in-Process	-	-	-
Building and Improvements	-	-	5,124,083
Leasehold Improvements	-	-	-
Software	-	-	-
Vehicles	126,612	-	-
Furniture, Fixtures, and Equipment	132,940	-	25,140
Playground Equipment	-	-	-
Less: Accumulated Depreciation	(45,365)	-	(139,298)
TOTAL NONCURRENT ASSETS	214,187	-	5,173,925
TOTAL ASSETS	774,285	104,964	6,729,422
LIABILITIES			
CURRENT LIABILITIES:			
Accounts Payable	19,960	5,639	47,124
Cash Overdraft	-	-	-
Accrued Liabilities	9,441	50,125	254,786
Accrued Interest	-	-	132,200
Unearned Revenue	-	-	-
Compensated Absences	65,980	-	10,249
Due to Other Governments	-	-	-
Current Portion of Long-Term Debt	-	-	80,000
TOTAL CURRENT LIABILITIES	95,381	55,764	524,359
NON CURRENT LIABILITIES			
Long Term Debt	-	-	6,635,000
TOTAL NONCURRENT LIABILITIES	-	-	6,635,000
TOTAL LIABILITIES	95,381	55,764	7,159,359
NET POSITION			
Net Investment in Capital Assets	214,187	-	(766,057)
Restricted	48,598	37,393	185,973
Unrestricted (Deficit)	416,119	11,807	150,147
TOTAL NET POSITION (DEFICIT)	$ 678,904	49,200	(429,937)

International School at Mesa del Sol	J. Paul Taylor Academy	La Jicarita Community School	La Promesa Early Learning Center	La Resolana Leadership Academy	La Tierra Montessori School of the Arts and Sciences
300,778	509	11,317	241,413	43,319	91,350
131,948	55,004	49,777	354,960	22,432	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	5,781	-	-	-
-	-	-	-	-	-
432,726	55,513	66,875	596,373	65,751	91,350
-	-	446,190	1,402,136	-	-
-	-	-	-	-	-
117,836	-	194,712	8,941,177	-	19,850
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
66,946	17,045	88,193	152,070	-	7,845
-	-	-	-	-	-
(56,722)	(16,572)	(26,047)	(836,302)	-	(3,352)
128,060	473	703,048	9,659,081	-	24,343
560,786	55,986	769,923	10,255,454	65,751	115,693
46,760	10,342	32,090	32,841	97,868	-
-	-	-	104,992	-	-
158,823	-	9,111	244,279	29,585	9,725
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	18,757	142,428	-	-
205,583	10,342	59,958	524,540	127,453	9,725
-	-	415,162	7,515,808	-	-
-	-	415,162	7,515,808	-	-
205,583	10,342	475,120	8,040,348	127,453	9,725
128,060	473	269,129	2,000,845	-	24,343
88,086	12,325	8,489	243,059	5,106	30,589
139,057	32,846	17,185	(28,798)	(66,808)	51,036
355,203	45,644	294,803	2,215,106	(61,702)	105,968

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2014

	The Masters Program	McCurdy Charter School	Media Arts Collaborative Charter School
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalents	$ 521,383	300	354,613
Receivables			
Due From Other Governments	43,441	212,252	101,946
Other Receivables	-	-	-
Deposits	-	-	-
Prepaid Expenditures	-	-	21,448
Other	986	-	-
TOTAL CURRENT ASSETS	565,810	212,552	478,007
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-	-	410,000
Construction-in-Process	-	-	-
Building and Improvements	-	-	1,581,533
Leasehold Improvements	-	-	-
Software	-	-	-
Vehicles	-	-	-
Furniture, Fixtures, and Equipment	173,100	-	66,642
Playground Equipment	-	-	-
Less: Accumulated Depreciation	(69,240)	-	(269,116)
TOTAL NONCURRENT ASSETS	103,860	-	1,789,059
TOTAL ASSETS	669,670	212,552	2,267,066
LIABILITIES			
CURRENT LIABILITIES:			
Accounts Payable	2,557	159,701	13,053
Cash Overdraft	-	93,286	-
Accrued Liabilities	71,649	60,839	92,664
Accrued Interest	-	-	-
Unearned Revenue	-	-	-
Compensated Absences	-	-	-
Due to Other Governments	-	112,402	-
Current Portion of Long-Term Debt	-	-	114,682
TOTAL CURRENT LIABILITIES	74,206	426,228	220,399
NON CURRENT LIABILITIES			
Long Term Debt	-	-	987,592
TOTAL NONCURRENT LIABILITIES	-	-	987,592
TOTAL LIABILITIES	74,206	426,228	1,207,991
NET POSITION			
Net Investment in Capital Assets	103,860	-	686,785
Restricted	17,851	(315,525)	87,392
Unrestricted (Deficit)	473,753	101,849	284,898
TOTAL NET POSITION (DEFICIT)	$ 595,464	(213,676)	1,059,075

Mission Achievement and Success	Montessori Elementary School	New American School	New America School of Las Cruces	New Mexico Connections Academy	New Mexico International School
373,028	402,747	594,879	702,907	343,338	118,435
143,018	9,748	172,161	59,362	48,566	2,704
-	-	-	-	-	-
-	-	-	-	-	-
11,251	-	-	-	-	19,755
-	-	-	-	-	-
527,297	412,495	767,040	762,269	391,904	140,894
-	-	-	-	-	-
-	-	-	-	-	-
-	483,997	2,687,557	45,716	-	-
-	-	-	-	-	25,193
-	-	-	-	-	-
-	-	32,593	39,604	-	-
-	22,353	68,000	5,191	-	7,458
-	-	-	-	-	-
-	(75,744)	(435,544)	(14,749)	-	(6,519)
-	430,606	2,352,606	75,762	-	26,132
527,297	843,101	3,119,646	838,031	391,904	167,026
1,215	2,445	9,280	10,841	4,990	29,653
-	-	-	-	-	-
149,160	-	120,443	136,139	252,382	155,579
-	102,890	-	-	-	-
-	-	-	-	-	-
14,698	-	-	-	-	5,603
-	-	-	-	-	-
-	-	167,705	-	-	-
165,073	105,335	297,428	146,980	257,372	190,835
-	-	2,191,331	-	-	-
-	-	2,191,331	-	-	-
165,073	105,335	2,488,759	146,980	257,372	190,835
-	430,606	-	75,762	-	26,132
28,982	291,781	165,212	25,478	25,723	31,940
333,242	15,379	465,675	589,811	108,809	(81,881)
362,224	737,766	630,887	691,051	134,532	(23,809)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2014

	New Mexico School for the Arts	North Valley Academy	Ralph J. Bunche Academy
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalents	$ 593,674	603,233	29,728
Receivables			
Due From Other Governments	71,604	349,492	238,563
Other Receivables	4,864	-	-
Deposits	12,704	-	-
Prepaid Expenditures	15,955	-	-
Other	-	-	3,229
TOTAL CURRENT ASSETS	698,801	952,725	271,520
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-		-
Construction-in-Process	-	-	-
Building and Improvements	-	91,474	-
Leasehold Improvements	-	-	-
Software	-	-	-
Vehicles	-	-	-
Furniture, Fixtures, and Equipment	138,343	9,911	88,405
Playground Equipment	-	-	-
Less: Accumulated Depreciation	(59,523)	(93,918)	(33,439)
TOTAL NONCURRENT ASSETS	78,820	7,467	54,966
TOTAL ASSETS	777,621	960,192	326,486
LIABILITIES			
CURRENT LIABILITIES:			
Accounts Payable	3,518	10,870	67,287
Cash Overdraft	-	-	-
Accrued Liabilities	129,049	245,784	16,106
Accrued Interest	-	-	-
Unearned Revenue	-	-	-
Compensated Absences	-	2,787	19,670
Due to Other Governments	-	-	161,685
Current Portion of Long-Term Debt	-	-	-
TOTAL CURRENT LIABILITIES	132,567	259,441	264,748
NON CURRENT LIABILITIES			
Long Term Debt	-	-	-
TOTAL NONCURRENT LIABILITIES	-	-	-
TOTAL LIABILITIES	132,567	259,441	264,748
NET POSITION			
Net Investment in Capital Assets	78,820	7,467	54,966
Restricted	268,115	135,820	33,843
Unrestricted (Deficit)	298,119	557,464	(27,071)
TOTAL NET POSITION (DEFICIT)	$ 645,054	700,751	61,738

Red River Valley Charter School	Sage Montessori Charter School	School of Dreams Academy	South Valley Preparatory School	Southwest Aeronautics, Mathematics, and Science Academy	Southwest Intermediate Learning Center
99,861	129,629	652,280	210,087	641,935	368,020
41,388	118,025	56,441	59,481	-	-
-	-	-	-	-	-
-	33,000	-	25,125	-	-
-	-	-	-	-	-
-	-	850	-	-	-
141,249	280,654	709,571	294,693	641,935	368,020
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	14,151
79,052	-	-	-	-	-
-	-	-	-	-	-
-	-	215,719	-	-	-
206,215	23,261	247,807	6,344	286,257	155,776
-	-	-	-	-	-
(250,326)	(7,246)	(249,875)	(5,287)	(78,070)	(157,863)
34,941	16,015	213,651	1,057	208,187	12,064
176,190	296,669	923,222	295,750	850,122	380,084
2,487	17,447	3,715	3,998	-	-
-	-	-	-	-	-
4,144	63,942	-	85,537	102	73
-	-	-	-	-	-
-	-	-	-	-	-
-	-	6,110	-	-	15,410
5,938	-	-	-	-	-
-	-	-	-	115,020	-
12,569	81,389	9,825	89,535	115,122	15,483
-	-	18,331	-	87,110	-
-	-	18,331	-	87,110	-
12,569	81,389	28,156	89,535	202,232	15,483
34,941	16,015	213,651	1,057	6,057	12,064
49,176	91,468	396,260	86,678	198,757	281,543
79,504	107,797	285,155	118,480	443,076	70,994
163,621	215,280	895,066	206,215	647,890	364,601

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2014

	Southwest Primary Learning Center	Southwest Secondary Learning Center	Taos Academy
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalents	$ 429,303	953,282	463,658
Receivables			
Due From Other Governments	-	-	113,741
Other Receivables	-	-	-
Deposits	-	-	-
Prepaid Expenditures	-	-	9,045
Other	-	-	-
TOTAL CURRENT ASSETS	429,303	953,282	586,444
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-	-	-
Construction-in-Process	-	-	12,350
Building and Improvements	16,336	42,662	514,613
Leasehold Improvements	-	-	-
Software	-	-	-
Vehicles	-	46,356	-
Furniture, Fixtures, and Equipment	219,996	977,932	37,474
Playground Equipment	-	-	-
Less: Accumulated Depreciation	(157,760)	(1,009,930)	(51,126)
TOTAL NONCURRENT ASSETS	78,572	57,020	513,311
TOTAL ASSETS	507,875	1,010,302	1,099,755
LIABILITIES			
CURRENT LIABILITIES:			
Accounts Payable	-	584	-
Cash Overdraft	-	-	-
Accrued Liabilities	85	111	111,495
Accrued Interest	-	-	-
Unearned Revenue	-	-	6,780
Compensated Absences	15,363	18,894	-
Due to Other Governments	-	-	-
Current Portion of Long-Term Debt	-	-	-
TOTAL CURRENT LIABILITIES	15,448	19,589	118,275
NON CURRENT LIABILITIES			
Long Term Debt	-	-	-
TOTAL NONCURRENT LIABILITIES	-	-	-
TOTAL LIABILITIES	15,448	19,589	118,275
NET POSITION			
Net Investment in Capital Assets	78,572	57,020	513,311
Restricted	272,501	754,120	69,695
Unrestricted (Deficit)	141,354	179,573	398,474
TOTAL NET POSITION (DEFICIT)	$ 492,427	990,713	981,480

Taos Integrated School of Arts	The Learning Community Charter School	Tierra Adentro	Uplift Community School	Village Academy	Walatowa High Charter School
617,139	707,074	235,623	223,535	-	650,204
82,258	47,829	187,337	119,156	-	146,718
-	-	-	-	-	-
6,000	-	11,428	-	-	-
-	-	-	-	-	14,939
-	-	-	-	-	-
705,397	754,903	434,388	342,691	-	811,861
-	290,000	-	-	-	-
-	-	-	-	-	-
-	1,435,160	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
93,443	-	61,558	18,835	-	8,755
-	-	-	42,128	-	-
(10,245)	(422,575)	(30,116)	(8,668)	-	(6,742)
83,198	1,302,585	31,442	52,295	-	2,013
788,595	2,057,488	465,830	394,986	-	813,874
-	10,979	-	111,368	-	205
-	-	-	-	-	-
48,364	6,925	153,667	104,817	-	1,889
-	-	-	-	-	-
-	750	-	-	-	-
-	-	-	-	-	27,058
-	-	-	-	-	-
-	1,294,059	-	-	-	-
48,364	1,312,713	153,667	216,185	-	29,152
-	-	-	-	-	-
-	-	-	-	-	-
48,364	1,312,713	153,667	216,185	-	29,152
83,198	8,526	31,442	52,295	-	2,013
111,402	340,593	29,297	53,906	-	128,743
545,631	395,656	251,424	72,600	-	653,966
740,231	744,775	312,163	178,801	-	784,722

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2014

	William W. & Josephine Dorn Charter Community School	Total Charter Schools
ASSETS		
CURRENT ASSETS:		
Cash and Cash Equivalents	$ 72,788	24,194,596
Receivables		
Due From Other Governments	18,934	5,053,728
Other Receivables	-	79,879
Deposits	-	140,995
Prepaid Expenditures	-	813,646
Other	-	130,398
TOTAL CURRENT ASSETS	91,722	30,413,242
NON-CURRENT ASSETS:		
Capital Assets		
Land and Land Improvements	-	7,507,471
Construction-in-Process	-	612,122
Building and Improvements	-	37,462,402
Leasehold Improvements	-	828,142
Software	-	28,228
Vehicles	-	543,445
Furniture, Fixtures, and Equipment	27,125	5,591,861
Playground Equipment	-	42,128
Less: Accumulated Depreciation	(10,850)	(8,221,166)
TOTAL NONCURRENT ASSETS	16,275	44,394,633
TOTAL ASSETS	107,997	74,807,875
LIABILITIES		
CURRENT LIABILITIES:		
Accounts Payable	2,739	1,400,398
Cash Overdraft	-	222,452
Accrued Liabilities	29,457	4,246,075
Accrued Interest	-	235,090
Unearned Revenue	-	771,248
Compensated Absences	-	246,474
Due to Other Governments	-	305,990
Current Portion of Long-Term Debt	-	2,426,909
TOTAL CURRENT LIABILITIES	32,196	9,854,636
NON CURRENT LIABILITIES		
Long Term Debt	-	31,394,354
TOTAL NONCURRENT LIABILITIES	-	31,394,354
TOTAL LIABILITIES	32,196	41,248,990
NET POSITION		
Net Investment in Capital Assets	16,275	11,373,149
Restricted	3,950	8,042,093
Unrestricted (Deficit)	55,576	14,143,643
TOTAL NET POSITION (DEFICIT)	$ 75,801	33,558,885

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2014

	Academy of Trade and Technology	ACE Leadership High School	AIMS at UNM
INSTRUCTION			
Expenses	$ (525,580)	(1,193,198)	(1,422,848)
Program Revenues:			
Charges for Services	541	4,355	1,709
Operating Grants and Contributions	87,386	120,724	76,170
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Instruction	(437,653)	(1,068,119)	(1,344,969)
SUPORT SERVICES			
Expenses	(1,069,276)	(1,630,225)	(914,371)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	165,808	558,137	-
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	(903,468)	(1,072,088)	(914,371)
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(356,321)	(430,509)	(236,557)
Program Revenues:			
Charges for Services	4	1,650	-
Operating Grants and Contributions	34,572	65,366	-
Capital Grants and Contributions	89,080	211,256	419,488
Net (Expense) Over Revenue - Operation of Non-Instruction Services	(232,665)	(152,237)	182,931
Interest on Long-Term Debt	-	(2,000)	-
Total Net (Expense) Over Revenue - All Functions	(1,573,786)	(2,294,444)	(2,076,409)
GENERAL REVENUES			
State Equalization Guarantee	1,343,824	2,580,286	2,567,547
State Appropriations	-	-	-
Property Taxes	82,689	77,491	-
Loss on Disposal of Assets	-	-	-
Miscellaneous	189,665	164,372	-
Total General Revenues	1,616,178	2,822,149	2,567,547
Change in Net Position	42,392	527,705	491,138
Net Position, Beginning	1,053,726	1,063,871	919,507
Restatement	(189,416)	-	444,244
Net Position, Beginning as Restated	864,310	1,063,871	1,363,751
Net Position, Ending	$ 906,702	1,591,576	1,854,889

See Independent Auditors Report and Notes to Financial Statements

Albuquerque School of Excellence	Albuquerque Sign Language Academy	Aldo Leopold High School	Alma d'arte Charter High School	Amy Biehl Charter School	Anthony Charter School
(1,217,854)	(744,863)	(773,539)	(1,254,953)	(1,601,765)	(368,822)
370	376	25,008	3,788	19,430	220
249,363	320,073	91,568	129,182	302,725	40,980
-	-	-	-	-	-
(968,121)	(424,414)	(656,963)	(1,121,983)	(1,279,610)	(327,622)
(933,089)	(1,055,702)	(747,927)	(755,499)	(1,502,140)	(433,749)
-	-	-	-	-	-
-	226,180	94,606	-	-	-
-	-	-	-	-	-
(933,089)	(829,522)	(653,321)	(755,499)	(1,502,140)	(433,749)
(289,397)	(111,949)	(116,926)	(231,434)	(260,043)	(43,982)
8,932	6,736	-	25,360	5,489	-
43,366	27,833	14,030	-	27,964	17,350
227,535	71,608	60,676	147,985	11,503	102,033
(9,564)	(5,772)	(42,220)	(58,089)	(215,087)	75,401
-	-	-	-	-	-
(1,910,774)	(1,259,708)	(1,352,504)	(1,935,571)	(2,996,837)	(685,970)
2,003,723	1,355,567	1,779,539	1,739,302	2,725,172	790,003
-	-	-	-	-	-
-	-	33,865	-	253,735	6,214
-	-	-	-	-	-
14,433	-	14,987	76,201	151,866	-
2,018,156	1,355,567	1,828,391	1,815,503	3,130,773	796,217
107,382	95,859	475,887	(120,068)	133,936	110,247
189,933	311,656	311,427	106,111	3,901,722	-
-	-	-	-	234,015	947,442
189,933	311,656	311,427	106,111	4,135,737	947,442
297,315	407,515	787,314	(13,957)	4,269,673	1,057,689

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2014

	ASK Academy	Cesar Chavez Community School	Cien Aguas International School
INSTRUCTION			
Expenses	$ (1,197,187)	(1,160,362)	(1,528,430)
Program Revenues:			
Charges for Services	17,780	-	57,587
Operating Grants and Contributions	58,750	203,025	160,478
Capital Grants and Contributions	3,251	-	-
Net (Expense) Over Revenue - Instruction	(1,117,406)	(957,337)	(1,310,365)
SUPORT SERVICES			
Expenses	(1,140,909)	(911,748)	(843,240)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	-	65,598
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	(1,140,909)	(911,748)	(777,642)
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(122,092)	(248,258)	(420,153)
Program Revenues:			
Charges for Services	-	-	18,640
Operating Grants and Contributions	-	35,750	51,171
Capital Grants and Contributions	121,230	238,720	409,750
Net (Expense) Over Revenue - Operation of Non-Instruction Services	(862)	26,212	59,408
Interest on Long-Term Debt	-	-	-
Total Net (Expense) Over Revenue - All Functions	(2,259,177)	(1,842,873)	(2,028,599)
GENERAL REVENUES			
State Equalization Guarantee	2,410,333	1,921,940	2,291,024
State Appropriations	-	-	-
Property Taxes	-	-	-
Loss on Disposal of Assets	-	-	-
Miscellaneous	417	4,638	22,762
Total General Revenues	2,410,750	1,926,578	2,313,786
Change in Net Position	151,573	83,705	285,187
Net Position, Beginning	231,269	968,748	138,134
Restatement	-	(506,175)	258,993
Net Position, Beginning as Restated	231,269	462,573	397,127
Net Position, Ending	$ 382,842	546,278	682,314

See Independent Auditors Report and Notes to Financial Statements

Coral Community Charter	Cottonwood Classical Preparatory School	Creative Education Preparatory Institute #1	East Mountain High School	Estancia Valley Classical Academy	Gilbert L Sena Charter High School
(577,271)	(2,574,053)	(965,503)	(1,932,592)	(1,528,468)	(1,251,048)
-	22,254	5,296	146,180	-	-
257,912	520,910	68,858	439,942	226,730	136,134
-	-	-	-	-	-
(319,359)	(2,030,889)	(891,349)	(1,346,470)	(1,301,738)	(1,114,914)
(483,326)	(1,599,318)	(870,741)	(1,136,892)	(926,285)	(866,024)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(483,326)	(1,599,318)	(870,741)	(1,136,892)	(926,285)	(866,024)
(51,522)	(516,691)	(143,650)	(1,184,447)	(428,347)	(67,699)
2,384	-	-	-	-	-
-	-	-	-	-	-
47,392	874,682	160,353	509,774	208,976	130,782
(1,746)	357,991	16,703	(674,673)	(219,371)	63,083
-	-	-	-	(15,899)	-
(804,431)	(3,272,216)	(1,745,387)	(3,158,035)	(2,463,293)	(1,917,855)
932,465	3,506,341	1,860,939	2,451,821	2,319,409	1,768,917
-	-	-	-	117,095	-
-	-	-	311,276	-	48,248
-	-	-	-	-	-
833	-	1,400	593,492	73,896	-
933,298	3,506,341	1,862,339	3,356,589	2,510,400	1,817,165
128,867	234,125	116,952	198,554	47,107	(100,690)
103,315	(355,246)	3,047	3,284,804	354,466	511,733
-	(325,662)	-	103,305	56,026	-
103,315	(680,908)	3,047	3,388,109	410,492	511,733
232,182	(446,783)	119,999	3,586,663	457,599	411,043

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2014

	GREAT Academy	Health Leadership High School	Horizon Academy West
INSTRUCTION			
Expenses	$ (727,777)	(430,581)	(1,919,159)
Program Revenues:			
Charges for Services	100	1,876	93,345
Operating Grants and Contributions	93,752	250,348	397,538
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Instruction	(633,925)	(178,357)	(1,428,276)
SUPORT SERVICES			
Expenses	(1,387,668)	(651,383)	(1,030,580)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	-	-
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	(1,387,668)	(651,383)	(1,030,580)
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(10,074)	(221,576)	(400,849)
Program Revenues:			
Charges for Services	-	51	21,062
Operating Grants and Contributions	-	12,838	214,899
Capital Grants and Contributions	128,366	213,840	453,729
Net (Expense) Over Revenue - Operation of Non-Instruction Services	118,292	5,153	288,841
Interest on Long-Term Debt	-	-	(396,600)
Total Net (Expense) Over Revenue - All Functions	(1,903,301)	(824,587)	(2,566,615)
GENERAL REVENUES			
State Equalization Guarantee	1,584,615	873,787	2,581,334
State Appropriations	-	-	-
Property Taxes	-	-	-
Loss on Disposal of Assets	-	-	-
Miscellaneous	7,319	-	12,815
Total General Revenues	1,591,934	873,787	2,594,149
Change in Net Position	(311,367)	49,200	27,534
Net Position, Beginning	990,271	-	(457,471)
Restatement	-	-	-
Net Position, Beginning as Restated	990,271	-	(457,471)
Net Position, Ending	$ 678,904	49,200	(429,937)

See Independent Auditors Report and Notes to Financial Statements

International School at Mesa del Sol	J. Paul Taylor Academy	La Jicarita Community School	La Promesa Early Learning Center	La Resolana Leadership Academy	La Tierra Montessori School of the Arts and Sciences
(1,391,014)	(918,626)	(318,117)	(2,340,783)	(343,783)	(387,764)
-	20,366	-	142,262	-	-
248,936	115,985	188,669	820,298	65,381	89,370
-	-	-	664,529	-	33,822
(1,142,078)	(782,275)	(129,448)	(713,694)	(278,402)	(264,572)
(666,434)	(457,800)	(300,887)	(1,405,479)	(479,312)	(417,499)
165	-	-	-	-	-
35,139	-	-	-	-	-
-	-	213,140	-	-	-
(631,130)	(457,800)	(87,747)	(1,405,479)	(479,312)	(417,499)
(283,002)	(246,143)	-	(1,682,704)	(115,419)	(49,096)
18,035	26,142	-	11,282	404	-
51,741	30,259	-	309,209	40,964	-
211,032	138,859	-	-	57,774	-
(2,194)	(50,883)	-	(1,362,213)	(16,277)	(49,096)
-	-	(28,411)	-	-	-
(1,775,402)	(1,290,958)	(245,606)	(3,481,386)	(773,991)	(731,167)
1,798,978	1,177,217	348,871	2,595,270	703,802	646,251
-	-	-	-	-	-
72,081	-	-	258,083	-	-
-	-	-	-	-	-
-	-	9,712	506,487	-	119
1,871,059	1,177,217	358,583	3,359,840	703,802	646,370
95,657	(113,741)	112,977	(121,546)	(70,189)	(84,797)
259,546	159,385	181,826	2,192,256	8,487	190,765
-	-	-	144,396	-	-
259,546	159,385	181,826	2,336,652	8,487	190,765
355,203	45,644	294,803	2,215,106	(61,702)	105,968

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2014

	The Masters Program	McCurdy Charter School	Media Arts Collaborative Charter School
INSTRUCTION			
Expenses	$ (1,039,970)	(2,356,689)	(1,036,426)
Program Revenues:			
Charges for Services	1,290	-	10,463
Operating Grants and Contributions	78,836	707,618	193,173
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Instruction	(959,844)	(1,649,071)	(832,790)
SUPORT SERVICES			
Expenses	(744,369)	(1,538,689)	(954,181)
Program Revenues:			
Charges for Services	-	39,490	4,986
Operating Grants and Contributions	-	-	-
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	(744,369)	(1,499,199)	(949,195)
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(96,982)	(613,394)	(91,979)
Program Revenues:			
Charges for Services	-	17,780	-
Operating Grants and Contributions	-	119,124	8,625
Capital Grants and Contributions	96,982	495,777	130,231
Net (Expense) Over Revenue - Operation of Non-Instruction Services	-	19,287	46,877
Interest on Long-Term Debt	-	-	-
Total Net (Expense) Over Revenue - All Functions	(1,704,213)	(3,128,983)	(1,735,108)
GENERAL REVENUES			
State Equalization Guarantee	1,637,298	3,156,382	1,705,781
State Appropriations	-	-	-
Property Taxes	-	-	55,671
Loss on Disposal of Assets	-	-	-
Miscellaneous	-	190,942	-
Total General Revenues	1,637,298	3,347,324	1,761,452
Change in Net Position	(66,915)	218,341	26,344
Net Position, Beginning	662,379	(299,131)	1,032,731
Restatement	-	(132,886)	-
Net Position, Beginning as Restated	662,379	(432,017)	1,032,731
Net Position, Ending	$ 595,464	(213,676)	1,059,075

See Independent Auditors Report and Notes to Financial Statements

Mission Achievement and Success	Montessori Elementary School	New American School	New America School of Las Cruces	New Mexico Connections Academy	New Mexico International School
(1,743,434)	(1,439,442)	(953,650)	(845,972)	(2,073,213)	(807,275)
-	230,000	1,171	100	-	-
369,883	140,350	178,932	73,168	237,305	32,248
-	-	-	-	-	-
(1,373,551)	(1,069,092)	(773,547)	(772,704)	(1,835,908)	(775,027)
(994,193)	(957,659)	(1,607,478)	(1,462,962)	(703,358)	(647,166)
-	-	-	-	-	-
-	-	-	15,805	-	-
-	-	116,908	-	-	-
(994,193)	(957,659)	(1,490,570)	(1,447,157)	(703,358)	(647,166)
(260,345)	(400,383)	(409,542)	(202,646)	-	(96,194)
290	-	466	362	-	-
-	-	73,959	22,399	-	-
80,285	279,331	318,546	170,189	-	96,194
(179,770)	(121,052)	(16,571)	(9,696)	-	-
-	-	-	-	-	-
(2,547,514)	(2,147,803)	(2,280,688)	(2,229,557)	(2,539,266)	(1,422,193)
2,891,722	1,948,996	2,270,978	2,346,839	2,673,798	1,267,911
-	-	-	-	-	-
-	350,711	-	-	-	-
-	-	-	-	-	-
-	-	76,306	105	-	16,984
2,891,722	2,299,707	2,347,284	2,346,944	2,673,798	1,284,895
344,208	151,904	66,596	117,387	134,532	(137,298)
18,016	2,401,191	564,291	573,664	-	113,489
-	(1,815,329)	-	-	-	-
18,016	585,862	564,291	573,664	-	113,489
362,224	737,766	630,887	691,051	134,532	(23,809)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2014

	New Mexico School for the Arts	North Valley Academy	Ralph J. Bunche Academy
INSTRUCTION			
Expenses	$ (1,020,994)	(1,886,208)	(443,243)
Program Revenues:			
Charges for Services	7,998	1,197	-
Operating Grants and Contributions	181,359	467,388	150,149
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Instruction	(831,637)	(1,417,623)	(293,094)
SUPORT SERVICES			
Expenses	(936,842)	(1,136,699)	(454,901)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	-	-
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	(936,842)	(1,136,699)	(454,901)
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(255,557)	(539,882)	(126,449)
Program Revenues:			
Charges for Services	20,735	41,613	4,200
Operating Grants and Contributions	14,967	144,701	55,869
Capital Grants and Contributions	399,797	377,425	62,873
Net (Expense) Over Revenue - Operation of Non-Instruction Services	179,942	23,857	(3,507)
Interest on Long-Term Debt	-	-	-
Total Net (Expense) Over Revenue - All Functions	(1,588,537)	(2,530,465)	(751,502)
GENERAL REVENUES			
State Equalization Guarantee	1,786,232	2,765,397	750,372
State Appropriations	-	-	24,770
Property Taxes	-	-	-
Loss on Disposal of Assets	-	-	-
Miscellaneous	1,245	66,250	8,389
Total General Revenues	1,787,477	2,831,647	783,531
Change in Net Position	198,940	301,182	32,029
Net Position, Beginning	446,114	399,569	29,709
Restatement	-	-	-
Net Position, Beginning as Restated	446,114	399,569	29,709
Net Position, Ending	$ 645,054	700,751	61,738

See Independent Auditors Report and Notes to Financial Statements

Red River Valley Charter School	Sage Montessori Charter School	School of Dreams Academy	South Valley Preparatory School	Southwest Aeronautics, Mathematics, and Science Academy	Southwest Intermediate Learning Center
(411,221)	(829,935)	(1,561,137)	(764,651)	(1,195,719)	(480,566)
4,871	775	-	-	-	-
76,883	163,572	239,038	138,075	243,466	29,499
-	-	-	-	-	-
(329,467)	(665,588)	(1,322,099)	(626,576)	(952,253)	(451,067)
(304,734)	(588,543)	(1,448,005)	(464,764)	(949,774)	(473,470)
-	-	-	-	-	-
36,141	-	-	-	-	-
-	-	-	-	-	-
(268,593)	(588,543)	(1,448,005)	(464,764)	(949,774)	(473,470)
(76,247)	(104,333)	(234,514)	(167,227)	(470,289)	(263,244)
-	-	-	5,048	-	-
-	-	-	72,865	-	-
54,314	104,333	477,097	91,363	497,279	341,967
(21,933)	-	242,583	2,049	26,990	78,723
-	-	-	-	-	-
(619,993)	(1,254,131)	(2,527,521)	(1,089,291)	(1,875,037)	(845,814)
665,499	1,376,264	2,781,046	1,064,330	1,993,958	853,886
-	-	-	-	-	-
-	-	-	41,513	-	-
-	-	-	-	-	-
-	-	5,655	-	-	-
665,499	1,376,264	2,786,701	1,105,843	1,993,958	853,886
45,506	122,133	259,180	16,552	118,921	8,072
118,115	93,147	580,008	189,663	528,969	356,529
-	-	55,878	-	-	-
118,115	93,147	635,886	189,663	528,969	356,529
163,621	215,280	895,066	206,215	647,890	364,601

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2014

	Southwest Primary Learning Center	Southwest Secondary Learning Center	Taos Academy
INSTRUCTION			
Expenses	$ (530,085)	(1,325,640)	(1,054,661)
Program Revenues:			
Charges for Services	1,440	10,756	-
Operating Grants and Contributions	27,773	71,488	119,451
Capital Grants and Contributions	7,651	6,847	-
Net (Expense) Over Revenue - Instruction	(493,221)	(1,236,549)	(935,210)
SUPORT SERVICES			
Expenses	(450,931)	(1,243,133)	(892,068)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	49,869	-
Capital Grants and Contributions	-	-	281,254
Net (Expense) Over Revenue - Support Services	(450,931)	(1,193,264)	(610,814)
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(117,695)	(307,186)	-
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	-	-
Capital Grants and Contributions	329,464	966,928	-
Net (Expense) Over Revenue - Operation of Non-Instruction Services	211,769	659,742	-
Interest on Long-Term Debt	-	-	-
Total Net (Expense) Over Revenue - All Functions	(732,383)	(1,770,071)	(1,546,024)
GENERAL REVENUES			
State Equalization Guarantee	866,581	2,249,329	1,740,971
State Appropriations	-	-	-
Property Taxes	-	-	-
Loss on Disposal of Assets	-	-	-
Miscellaneous	2,605	32,330	142
Total General Revenues	869,186	2,281,659	1,741,113
Change in Net Position	136,803	511,588	195,089
Net Position, Beginning	355,624	479,125	786,391
Restatement	-	-	-
Net Position, Beginning as Restated	355,624	479,125	786,391
Net Position, Ending	$ 492,427	990,713	981,480

See Independent Auditors Report and Notes to Financial Statements

Taos Integrated School of Arts	The Learning Community Charter School	Tierra Adentro	Uplift Community School	Village Academy	Walatowa High Charter School
(613,301)	(878,643)	(1,298,920)	(882,432)	(25)	(547,864)
7,142	-	1,199	-	-	-
100,148	229,331	192,879	132,648	-	272,678
-	-	-	-	-	-
(506,011)	(649,312)	(1,104,842)	(749,784)	(25)	(275,186)
(496,018)	(939,663)	(875,896)	(640,933)	(11,810)	(377,286)
-	-	-	-	-	-
-	-	52,436	56,232	-	-
-	-	-	-	-	-
(496,018)	(939,663)	(823,460)	(584,701)	(11,810)	(377,286)
(138,390)	(170,856)	(254,032)	(98,481)	-	(107,572)
-	-	22,079	15,669	-	-
-	-	54,098	36,544	-	24,500
212,849	237,706	177,855	82,874	-	46,201
74,459	66,850	-	36,606	-	(36,871)
-	(111,041)	-	-	-	-
(927,570)	(1,633,166)	(1,928,302)	(1,297,879)	(11,835)	(689,343)
1,205,927	1,741,734	2,068,689	1,352,126	-	806,270
-	-	-	-	-	-
-	-	-	-	-	-
-	(109,594)	-	-	-	-
-	-	-	-	7,649	137
1,205,927	1,632,140	2,068,689	1,352,126	7,649	806,407
278,357	(1,026)	140,387	54,247	(4,186)	117,064
461,874	575,441	171,776	124,554	4,186	667,658
-	170,360	-	-	-	-
461,874	745,801	171,776	124,554	4,186	667,658
740,231	744,775	312,163	178,801	-	784,722

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2014

	William W. & Josephine Dorn Charter Community School	Total Charter Schools
INSTRUCTION		
Expenses	$ (178,422)	(58,773,481)
Program Revenues:		
Charges for Services	-	841,245
Operating Grants and Contributions	51,588	10,657,949
Capital Grants and Contributions	-	716,100
Net (Expense) Over Revenue - Instruction	(126,834)	(46,558,187)
SUPORT SERVICES		
Expenses	(247,164)	(47,160,192)
Program Revenues:		
Charges for Services	-	44,641
Operating Grants and Contributions	-	1,355,951
Capital Grants and Contributions	-	611,302
Net (Expense) Over Revenue - Support Services	(247,164)	(45,148,298)
OPERATION OF NON-INSTRUCTIONAL SERVICES		
Expenses	(7,769)	(13,920,202)
Program Revenues:		
Charges for Services	-	274,413
Operating Grants and Contributions	-	1,604,963
Capital Grants and Contributions	7,769	11,382,052
Net (Expense) Over Revenue - Operation of Non-Instruction Services	-	(658,774)
Interest on Long-Term Debt	-	(553,951)
Total Net (Expense) Over Revenue - All Functions	(373,998)	(92,919,210)
GENERAL REVENUES		
State Equalization Guarantee	415,834	95,042,427
State Appropriations	521	142,386
Property Taxes	-	1,591,577
Loss on Disposal of Assets	-	(109,594)
Miscellaneous	-	2,254,153
Total General Revenues	416,355	98,920,949
Change in Net Position	42,357	6,001,739
Net Position, Beginning	33,444	28,091,814
Restatement	-	(534,668)
Net Position, Beginning as Restated	33,444	27,557,146
Net Position, Ending	$ 75,801	33,558,885

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, 2014

	Academy of Trade and Technology	ACE Leadership High School	AIMS at UNM	Albuquerque School of Excellence
ASSETS				
Cash in Bank	$ 7,775	2,547	16,205	19,564
Accounts Receivable	-	-	-	-
Total Assets	$ 7,775	2,547	16,205	19,564
LIABILITIES				
Deposits Held for Others	$ 7,775	2,547	16,205	19,564
Total Liabilities	$ 7,775	2,547	16,205	19,564

Albuquerque Sign Language Academy	Aldo Leopold High School	Alma d'arte Charter High School	Amy Biehl Charter School	Anthony Charter School	ASK Academy
5,762	31,232	4,337	10,685	920	21,532
-	-	-	-	-	-
5,762	31,232	4,337	10,685	920	21,532
5,762	31,232	4,337	10,685	920	21,532
5,762	31,232	4,337	10,685	920	21,532

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
June 30, 2014

	Cesar Chavez Community School	Cien Aguas International School	Coral Community Charter	Cottonwood Classical Preparatory School
ASSETS				
Cash in Bank	$ 6,112	-	-	16,657
Accounts Receivable	-	-	-	-
Total Assets	$ 6,112	-	-	16,657
LIABILITIES				
Deposits Held for Others	$ 6,112	-	-	16,657
Total Liabilities	$ 6,112	-	-	16,657

Creative Education Preparatory Institute #1	East Mountain High School	Estancia Valley Classical Academy	Gilbert L Sena Charter High School	GREAT Academy	Health Leadership High School
7,473	19,522	1,971	21,043	1,818	-
-	-	-	-	-	-
7,473	19,522	1,971	21,043	1,818	-
7,473	19,522	1,971	21,043	1,818	-
7,473	19,522	1,971	21,043	1,818	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
June 30, 2014

	Horizon Academy West	International School at Mesa del Sol	J. Paul Taylor Academy	La Jicarita Community School
ASSETS				
Cash in Bank	$ 31,713	7,299	2,492	-
Accounts Receivable	-	-	-	-
Total Assets	$ 31,713	7,299	2,492	-
LIABILITIES				
Deposits Held for Others	$ 31,713	7,299	2,492	-
Total Liabilities	$ 31,713	7,299	2,492	-

La Promesa Early Learning Center	La Resolana Leadership Academy	La Tierra Montessori School of the Arts and Sciences	The Masters Program	McCurdy Charter School	Media Arts Collaborative Charter School
-	616	1,959	8,615	91,427	5,225
-	-	-	-	-	-
-	616	1,959	8,615	91,427	5,225
-	616	1,959	8,615	91,427	5,225
-	616	1,959	8,615	91,427	5,225

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
June 30, 2014

	Mission Achievement and Success	Montessori Elementary School	New American School	New America School of Las Cruces
ASSETS				
Cash in Bank	$ 1,516	3,105	732	1,724
Accounts Receivable	-	550	-	-
Total Assets	$ 1,516	3,655	732	1,724
LIABILITIES				
Deposits Held for Others	$ 1,516	3,655	732	1,724
Total Liabilities	$ 1,516	3,655	732	1,724

New Mexico Connections Academy	New Mexico International School	New Mexico School for the Arts	North Valley Academy	Ralph J. Bunche Academy	Red River Valley Charter School
21	30,152	10,029	23,171	-	-
-	-	-	-	-	-
21	30,152	10,029	23,171	-	-
21	30,152	10,029	23,171	-	-
21	30,152	10,029	23,171	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
June 30, 2014

	Sage Montessori Charter School	School of Dreams Academy	South Valley Preparatory School	Southwest Aeronautics, Mathematics, and Science Academy
ASSETS				
Cash in Bank	$ 12,447	21,760	9,734	-
Accounts Receivable	-	-	-	-
Total Assets	$ 12,447	21,760	9,734	-
LIABILITIES				
Deposits Held for Others	$ 12,447	21,760	9,734	-
Total Liabilities	$ 12,447	21,760	9,734	-

Southwest Intermediate Learning Center	Southwest Primary Learning Center	Southwest Secondary Learning Center	Taos Academy	Taos Integrated School of Arts	The Learning Community Charter School
-	-	-	81	5,592	1,388
-	-	-	-	-	-
-	-	-	81	5,592	1,388
-	-	-	81	5,592	1,388
-	-	-	81	5,592	1,388

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
June 30, 2014

	Tierra Adentro	Uplift Community School	Village Academy	Walatowa High Charter School
ASSETS				
Cash in Bank	$ 39,448	70	-	12,019
Accounts Receivable	-	-	-	-
Total Assets	$ 39,448	70	-	12,019
LIABILITIES				
Deposits Held for Others	$ 39,448	70	-	12,019
Total Liabilities	$ 39,448	70	-	12,019

William W. & Josephine Dorn Charter Community School	Total Charter Schools
-	517,490
-	550
-	518,040
-	518,040
-	518,040

NON-MAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2014

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 55 schools as reported in Volume III – X 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 it 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.

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 55 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
- East Mountain High School
- Estancia Valley Classical Academy
- Gilbert L. Sena Charter High School
- Great Academy
- Health Leadership High School
- Horizon Academy West
- International School at Mesa Del Sol
- J. Paul Taylor Academy
- La Jicarita Community School
- La Promesa Early Learning Center
- La Resolana Leadership Academy

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

arrangements under which principal or interest benefits specific individuals or originations, 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 devises 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.

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).

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Appropriations to this fund do no 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.

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.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 in incorporated into the General Appropriations Act.
- The Governor of the State of New Mexico signs the General Appropriations Act into law within the legally prescribed time limit.
- Not later than May 1, the Department submits an annual operating budget request to the Budget Division of DFA, which reviews the request and subsequently approves the budget based upon the appropriation made by the Legislature. All subsequent budget transfers and increases must be authorized by the Director of the Budget Division. The budgets for the year ended June 30, 2014 have been so adjusted.
- 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, 2014 because there were no associated expenditures with them:

- Ed Tech Deficiency Correction Fund (SHARE Fund #20160)
- Charter School Stimulus (SHARE Fund #47000)
- Reading Materials (SHARE Fund #58600)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- State Support Reserve (SHARE Fund #85700)
- DVR ARRA Fund (DVR SHARE Fund #89000)
- Public School Capital Outlay (SHARE Fund #63500)
- Special Capital Outlay Severance Tax Bonds 2000 (SHARE Fund #81300)

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

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

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

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

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Compensated Absences Payable. Accrued vacation up to 240 hours is recorded in the Statement of Net Position at 100% of the employee's hourly wage. In additions, accrued sick leave over 600 and up to 720 hours less the amount classified as current is recorded in the Statement of Net Position at 50% of the employee's hourly wage. Compensatory time is accrued at a rate of one and one-half hours for each hour of employment for which overtime compensation is required for those employees covered by the Fair Labor Standards Act (FLSA). Employees exempt from coverage by FLSA earn one hour of compensatory time for each over time hour. The accrual for compensated absences is calculated at pay rates in effect at June 30, 2014, and includes direct and incremental salary related payments, such as the employees' share of social security taxes.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2014.

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, 2014.

Unrestricted Net Position - represents the excess of total assets over liabilities and investment in capital assets at June 30, 2014.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2014, the Department reported no deferred outflows or inflows of resources.

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

The General Fund Investment Pool is the State of New Mexico's main operating account. State revenues such as income taxes, sales taxes, rents and royalties, and other recurring revenues

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

are credited to the General Fund Investment Pool. The fund also comprises numerous state agency accounts whose assets, by statute (Section 8-6-3 NMSA 1978), must be held at the State Treasury.

In June 2012, an independent diagnostic report revealed that Pool balances had not been reconciled at a "business unit by fund" level since the inception of the Statewide Human Resources, Accounting, and Management Reporting System (SHARE) system in July 2006. This report, entitled "Current State Diagnostic of Cash Control," also described a difference between Pool bank balances and the corresponding general ledger balances and indicated that the effect of reconciling items were unknown.

By state statute, the New Mexico Department of Finance and Administration (DFA) is responsible for the performance of monthly reconciliations with the balances and accounts kept by the State Treasurer. Therefore, under the direction of the State Controller / Financial Control Division Director, the Financial Control Division (FCD) of the New Mexico Department of Finance & Administration undertook action to address the situation. DFA/FCD initiated the Cash Management Remediation Project (Remediation Project) in partnership with the Office of the New Mexico State Treasurer, the New Mexico Department of Information Technology, and a contracted third party with expertise in the Enterprise System Software used by the State.

The Remediation Project objective was to design and implement changes necessary to ensure ongoing completion of timely, accurate and comprehensive reconciliation of the Pool. DFA has or is in the process of implementing all the recommendations resulting for the Remediation Project and has made changes to the State's SHARE system configuration, cash accounting policies and procedures, business practices, and banking structure. This has enabled DFA to complete timely and accurate reconciliation of bank to book balances at the State and Business Unit level on a post-implementation basis, however, it did not resolve historical reconciling items. Additional changes recommended by the Project continue to be cascaded through DFA and state agencies to support the Business Unit by Fund accounting requirements.

A plan to address historical reconciling items is being assessed and a separate initiative will need to be undertaken to resolve the historical reconciling items. Management considers it unlikely that this separate initiative will be successful in allocating all historical reconciling items to the State entities invested in the Pool. As a result, any remaining differences post specific allocation to Pool participants will be reported in the State General Fund.

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

Phase I of the Cash Management Remediation Project (completed in May 2013) implemented statewide business process changes and corrected numerous SHARE System configurations. As a result of the changes and corrections, DFA/FCD was able to begin reconciling activity reported by the State's fiscal agent bank to the SHARE general ledger on a *point-forward basis* beginning February 1, 2013. However, additional critical business process changes and corrections to configurations within the SHARE System remain to be completed; therefore, the State's Cash Management Remediation Project, Phase II, will commence during fiscal year 2015.

Section 6-5-2.1(J) NMSA 1978 requires DFA to complete, on a monthly basis, reconciliations with the balances and accounts kept by the State Treasurer and adopt and promulgate rules regarding reconciliation for state agencies. The Department has established internal control procedures applying the State of New Mexico Manual of Model Accounting Practices. These procedures are designed to implement necessary controls to prevent accounting errors and violations of state and federal law and rules related to financial matters. In addition, the Department ensures that any disbursement of funds does not exceed the appropriation made, its periodic allotment, or the unencumbered funds at its disposal. Incorporating the State's financial software system (SHARE) and internal reporting and reconciliation throughout the fiscal year, the Department maintains optimum fiscal safeguards. This ensures that the cash balances in SHARE are correct to the extent that the Department has control (i.e., collection, depositing, reconciling, and documentation of outstanding reconciling items) of the cash it receipts and transfers to the state general fund and other state agencies pursuant to state statute.

Since SHARE was implemented, the Department recognized the statewide cash reconciliation issue and in response, developed internal reconciliation procedures to ensure that cash receipts and disbursements recorded in the SHARE system are in fact transactions that have been initiated by the department. The Department monitors, validates, and reconciles daily the cash report in SHARE and match transactions on the report to the source documents of those deposits made or federal draws requested. The Department processes large monthly distributions to districts through State appropriations, such as SEG, and monitor as well to make sure those are received. The department verifies that all cash deposits and financial transactions are accurately recorded and posted to the SHARE system; differences are resolved in conjunction with the State Treasures Office, the depository bank and the federal Treasury Department.

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

This internal reconciliation of cash receipts and disbursements flowing through Department's Interest in the State General Fund Investment Pool provides management assurance that the balance reflected in State General Fund Investment Pool account is accurate as of the end of the reporting period. In addition, the Department reconciles other asset and liability accounts on the Balance Sheet of each fund type. This process also provides additional assurance that transactions affecting the Department's Interest in the State General Fund Investment Pool account are accurate.

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, 2014 the Department had the following interest in the State General Fund Investment Pool:

Investment in State General Fund Investment Pool	$106,943,762

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 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	$308,767

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

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

NOTE 4. CASH AND INVESTMENTS

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

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

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, 2014 consists of the following:

NOTE 5. DUE FROM STATE AGENCIES (CONTINUED)

Share Fund No.	Agency	Other Agency Fund No.	Amount
05700	Department of Finance and Administration (DFA)	34100	$ 2,545
51300	Taxation and Revenue Department	33300	2,329
67200	Department of Finance and Administration (DFA)	34100	52,147
81600	Department of Finance and Administration (DFA)	34100	403,478
89200	Department of Finance and Administration (DFA)	34100	13,767,371
	Total Due from Other State Agencies		$ 14,227,870

Advances to local education agencies of $321,617 consist of federal program advances passed through to the various schools and school districts.

NOTE 6. DUE TO OTHER STATE AGENCIES

Total due to other state agencies at June 30, 2014 is as follows:

Share Fund No.	Agency	Other Agency Fund No.	Amount
05700	Educational Retirement Board	35200	$ 105,620
63400	New Mexico State Board of Finance	34100	122,024
67200	Department of Military Affairs	70500	15,993
81600	New Mexico State Board of Finance	34100	24,339
84400	Children, Youth and Families Department	69000	1,345,207
84400	Department of Health	66500	357,071
	Total		$ 1,970,254

NOTE 7. INTERFUND BALANCES

The following is an analysis of amounts shown as due from and due to other funds at June 30, 2014:

Amounts Due to Other Funds		*Amounts Due from Other Funds*	
Share Fund No.	**Amount**	**Share Fund No.**	**Amount**
57300	$ 3,118,458	79000	$ 3,118,458
88900	200	20550	200
56200	4,005	84400	4,005
67200	186,187	67400	186,187
	$ 3,308,850		$ 3,308,850

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

NOTE 8. CAPITAL ASSETS

A summary of changes in capital assets at June 30, 2014 is as follows:

		Balance June 30, 2013	Adjustment Additions	Deletions	Balance June 30, 2014
PED:					
Equipment	$	4,427,516	14,226	-	4,441,742
Art Acquisitions		5,800	-	-	5,800
Total PED		4,433,316	14,226	-	4,447,542
DVR/DDS:					
Equipment		1,769,600	110,378	(804,288)	1,075,690
Total Department:					
Equipment		6,197,116	124,604	(804,288)	5,517,432
Art Acquisitions		5,800	-	-	5,800
Subtotal		6,202,916	124,604	(804,288)	5,523,232
Accumulated Depreciation:					
PED- Equipment		(4,285,512)	(54,610)	-	(4,340,122)
DVR/DDS- Equipment		(1,673,935)	(42,889)	804,288	(912,536)
Subtotal		(5,959,447)	(97,499)	804,288	(5,252,658)
Total	$	243,469	27,105	-	270,574

Depreciation expenses were charged to functions in the Department for the year ended June 30, 2014 are as follows:

Public Education Department		
Education	$	54,610
Division of Vocational Rehabilitation		
Health and Welfare		42,889
Total Department	$	97,499

NOTE 9. COMPENSATED ABSENCES

A summary of changes in compensated absences for the year ended June 30, 2014 is as follows:

	Balance June 30, 2013	Increase	Deletions	Balance June 30, 2014	Current Portion
PED	$ 1,391,423	56,547	(785,593)	662,377	662,377
DVR/DDS	717,083	1,282,435	(1,419,863)	579,655	579,655
Total	$ 2,108,506	1,338,982	(2,205,456)	1,242,032	1,242,032

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

NOTE 10. SPECIAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATIONS

A summary of the special and deficiency appropriations included in fund 79000 is as follows:

PED	Appropriation Period	Appropriation Amount	Expenditure to Date	Reserve Fund Balance	Remaining Balance to Expend
Special Appropriations					
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	$ 3,400,000	(3,199,357)	-	200,643
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	5,800,000	(5,598,000)	-	202,000
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	100,000	(28,238)	-	71,762
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	5,200,000	(4,781,203)	-	418,797
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	2,000,000	(255,130)	-	1,744,870
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	1,500,000	(1,413,324)	-	86,676
Special and Deficiency Appropriations - Maintenance of State Financial Support					
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	20,000,000	(16,881,452)	(3,118,548)	-
Laws 2013, Chapter 227, Sec. 4 & 5	2013-2014	10,000,000	-	-	10,000,000
Laws 2013, Ch. 191	Non-Reverting	36,000,000	-	-	36,000,000
Total 2014		$ 84,000,000	(32,156,704)	(3,118,548)	48,724,748

NOTE 10. SPECIAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATIONS (CONTINUED)

SPECIAL APPROPRIATIONS - HOUSE BILL 2

$3,400,000 for implementing a new teacher and school leader evaluation system. 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.

$5,800,000 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.

Unexpended and unencumbered balances in the kindergarten plus fund established in Section 22-2-20 NMSA 1978 shall be transferred to the kindergarten-three-plus fund established in Section 22-13-28.1 NMSA 1978.

$100,000 to distribute to school districts and charter schools for the purchase of New Mexico grown fresh fruits and vegetables for school meal programs.

$5,200,000 to purchase computers for administration of the next generation assessment developed by the partnership for assessment of readiness for college and careers to students in grades three through eleven. 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.

$20,000,000 to ensure the state makes sufficient funds available in fiscal year 2013 to meet the special education maintenance of effort requirements pursuant to the federal Individuals with Disabilities Education Act. The appropriation of twenty million dollars ($20,000,000) includes fifteen million four hundred thousand dollars ($15,400,000) 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 and four million six hundred thousand dollars ($4,600,000) in other state funds transferred to the public education department from the taxation and revenue department pursuant to Section 66-5-44 NMSA 1978.

The appropriation is contingent on the Public Education Department:

1) certifying that the program cost made available in fiscal year 2013 is insufficient to meet the maintenance of effort requirements of Part B of the federal Individuals with Disabilities Education Act in fiscal year 2013;

NOTE 10. SPECIAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATIONS (CONTINUED)

2) reviewing with the legislative finance committee and the legislative education study committee the certification that the twenty million dollar ($20,000,000) supplemental appropriation is needed to meet the maintenance of effort requirements of Part B of the federal Individuals with Disabilities Education Act for fiscal year 2013; and

3) obtaining board of finance approval to transfer and distribute funds.

The public education department shall not distribute more of the supplemental appropriation than is necessary to meet the maintenance of effort requirements of Part B of the federal Individuals with Disabilities Education Act for fiscal year 2013. The public education department shall distribute the required amount of the supplemental appropriation to each school district and charter school in the same manner and on the same basis as the state equalization guarantee distribution.

For the year ending June 30, 2013, the Department used $16,881,453 of this special appropriation against the June 30, 2013 maintenance of effort requirements. $3,118,547 is available to be used during the year ending June 30, 2014 for any shortfalls determined by the U.S. Department of Education for the June 30, 2014 year end. No amounts have been drawn on the supplemental and deficiency appropriations for the year ended June 30, 2014.

$2,000,000 to the public education department to provide stipends to level two and level three teachers and school leaders to move from schools rated A or B to schools rated D or F pursuant to the A-B-C-D-F Schools Rating Act that serve a high proportion of at-risk students or high-poverty students and to provide stipends to high school teachers of advanced placement classes that increase the proportion of students receiving college credit for advance placement classes. 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.

$1,500,000 for transition to the common core content standards. Prior to expenditure of funds, the public education department shall submit to the legislative finance committee and the legislative education study committee a report on planned expenditure of funds, and by January 1, 2014, progress made as a result of the appropriation. 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.

NOTE 10. SPECIAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATIONS (CONTINUED)

The period of time for expending one million five hundred thousand dollars ($1,500,000) of the appropriation made in Subsection 38 of Section 5 of Chapter 19 of Laws 2012 is extended through fiscal year 2014 to provide supplemental funding for increased fuel costs incurred by school districts and state-chartered charter schools. The appropriation is contingent on certification by the Public Education Department to the Department of Finance and Administration and the Legislative Finance Committee that no other funds, including federal funds, are available in fiscal year 2013 or fiscal year 2014 for the purpose specified. The distribution of funding shall be based on miles traveled for to-and from transportation of public school students. School districts and state-chartered charter schools shall request funds for fuel from the secretary of public education and provide supporting documentation that they have incurred increased costs due to higher fuel prices. The secretary of public education shall approve requests for funding for fuel cost increases and make distributions on a reimbursement basis.

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

	Appropriation Period	Appropriation Amount	Expenditure Date	Reserve fund Balance	Remaining Balance To Expend
Laws of 2012, Chapter 19	2013-2014	$ 466,000	466,000	-	-

NOTE 11. COMMITMENTS AND CONTINGENCIES

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

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

NOTE 11. COMMITMENTS AND CONTINGENCIES (CONTINUED)

The MOE shortfall for fiscal years 2011 to 2013 are under appeal and is currently still undergoing final determination of MOE by the U.S. Department of Education at June 30, 2014. Concerning the potential shortfall of MOE the Department has $3,118,548 remaining under a special appropriation from FY2013 and $46,000,000 remaining under a deficiency appropriation available to be used to supplement the potential MOE shortfall. These appropriations are available through June 30, 2015. In FY2014 the Department believes it has fully funded its MOE.

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.

Several school districts in New Mexico have substantial parcels of federal land within their boundaries. This property is not taxed by the State and therefore entitled to receive federal impact aid each year as revenue in-lieu of taxes for federal property. Upon receipt by the school districts of these federal impact aid funds, the Department takes a 75% credit against those funds out of the State distribution of the State Educational Guarantee (SEG) distribution to school districts. In school year 2009-2010 the federal government was late in approving the State's request to take credit for the federal property portion of impact aide, so the Department took the allowable credit based on prior year federal distribution; the US Department of Education was contacted and agreed with the procedure. The Zuni Public School District did not agree with the procedure and filed a complaint with the federal government. The complaint was reviewed and after a hearing, was denied by the US Department of Education. However, the Zuni Public School District then filed a lawsuit in state district court in Gallup against the Department for improperly taking credits against the receipt of federal impact aid funds pursuant to Section 8009(b) of the Elementary and Secondary Education Act of 1965, aka, 20 USC Section 7709(b). The Department filed a motion for summary judgment against Zuni to have the lawsuit dismissed. That motion was denied, causing the Department to file an appeal of that denial in the New Mexico Court of Appeals where the case is now pending. The PED is represented by the New Mexico Attorney General's Office but is participating in a vigorous defense of that action. It is hard to gauge how the Court will rule, however if the Court rules against the Department, then the plaintiffs will be able to proceed and could expand the court case into a class action.

NOTE 11. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Impact aid funds are also received by school districts for students who reside on federal property, for special education students and for limited capital projects. These students may include military children as well as Native American students. Credit against the distribution from the SEG is not taken against these funds, only funds received for federal lands within school district boundaries.

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, 2014, totaled $2,881,913. Future minimum lease payments are as follows and are based on the actual lease terms and have not been discounted:

Year Ending June 30,		PED	DVR/DDS	Total
2015	$	315,892	2,551,943	2,867,835
2016		315,892	2,527,676	2,843,568
2017		315,892	2,521,312	2,837,204
2018		315,892	2,326,140	2,642,032
2019		315,892	1,637,012	1,952,904
2020-2024		1,579,462	1,040,470	2,619,932
2025		153,559	-	153,559
Total	$	3,312,481	12,604,553	15,917,034

NOTE 12. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan Description. Substantially all of the Department's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit

NOTE 12. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

Funding Policy. Plan members are required to contribute between 4% - 16.65% of their gross salary. The Department is required to contribute between 7% - 25.72% of the gross covered salary. The contribution requirements of plan members and the Department are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Department's contributions to PERA for the fiscal years ending June 30, 2014, 2013 and 2012 were $3,038,059, $2,710,809, and $3,079,900, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE 13. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

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

Funding Policy

Member Contributions
Plan members whose annual salary is $20,000 or less are required by statute to contribute 7.9% of their gross salary. Plan members whose annual salary is over $20,000 are required to make the following contributions to the Plan: 9.40% of their gross salary in fiscal year 2013; 10.1% of their gross salary in fiscal year 2014; and 10.7% of their gross salary in fiscal year 2015 and thereafter.

NOTE 13. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Employer Contributions

The Department contributed the following percentages of the gross covered salary of employees: 13.15% of gross covered salary in fiscal year 2014; and 13.9% of gross covered salary in fiscal year 2015.

The contribution requirements of plan members and the Department are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Department's contributions to ERB for the fiscal years ending June 30, 2014, 2013 and 2012 were $362,107, $353,660 and $744,031, respectively, which equal the amount of the required contributions for each fiscal year.

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

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

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

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

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

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

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

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

The Department's contributions to the RHCA for the years ended June 30, 2014, 2013 and 2012 were $437,947, $424,757 and $491,267, respectively, which equal the required contributions for each year.

NOTE 15. RISK MANAGEMENT

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

NOTE 15. RISK MANAGEMENT (CONTINUED)

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, 2014, the Department had no claims that Risk Management Division returned as not covered, which would become the responsibility of the Department. To obtain the separately issued financial statements, contact General Services Department, PO Box 26110, Santa Fe, New Mexico 87502-6110.

NOTE 16. REVERSIONS

The following activity for reversions to the State General Fund occurred during fiscal year ended June 30, 2014:

Fund	Revisions Payable June 30, 2013	Paid to State General Fund During FY 14	FY 14 Additions to Reversions Payable	Reversions Payable June 30, 2014	Paid to State General Fund During FY 15
05700	$ 542,245	542,245	322,958	322,958	322,958
63500	672,697	672,697	-	-	-
79000	3,305,344	3,305,340	2,385,734	2,385,738	2,385,734
81800	2,276	2,276	-	-	-
85800	11,925,694	11,925,694	10,263,191	10,263,191	10,263,191
50000	911,797	911,797	-	-	-
Total	$ 17,360,053	17,360,049	12,971,883	12,971,887	12,971,883

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 $17,360,049 was paid to the State General Fund during the year. $12,971,887 is payable at June 30, 2014 and due by September 30, 2014; this payable may be adjusted within 45 days of the release of this audit by the New Mexico Office of the State Auditor.

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

SHARE Fund #

SPECIAL REVENUE FUNDS

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

11420 K-3 Plus. The purpose of this fund is to provide funding for additional educational time for students in the kindergarten through third grade. K-3 plus shall be administered by the department and shall provide the funding for approved full-day kindergarten and grates 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).

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.

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

SHARE Fund #

SPECIAL REVENUE FUNDS (CONTINUED)

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.

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.

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

SHARE Fund #

SPECIAL REVENUE FUNDS (CONTINUED)

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.

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

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

SHARE Fund #

SPECIAL REVENUE FUNDS (CONTINUED)

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.

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

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

SHARE Fund #

SPECIAL REVENUE FUNDS (CONTINUED)

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.

CAPITAL PROJECTS FUNDS

10550 Special Capital Outlay - New School Development. This fund is used to supplement district funds needed to pay for supplies, equipment, and operating costs unique to the first year of operations of a new school. This fund was

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

SHARE Fund #

CAPITAL PROJECTS FUNDS (CONTINUED)

created in the state treasury 22-8-48 NMSA 1978. Appropriations to this fund do not revert back to another fund at the end of the appropriation period. This fund had zero activity and reported zero balances on the governmental funds balance sheets; therefore, was not reported in the governmental funds balance sheets.

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

63500 Public School Capital Outlay. 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 Special Capital Outlay — Severance Tax Bonds (2000). The fund, established in 2000, accounts for severance tax bond proceeds appropriated for special capital outlay projects (Laws of 2000, Chapter 23, Section 16). Funds remaining after the completion of capital projects are to be reverted.

81600 Special Capital Outlay — Severance Tax Bonds (2004). The fund, established in 2004, accounts for severance tax bond proceeds appropriated to the Public Education Department. Funds remaining after the completion of capital projects are to be reverted.

81800 Special Capital Outlay — General Fund. 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.

89200 STB Capital Outlay. The Public School Capital Improvements fund accounts for the proceeds from bond sales issued under the provisions of the Public School

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

SHARE
Fund #

CAPITAL PROJECTS FUNDS (CONTINUED)

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.

93100 General Fund Capital Outlay. 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.

NOTE 18. TRANSFERS IN AND TRANSFERS OUT

Interagency Transfers

From (Agency)	To (Fund)	Description	Amount
DFA (34100)	PED (05700)	FY14 General Fund Compensation Distribution	$ 74,200
DFA (34100)	DVR (50000)	FY14 General Fund Compensation Distribution	19,300
CDHH (60400)	DVR (50000)	House Bill 2 ISF/IAT Appropriation SFY2014	466,000
DFA (34100)	PED (79000)	Special Appropriation - Laws of 2012, Chapter 19, Section 7, Item 20	450,000
DFA (34100)	PED (79000)	Special Appropriation - Laws of 2012, Chapter 19, Section 7, Item 21	200,000
Total Interagency Transfer In			$ 1,209,500

NOTE 18. TRANSFERS IN AND TRANSFERS OUT (CONTINUED)

From (Fund)	To (Agency)	Description	Amount
PED (84400)	DOH (66500)	Reimbursement of Expenditures for Race to the Top Program	$ 416,551
PED (84400)	CYFD (69000)	Reimbursement of Expenditures for Race to the Top Program	2,174,668
PED (85600)	NMHED (9500)	Transfer per Laws of 2013, Chapter 227, Section 4, Item K.	277,300
Total Interagency Transfers Out			$ 2,868,519

Interfund Transfers

From Fund	To Fund	Description	Amount
PED (79000)	PED (56200)	Transfer in Accordance to Legislation (Laws of 2013, Chapter 227)	$ 3,600,000
Total Interfund Transfers			$ 3,600,000

NOTE 19. GOVERNMENTAL FUND BALANCES - RESTRICTED AND COMMITTED

The Department's fund balances represent: (1) Restricted Purposes which include balances that are legally restricted for specific purposes due to constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; (2) Committed Purposes, which include balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches. A summary of the nature and purpose of these reserves by fund type at June 30, 2014, follows:

Fund/ Program	Laws	Committed Purpose	Restricted Purpose
General Fund:			
PED General Fund	Administratively Created	$ 696,404	-
DVR General Fund	Administratively Created	-	2,144,200
Total General Fund:		696,404	2,144,200

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

Fund/ Program	Laws	Committed Purpose	Restricted Purpose
Capital Improvement Projects:			
Public School Capital Improvement	NMSA 22-25-10, 1978	$ -	65,209
Public School Capital Outlay	NMSA 22-24-1, 1978	1,103,044	-
Special Capital Outlay Severance Tax Bonds 2000	Law of 2000, Chapter 23, Section 16	-	37,097
Special Capital Outlay Severance Tax Bonds 2004	NMSA 7-27-12, 1978	-	157,493
Special Capital Outlay Severance tax Bonds	NMSA 22-25-1 to 10, 1978	-	488,145
Special Capital Outlay- General Fund	Administratively Created	-	33,591
Total Capital Improvement Projects		1,103,044	781,535

Fund/ Program	Laws	Committed Purpose	Restricted Purpose
Special Revenue:			
Federal Department of Education Flowthrough	Title 34, Code of Federal Regulations	-	5,566,368
Special Projects	48th Legislature, 1st Session, Ch 28 and amended by Senate Bill 165 of 2008	-	11,133,642
Schools in Need of Improvement	NMSA 22-2-10C 1978	836,835	-
K-3 Plus	2012, Chapter 19, Sec. 4 item 1	-	3,563,601
Ed Tech Deficiency Correction Fund	NMSA 22-15A-1 1978, NMSA 22-15A-8 1978, and NMSA 22-15A-11 1978	161,702	-
School Transportation Training	NMSA 22-2-22	-	26,662
Private Grants	N/A - Donor Restricted	-	466,176
Family Youth	NMSA 22-2D-3	556,727	-
Educator Certification	NMSA 22-10-4.1 1978	-	3,418,507
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	2,101,649	-
Professional Development	NMSA 22-8-45 1978	3,406,294	-
Incentive for School Improvement	NMSA 22-2C-10 1978	49,663	-
Reading Materials	NMSA 22-15-8.2 1978	155,564	-
Indian Education Act	NMSA 22-23A-8 1978	2,737,512	-
Kindergarten Plus	NMSA 22-20 1978	-	88,919
Instructional Materials Adoption	NMSA 22-15-8.1 1978	-	403,022
Education Technology	NMSA 22-15A-1 to 22-15A-10 1978	681,461	-
School Library	NMSA 22-15c-3 1978	125,207	-

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

Fund/ Program	Laws	Committed Purpose	Restricted Purpose
Special Revenue (Continued):			
Federal School Food Services Flowthrough	Title 7, Code of Federal Regulations Parts 210 and 245	-	618,406
Public Building Energy Efficient Act	NMSA 6-23-10 1978	-	47
Public School Support Flowthrough	NMSA 22-8-14 1978	-	5,173,607
Instructional Materials Flowthrough	NMSA 22-15-1 to 22-15-25 1978	-	7,531,406
State Support Reserve	NMSA 28-8-31 1978	1,000,000	-
Transportation Emergency	NMSA 28-8-29.6 1978	3,626,978	-
Recovery Act Funds	Administratively Created	-	184
Total Special Revenue		15,453,884	37,990,547
		$ 17,253,332	40,916,282

NOTE 20. DEFICIENT FUND BALANCE

The following funds had deficient fund balances at June 30, 2014:

Disability Determination Services	DVR (50100)	$ (104,425)
Public School Support Flowthrough	PED (85800)	$ (943,282)
Adult Basic Education	PED (45800)	$ (25,733)
Vocational Education Flowthrough	PED (67400)	$ (22,315)
PED ARRA Fund	PED (89000)	$ (4)
Special Capital Outlay - General Fund	PED (81800)	$ (113,013)

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

NOTE 21. RESTATEMENTS

During fiscal year 2014, the Department determined that a FY13 audit adjusting entry to reverse a revenue accrual related to a $20 million legislative appropriation (Laws 2013, Chapter 191) was posted in error. During the 2013 fiscal year a payable was also booked in the amount of $20 million. As a result of the prior auditor adjusting entry, management determined that fund balance at June 30, 2013 was understated by $20 million. Furthermore, the prior auditor posted an adjusting entry reversing an accrual between the special projects fund (SHARE Fund

NOTE 21. RESTATEMENTS (CONTINUED)

No. 79000) and the agency fund (SHARE Fund No. 57300) in the amount of $3,118,458 causing fund balance to be understated by $3,118,458 in the special projects fund and overstated in the agency fund. The Department determined that the $3,118,458 transfer between funds was appropriate per the General Appropriations Act of 2013, Page 218, Section 73. Considering such evidence, beginning fund balance in the special projects fund (SHARE Fund No. 79000) was increased by $23,118,458.

Furthermore, as result of analysis of June 30, 2014 accounts receivable, accrued liabilities and accounts payable balances management identified that the balances were misstated as a result of activity that had occurred prior to July 1, 2013. As a result, the following funds beginning fund balances were re-stated:

PED General Fund 05700	$ (571,157)
Special Projects 79000	(582,782)
K-3 Plus 11420	4,198
Private Grants 30800	765
Educator Certification 39700	(4,144)
Adult Basic Education 45800	(25,733)
Pre-Kindergarten 51300	30,517
Incentive for School Improvement 56800	(17,199)
Indian Education Act 63300	(39,584)
Federal Department of Education Admin 84400	208,508
Special Capital Outlay Severance Tax Bonds 2004 81600	(47,090)
Special Capital Outlay-General Fund 81800	(51,245)
Total	$ (1,094,946)

NOTE 22. UNCERTAINTIES REGARDING VIOLATIONS OF NEW MEXICO STATE LAW

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

NOTE 23. RECENT ACCOUNTING PRONOUNCEMENTS

In March 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 65, Items Previously Reported as Assets and Liabilities. This statement, which is effective for financial statements for periods beginning after December 15, 2012, establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The requirements of this Statement will improve financial reporting by clarifying the appropriate use of the financial statement elements deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The Department adopted GASB Statement No. 65 during fiscal year 2014. The Department currently has no deferred outflows or deferred inflows of resources.

In March 2012, the GASB issued Statement No. 66, Technical Corrections – 2012 - an amendment of GASB Statements No. 10 and No. 62. This statement, which is effective for financial statements for periods beginning after December 15, 2012, amends Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. This Statement also amends Statement 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. The requirements of this Statement resolve conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. The adoption of GASB Statement No. 66 had no effect on the Department's financial statements.

In June 2012, the GASB issued Statement No. 67, Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25. This statement, which is effective for financial statements for periods beginning after June 15, 2013, replaces the requirements of Statements No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and No. 50, Pension Disclosures, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of this Statement will improve financial reporting primarily through enhanced note disclosures and schedules of required supplementary information that will be presented by the pension plans that are within its scope. The Department is a participant in the State of New Mexico's Public Education Retirement

NOTE 23. RECENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

Association (PERA). PERA, as the plan's administrator, implemented this new pronouncement during fiscal year 2014.

In April 2013, the GASB issued Statement No. 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees. This statement, which is effective for financial statements for periods beginning after June 15, 2013, requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This Statement requires a government that has issued an obligation guaranteed in a nonexchange transaction to recognize revenue to the extent of the reduction in its guaranteed liabilities. The requirements of this Statement will enhance comparability of financial statements among governments by requiring consistent reporting by those governments that extend nonexchange financial guarantees and by those governments that receive nonexchange financial guarantees. The adoption of this pronouncement had no effect on the Department's financial statements.

NOTE 24. NEW ACCOUNTING PRONOUNCEMENTS

The following GASB pronouncements have been issued, but are not yet effective at June 30, 2014.

- GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27. Upon adoption of this statement for the year ended June 30, 2015, the Statement of Net Position will include a material liability for pension participation in fiscal year 2015.

- GASB Statement No. 69, Government Combinations and Disposals of Government Operations.

- GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68.

The Department will implement the new GASB pronouncements in the fiscal year no later than the required effective date. The Department believes that GASB Statement No. 69 and 71 will not have a significant financial impact to Department or in issuing its financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS
NON MAJOR GOVERMENTAL FUNDS
June 30, 2014

	Schools in Need of Improvement **00500**	K-3 Plus **11420**	Ed Tech Deficiency Correction Fund **20160**
ASSETS			
Interest in State General Fund Investment Pool	$ 836,835	9,563,162	161,702
Due from Federal Government	-	-	-
Due from Other State Agencies	-	-	-
Due from Local Education Authorities	-	-	-
Due from External Miscellaneous Parties	-	-	-
Due from Other Funds	-	-	-
Other Assets	-	-	-
Total Assets	$ 836,835	9,563,162	161,702
LIABILITIES AND FUND BALANCES (DEFICIT)			
Accounts Payable	$ -	5,994,432	-
Accrued Payroll and Taxes	-	5,129	-
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	-	5,999,561	-
FUND BALANCES (Deficit)			
Restricted	-	3,563,601	-
Committed	836,835	-	161,702
Unassigned (Deficit)	-	-	-
Total Fund Balances (Deficit)	836,835	3,563,601	161,702
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	$ 836,835	9,563,162	161,702

School Transportation Training **20550**	Private Grants **30800**	Family Youth **33400**	Educator Certification **39700**	Adult Basic Education **45800**	Charter School Stimulus **47000**
26,462	756,103	556,727	3,574,186	122,565	14,292
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,835	-	-
200	-	-	-	-	-
-	-	-	761	-	-
26,662	756,103	556,727	3,576,782	122,565	14,292
-	284,623	-	142,533	-	-
-	1,467	-	15,742	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	148,298	-
-	-	-	-	-	-
-	3,837	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	289,927	-	158,275	148,298	-
26,662	466,176	-	3,418,507	-	-
-	-	556,727	-	-	14,292
-	-	-	-	(25,733)	-
26,662	466,176	556,727	3,418,507	(25,733)	14,292
26,662	756,103	556,727	3,576,782	122,565	14,292

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS
NON MAJOR GOVERMENTAL FUNDS (CONTINUED)
June 30, 2014

	Pre-Kindergarten **51300**	Professional Development **56200**	Incentive for School Improvement **56800**
ASSETS			
Interest in State General Fund Investment Pool	$ 7,286,060	4,813,136	49,663
Due from Federal Government	-	-	-
Due from Other State Agencies	2,329	-	-
Due from local Education Authorities	-	-	-
Due from External Miscellaneous Parties	-	-	-
Due from Other Funds	-	-	-
Other Assets	-	-	-
Total Assets	$ 7,288,389	4,813,136	49,663
LIABILITIES AND FUND BALANCES (DEFICIT)			
Accounts Payable	$ 4,794,373	1,402,837	-
Accrued Payroll and Taxes	4,702	-	-
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	-	4,005	-
Other Liabilities	387,665	-	-
Total Liabilities	5,186,740	1,406,842	-
FUND BALANCES (Deficit)			
Restricted	-	-	-
Committed	2,101,649	3,406,294	49,663
Unassigned (Deficit)	-	-	-
Total Fund Balances (Deficit)	2,101,649	3,406,294	49,663
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	$ 7,288,389	4,813,136	49,663

Reading Materials **58600**	Indian Education Act **63300**	Kindergarten Plus **63900**	Instructional Materials Adoption **66000**	Education Technology **66200**	School Library **66900**
155,564	3,520,919	88,919	412,736	681,461	125,207
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
155,564	3,520,919	88,919	412,736	681,461	125,207
-	778,216	-	9,714	-	-
-	4,799	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	392	-	-	-	-
-	783,407	-	9,714	-	-
-	-	88,919	403,022	-	-
155,564	2,737,512	-	-	681,461	125,207
-	-	-	-	-	-
155,564	2,737,512	88,919	403,022	681,461	125,207
155,564	3,520,919	88,919	412,736	681,461	125,207

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS
NON MAJOR GOVERMENTAL FUNDS (CONTINUED)
June 30, 2014

	Federal Food Services **67200**	Vocational Education Flow Through **67400**	Public Building Energy Efficiency Act **72500**
ASSETS			
Interest in State General Fund Investment Pool	$ 92,648	540,875	47
Due from Federal Government	2,027,503	2,601,188	-
Due from Other State Agencies	52,147	-	-
Due from Local Education Authorities	-	-	-
Due from External Miscellaneous Parties	36,445	20	-
Due from Other Funds	-	186,187	-
Other Assets	-	-	-
Total Assets	$ 2,208,743	3,328,270	47
LIABILITIES AND FUND BALANCES (DEFICIT)			
Accounts Payable	$ 1,240,194	2,876,173	-
Accrued Payroll and Taxes	-	-	-
Due to State General Fund	-	-	-
Due to Other State Agencies	15,993	-	-
Due to Federal Government	142,720	952,833	-
Due to Local Education Authorities	-	-	-
Unearned Revenue	-	-	-
Due to Other Funds	186,187	-	-
Other Liabilities	5,243	21,579	-
Total Liabilities	1,590,337	3,850,585	-
FUND BALANCES (Deficit)			
Restricted	618,406	-	47
Committed	-	-	-
Unassigned (Deficit)	-	(522,315)	-
Total Fund Balances (Deficit)	618,406	(522,315)	47
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	$ 2,208,743	3,328,270	47

Federal Department of Education Admin **84400**	Instructional Materials Flow Through **85600**	State Support Reserve **85700**	Transportation Emergency **88900**	PED ARRA Fund **89000**	DVR ARRA Fund **89000**
6,031,290	7,706,062	1,000,000	3,627,178	2,348	874
8,095,659	-	-	-	241,981	-
-	-	-	-	-	-
8,549	-	-	-	-	-
-	-	-	-	-	-
4,005	-	-	-	-	-
-	-	-	-	-	-
14,139,503	7,706,062	1,000,000	3,627,178	244,329	874
6,085,554	174,656	-	-	242,762	-
109,916	-	-	-	-	-
-	-	-	-	-	-
1,702,278	-	-	-	-	-
250,780	-	-	-	22	690
28,362	-	-	-	1,549	-
267,758	-	-	-	-	-
-	-	-	200	-	-
521,248	-	-	-	-	-
8,965,896	174,656	-	200	244,333	690
5,173,607	7,531,406	-	-	-	184
-	-	1,000,000	3,626,978	-	-
-	-	-	-	(4)	-
5,173,607	7,531,406	1,000,000	3,626,978	(4)	184
14,139,503	7,706,062	1,000,000	3,627,178	244,329	874

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS
NON MAJOR GOVERMENTAL FUNDS (CONTINUED)
June 30, 2014

	Public School Capital Improvements **63400**	Public School Capital Outlay **63500**	Special Capital Outlay Severance Tax Bonds 2000 **81300**
ASSETS			
Interest in State General Fund Investment Pool	$ 4,811,243	1,103,044	37,097
Due from Federal Government	-	-	-
Due from Other State Agencies	-	-	-
Due from Local Education Authorities	-	-	-
Due from External Miscellaneous Parties	-	-	-
Due from Other Funds	-	-	-
Other Assets	-	-	-
Total Assets	$ 4,811,243	1,103,044	37,097
LIABILITIES AND FUND BALANCES (DEFICIT)			
Accounts Payable	4,048	-	-
Accrued Payroll and Taxes	-	-	-
Due to State General Fund	-	-	-
Due to Other State Agencies	122,024	-	-
Due to Federal Government	-	-	-
Due to Local Education Authorities	379,654	-	-
Unearned Revenue	-	-	-
Due to Other Funds	-	-	-
Other Liabilities	4,240,308	-	-
Total Liabilities	4,746,034	-	-
FUND BALANCES (Deficit)			
Restricted	65,209	-	37,097
Committed	-	1,103,044	-
Unassigned (Deficit)	-	-	-
Total Fund Balances (Deficit)	65,209	1,103,044	37,097
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	$ 4,811,243	1,103,044	37,097

Special Capital Outlay Severance Tax Bonds 2004 **81600**	Special Capital Outlay - General Fund **81800**	STB Capital Outlay **89200**	GF Capital Outlay **93100**	Total Governmental Funds
165,768	100,215	1,285,305	88,449	59,338,142
-	-	-	-	12,966,331
403,478	-	13,767,371	-	14,225,325
-	-	-	-	8,549
-	-	-	-	38,300
-	-	-	-	190,392
-	7,350	-	-	8,111
569,246	107,565	15,052,676	88,449	86,775,150
387,414	-	14,564,531	54,858	39,036,918
-	-	-	-	141,755
-	-	-	-	-
24,339	-	-	-	1,864,634
-	-	-	-	1,495,343
-	-	-	-	409,565
-	175,902	-	-	447,497
-	-	-	-	190,392
-	44,676	-	-	5,221,111
411,753	220,578	14,564,531	54,858	48,807,215
157,493	-	488,145	33,591	22,072,072
-	-	-	-	16,556,928
-	(113,013)	-	-	(661,065)
157,493	(113,013)	488,145	33,591	37,967,935
569,246	107,565	15,052,676	88,449	86,775,150

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, 2014

	Schools in Need of Improvement **00500**	K-3 Plus **11420**	Ed Tech Deficiency Correction Fund **20160**
REVENUES:			
Federal Grants	$ -	-	-
Other Revenue	532	4,114	-
Total Revenues	532	4,114	-
EXPENDITURES:			
Current:			
Education	-	15,639,661	-
Total Expenditures	-	15,639,661	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	532	(15,635,547)	-
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	-	15,950,000	-
Appropriations Funded with State Severance Bond Proceeds	-	-	-
Transfers in:			
Interfund	-	-	-
Transfers out:			
Other	-	-	-
Total other Financing Sources (uses):	-	15,950,000	-
NET CHANGES IN FUND BALANCES	532	314,453	-
FUND BALANCES (DEFICIT)- BEGINNING OF YEAR	836,303	3,244,950	161,702
RESTATEMENT (NOTE 21)	-	4,198	-
FUND BALANCES (DEFICIT)- BEGINNING OF YEAR AS RESTATED	836,303	3,249,148	161,702
FUND BALANCES (DEFICIT) - END OF YEAR	$ 836,835	3,563,601	161,702

School Transportation Training **20550**	Private Grants **30800**	Family Youth **33400**	Educator Certification **39700**	Adult Basic Education **45800**	Charter School Stimulus **47000**
-	-	-	-	-	-
26,662	575,542	354	1,671,750	-	-
26,662	575,542	354	1,671,750	-	-
-	611,595	-	1,065,272	-	-
-	611,595	-	1,065,272	-	-
26,662	(36,053)	354	606,478	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
26,662	(36,053)	354	606,478	-	-
-	501,464	556,373	2,816,173	-	14,292
-	765	-	(4,144)	(25,733)	-
-	502,229	556,373	2,812,029	(25,733)	14,292
26,662	466,176	556,727	3,418,507	(25,733)	14,292

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, 2014

	Pre-Kindergarten **51300**	Professional Development **56200**	Incentive for School Improvement **56800**
REVENUES:			
Federal Grants	$ -	-	-
Other Revenue	113,107	290	45,411
Total Revenues	113,107	290	45,411
EXPENDITURES:			
Current:			
Education	14,020,816	2,963,659	-
Total expenditures	14,020,816	2,963,659	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(13,907,709)	(2,963,369)	45,411
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	14,950,000	2,500,000	-
Appropriations Funded with State Severance Bond Proceeds	-	-	-
Transfers in:			
Interfund	-	3,600,000	-
Transfers out:			
Other	-	-	-
Total other financing sources (uses):	14,950,000	6,100,000	-
NET CHANGES IN FUND BALANCES	1,042,291	3,136,631	45,411
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	1,028,841	269,663	21,451
RESTATEMENT (NOTE 21)	30,517	-	(17,199)
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED	1,059,358	269,663	4,252
FUND BALANCES (DEFICIT) - END OF YEAR	$ 2,101,649	3,406,294	49,663

Reading Materials **58600**	Indian Education Act **63300**	Kindergarten Plus **63900**	Instructional Materials Adoption **66000**	Education Technology **66200**	School Library **66900**
-	-	-	-	-	-
-	316,701	56	152,517	2,756	101
-	316,701	56	152,517	2,756	101
-	2,394,288	-	10,141	-	-
-	2,394,288	-	10,141	-	-
-	(2,077,587)	56	142,376	2,756	101
-	1,824,600	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,824,600	-	-	-	-
-	(252,987)	56	142,376	2,756	101
155,564	3,030,083	88,863	260,646	678,705	125,106
-	(39,584)	-	-	-	-
155,564	2,990,499	88,863	260,646	678,705	125,106
155,564	2,737,512	88,919	403,022	681,461	125,207

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, 2014

	Federal Food Services **67200**	Vocational Education Flow Through **67400**	Public Building Energy Efficiency Act **72500**
REVENUES:			
Federal Grants	$ 131,857,381	6,552,517	-
Other Revenue	52,147	128	-
Total Revenues	131,909,528	6,552,645	-
EXPENDITURES:			
Current:			
Education	131,936,614	6,552,645	282,025
Total expenditures	131,936,614	6,552,645	282,025
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(27,086)	-	(282,025)
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	-	-	282,025
Appropriations Funded with State Severance Bond Proceeds	-	-	-
Transfers in:			
Interfund	-	-	-
Transfers out:			
Other	-	-	-
Total other financing sources (uses):	-	-	282,025
NET CHANGES IN FUND BALANCES	(27,086)	-	-
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	645,492	(522,315)	47
RESTATEMENT (NOTE 21)	-	-	-
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED	645,492	(522,315)	47
FUND BALANCES (DEFICIT) - END OF YEAR	$ 618,406	(522,315)	47

Federal Department of Education Admin **84400**	Instructional Materials Flow Through **85600**	State Support Reserve **85700**	Transportation Emergency **88900**	PED ARRA Fund **89000**	DVR ARRA Fund **89000**
27,884,203	-	-	-	689,456	-
371,986	149,069	-	574,532	23	-
28,256,189	149,069	-	574,532	689,479	-
26,117,484	20,678,309	-	-	689,483	-
26,117,484	20,678,309	-	-	689,483	-
2,138,705	(20,529,240)	-	574,532	(4)	-
-	24,475,800	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(2,591,219)	(277,300)	-	-	-	-
(2,591,219)	24,198,500	-	-	-	-
(452,514)	3,669,260	-	574,532	(4)	-
5,417,613	3,862,146	1,000,000	3,052,446	-	184
208,508	-	-	-	-	-
5,626,121	3,862,146	1,000,000	3,052,446	-	184
5,173,607	7,531,406	1,000,000	3,626,978	(4)	184

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, 2014

	Public School Capital Improvements **63400**	Public School Capital Outlay **63500**	Special Capital Outlay Severance Tax Bonds 2000 **81300**
REVENUES:			
Federal Grants	$ -	-	-
Other Revenue	122	-	-
Total Revenues	122	-	-
EXPENDITURES:			
Current:			
Education	74,336	-	-
Total expenditures	74,336	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(74,214)	-	-
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	-	-	-
Appropriations Funded with State Severance Bond Proceeds	74,337	-	-
Transfers in:			
Interfund	-	-	-
Transfers out:			
Other	-	-	-
Total other financing sources (uses):	74,337	-	-
NET CHANGES IN FUND BALANCES	123	-	-
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	65,086	1,103,044	37,097
RESTATEMENT (NOTE 21)	-	-	-
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR AS RESTATED	65,086	1,103,044	37,097
FUND BALANCES (DEFICIT) - END OF YEAR	$ 65,209	1,103,044	37,097

Special Capital Outlay Severance Tax Bonds 2004 **81600**	Special Capital Outlay-General Fund **81800**	STB Capital Outlay **89200**	GF Capital Outlay **93100**	Total Governmental Funds
-	-	-	-	166,983,557
5,723	-	-	-	4,063,623
5,723	-	-	-	171,047,180
994,027	12,430	39,268,259	54,858	263,365,902
994,027	12,430	39,268,259	54,858	263,365,902
(988,304)	(12,430)	(39,268,259)	(54,858)	(92,318,722)
-	-	-	-	59,982,425
1,125,117	-	39,337,581	-	40,537,035
-	-	-	-	3,600,000
-	-	-	-	(2,868,519)
1,125,117	-	39,337,581	-	101,250,941
136,813	(12,430)	69,322	(54,858)	8,932,219
67,770	(49,338)	418,823	88,449	28,976,723
(47,090)	(51,245)	-	-	58,993
20,680	(100,583)	418,823	88,449	29,035,716
157,493	(113,013)	488,145	33,591	37,967,935

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Other Revenue	$ -	-	532	532
Total Revenues	-	-	532	532
Expenditures:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Total Expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	$ -	-	532	532

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
State General Fund Appropriations	$ 15,950,000	15,950,000	15,950,000	-
Other Revenue	-	-	4,114	4,114
Budgeted Fund Balance	-	3,244,950	-	(3,244,950)
Total Revenues	15,950,000	19,194,950	15,954,114	(3,240,836)
Expenditures:				
Education:				
Personal Services & Employee Benefits	195,000	195,000	161,064	33,936
Contractual Services	443,000	443,000	387,939	55,061
Other	15,312,000	18,556,950	15,090,658	3,466,292
Total Expenditures	15,950,000	19,194,950	15,639,661	3,555,289
NET CHANGE IN FUND BALANCE	$ -	-	314,453	314,453

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Other Revenue	$ -	-	26,662	26,662
Total Revenues	-	-	26,662	26,662
Expenditures:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Total Expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	$ -	-	26,662	26,662

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Other Revenue	$ -	1,710,000	575,542	(1,134,458)
Budgeted Fund Balance	-	412,403	-	(412,403)
Total Revenues	-	2,122,403	575,542	(1,546,861)
Expenditures:				
Education:				
Personal Services & Employee Benefits	-	259,461	14,492	244,969
Contractual Services	-	1,722,518	580,628	1,141,890
Other	-	140,424	16,475	123,949
Total Expenditures	-	2,122,403	611,595	1,510,808
NET CHANGE IN FUND BALANCE	$ -	-	(36,053)	(36,053)

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Other Revenue	$ -	-	354	354
Total Revenues	-	-	354	354
Expenditures:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Total Expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	$ -	-	354	354

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Other Revenue	$ 1,661,400	1,661,400	1,671,750	10,350
Total Revenues	1,661,400	1,661,400	1,671,750	10,350
Expenditures:				
Education:				
Personal Services & Employee Benefits	764,600	764,600	599,145	165,455
Contractual Services	464,200	464,200	339,683	124,517
Other	432,600	432,600	126,444	306,156
Total Expenditures	1,661,400	1,661,400	1,065,272	596,128
NET CHANGE IN FUND BALANCE	$ -	-	606,478	606,478

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
State General Fund Appropriations	$ 14,950,000	14,950,000	14,950,000	-
Other Revenue	-	-	113,107	113,107
Total Revenues	14,950,000	14,950,000	15,063,107	113,107
Expenditures:				
Education:				
Personal Services & Employee Benefits	217,000	217,000	182,096	34,904
Contractual Services	14,718,000	14,718,000	13,832,923	885,077
Other	15,000	15,000	5,797	9,203
Total Expenditures	14,950,000	14,950,000	14,020,816	929,184
NET CHANGE IN FUND BALANCE	$ -	-	1,042,291	1,042,291

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
State General Fund Appropriations	$ -	-	2,500,000	2,500,000
Other Revenue	-	-	290	290
Other Financing Sources	3,600,000	3,600,000	3,600,000	-
Total Revenues	3,600,000	3,600,000	6,100,290	2,500,290
Expenditures:				
Education:				
Contractual Services	1,400,000	1,400,000	1,389,449	10,551
Other	2,200,000	2,200,000	1,574,210	625,790
Total Expenditures	3,600,000	3,600,000	2,963,659	636,341
NET CHANGE IN FUND BALANCE	$ -	-	3,136,631	3,136,631

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Other Revenue	$ -	-	45,411	45,411
Total Revenues	-	-	45,411	45,411
Expenditures:				
Education:				
Other	-	-	-	-
Total Expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	$ -	-	45,411	45,411

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
State General Fund Appropriations	$ 1,824,600	1,824,600	1,824,600	-
Other Revenue	-	300,000	316,701	16,701
Budgeted Fund Balance	-	970,000	-	(970,000)
Total Revenues	1,824,600	3,094,600	2,141,301	(953,299)
Expenditures:				
Education:				
Personal Services & Employee Benefits	333,500	333,500	135,843	197,657
Contractual Services	1,380,000	2,410,000	1,942,720	467,280
Other	111,100	351,100	315,725	35,375
Total Expenditures	1,824,600	3,094,600	2,394,288	700,312
NET CHANGE IN FUND BALANCE	$ -	-	(252,987)	(252,987)

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Other Revenue	$ -	-	56	56
Total Revenues	-	-	56	56
Expenditures:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Total Expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	$ -	-	56	56

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Other Revenue	$ -	-	152,517	152,517
Budgeted Fund Balance	-	238,000	-	(238,000)
Total Revenues	-	238,000	152,517	(85,483)
Expenditures:				
Education:				
Contractual Services	-	232,000	9,579	222,421
Other	-	6,000	562	5,438
Total Expenditures	-	238,000	10,141	227,859
NET CHANGE IN FUND BALANCE	$ -	-	142,376	142,376

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Other Revenue	$ -	-	2,756	2,756
Total Revenues	-	-	2,756	2,756
Expenditures:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Total Expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	$ -	-	2,756	2,756

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 Library 66900
Fiscal Year Ended June 30, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Other Revenue	$ -	-	101	101
Total Revenues	-	-	101	101
Expenditures:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Total Expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	$ -	-	101	101

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Federal Funds	$ 151,498,934	151,498,934	131,857,381	(19,641,553)
Other Revenue	-	-	52,147	52,147
Total Revenues	151,498,934	151,498,934	131,909,528	(19,589,406)
Expenditures:				
Education:				
Other	151,498,934	151,498,934	131,936,614	19,562,320
Total Expenditures	151,498,934	151,498,934	131,936,614	19,562,320
NET CHANGE IN FUND BALANCE	$ -	-	(27,086)	(27,086)

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Federal Funds	$ 7,308,000	7,308,000	6,552,517	(755,483)
Other Revenue	-	-	128	128
Total Revenues	7,308,000	7,308,000	6,552,645	(755,355)
Expenditures:				
Education:				
Other	7,308,000	7,308,000	6,552,645	755,355
Total Expenditures	7,308,000	7,308,000	6,552,645	755,355
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
Public Building Energy Efficiency Act 72500
Fiscal Year Ended June 30, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
State General Fund Appropriations	$ 282,025	282,025	282,025	-
Total Revenues	282,025	282,025	282,025	-
Expenditures:				
Education:				
Other	282,025	282,025	282,025	-
Total Expenditures	282,025	282,025	282,025	-
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
Federal Department of Education Administration 84400
Fiscal Year Ended June 30, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Federal Funds	$ 28,113,709	40,613,709	27,884,203	(12,729,506)
Other Revenue	-	-	371,986	371,986
Total Revenues	28,113,709	40,613,709	28,256,189	(12,357,520)
Expenditures:				
Education:				
Personal Services & Employee Benefits	7,096,600	7,096,600	4,166,248	2,930,352
Contractual Services	17,083,200	18,583,200	18,580,942	2,258
Other	3,933,909	3,933,909	3,370,294	563,615
Other Financing Uses	-	11,000,000	2,591,219	8,408,781
Total Expenditures	28,113,709	40,613,709	28,708,703	11,905,006
NET CHANGE IN FUND BALANCE	$ -	-	(452,514)	(452,514)

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
State General Fund Appropriations	$ 20,975,800	20,975,800	24,475,800	3,500,000
Other Revenue	-	-	149,069	149,069
Budgeted Fund Balance	-	1,958,000	-	(1,958,000)
Total Revenues	20,975,800	22,933,800	24,624,869	1,691,069
Expenditures:				
Education:				
Other	20,698,500	22,656,500	20,678,309	1,978,191
Other Financing Uses	277,300	277,300	277,300	-
Total Expenditures	20,975,800	22,933,800	20,955,609	1,978,191
NET CHANGE IN FUND BALANCE	$ -	-	3,669,260	3,669,260

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Other Revenue	$ -	-	574,532	574,532
Total Revenues	-	-	574,532	574,532
Expenditures:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Total Expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	$ -	-	574,532	574,532

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
PED ARRA Fund 89000
Fiscal Year Ended June 30, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Federal Funds	$ 804,477	804,477	689,456	(115,021)
Other Revenue	-	-	23	23
Total Revenues	804,477	804,477	689,479	(114,998)
Expenditures:				
Education:				
Contractual Services	228,877	228,877	151,726	77,151
Other	575,600	575,600	537,757	37,843
Total Expenditures	804,477	804,477	689,483	114,994
NET CHANGE IN FUND BALANCE	$ -	-	(4)	(4)

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Other Revenue	$ -	-	122	122
Other Financing Sources	958,942	958,942	74,337	(884,605)
Total Revenues	958,942	958,942	74,459	(884,483)
Expenditures:				
Education:				
Other	958,942	958,942	74,336	884,606
Total Expenditures	958,942	958,942	74,336	884,606
NET CHANGE IN FUND BALANCE	$ -	-	123	123

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Other Revenue	$ -	-	5,723	5,723
Other Financing Sources	1,454,420	1,454,420	1,125,117	(329,303)
Total Revenues	1,454,420	1,454,420	1,130,840	(323,580)
Expenditures:				
Education:				
Other	1,454,420	1,454,420	994,027	460,393
Total Expenditures	1,454,420	1,454,420	994,027	460,393
NET CHANGE IN FUND BALANCE	$ -	-	136,813	136,813

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Federal Funds	$ -	-	-	-
State General Fund Appropriations	-	-	-	-
Other Revenue	-	-	-	-
Other Financing Sources	64,178	64,178	-	(64,178)
Total Revenues	64,178	64,178	-	(64,178)
Expenditures:				
Education:				
Other	64,178	64,178	12,430	51,748
Total Expenditures	64,178	64,178	12,430	51,748
NET CHANGE IN FUND BALANCE	$ -	-	(12,430)	(12,430)

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Other Financing Sources	$ 61,970,258	61,970,258	39,337,581	(22,632,677)
Total Revenues	61,970,258	61,970,258	39,337,581	(22,632,677)
Expenditures:				
Education:				
Other	61,970,258	61,970,258	39,268,259	22,701,999
Total Expenditures	61,970,258	61,970,258	39,268,259	22,701,999
NET CHANGE IN FUND BALANCE	$ -	-	69,322	69,322

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, 2014

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Federal Funds	$ -	-	-	-
State General Fund Appropriations	-	-	-	-
Other Revenue	-	-	-	-
Other Financing Sources	63,612	63,612	-	(63,612)
Total Revenues	63,612	63,612	-	(63,612)
Expenditures:				
Education:				
Other	63,612	63,612	54,858	8,754
Total Expenditures	63,612	63,612	54,858	8,754
NET CHANGE IN FUND BALANCE	$ -	-	(54,858)	(54,858)

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, 2014

	Governmental Activities
ASSETS	
CURRENT ASSETS:	
Investment in State General Fund Investment Pool	$ 97,553,461
Due from Federal Government	158,951,034
Due from Other State Agencies	14,227,870
Due from to Local Education Authorities	321,617
Due from External Miscellaneous Parties	38,300
Due from Agency Fund	3,118,458
Other Assets	16,337
Total Current Assets	274,227,077
NON-CURRENT ASSETS:	
Capital Assets	4,447,542
Accumulated Depreciation	(4,340,122)
Total Non-Current Assets	107,420
Total Assets	274,334,497
LIABILITIES	
CURRENT LIABILITIES:	
Accounts Payable	185,128,289
Accrued Payroll and Taxes	409,978
Interest in State General Fund Investment Pool-Overdraft	180,671
Due to State General Fund	12,971,883
Due to Other State Agencies	1,970,254
Due to Federal Government	2,850,325
Due to Local Education Authorities	10,414,948
Unearned Revenue	447,497
Compensated Absences - Due Within One Year	662,377
Other Current Liabilities	5,432,349
TOTAL CURRENT LIABILITIES	220,468,571
NET POSITION	
Investment in Capital Assets	107,420
Restricted	38,771,898
Unrestricted	14,986,608
TOTAL NET POSITION	$ 53,865,926

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, 2014

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
PRIMARY GOVERNMENT					
GOVERNMENTAL ACTIVITIES:					
Education	$ 3,009,492,788	6,427,268	397,772,119	-	(2,605,293,401)
Total Primary Government	$ 3,009,492,788	6,427,268	397,772,119	-	(2,605,293,401)
GENERAL REVENUES AND TRANSFERS:					
State general fund - general appropriations					$ 2,517,746,000
State general fund - special appropriations					56,829,900
Bond proceeds appropriations					40,537,035
Transfers in - other					724,200
Transfers out - other					(2,868,519)
Transfers out - State General fund reversions - FY14					(12,648,925)
TOTAL GENERAL REVENUES AND TRANSFERS					2,600,319,691
CHANGE IN NET POSTION					(4,973,710)
NET POSITION, BEGINNING					36,816,124
RESTATEMENT (NOTE 21)					22,023,512
NET POSITION, BEGINNING AS RESTATED					58,839,636
NET POSTION, ENDING					$ 53,865,926

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF NET POSITION
DIVISION OF VOCATIONAL REHABILITATION ONLY
June 30, 2014

	Governmental Activities
ASSETS	
CURRENT ASSETS:	
Investment in State General Fund Investment Pool	$ 9,390,301
Due from Federal Government	2,009,376
Other Assets	10,552
Total Current Assets	11,410,229
NON-CURRENT ASSETS:	
Capital Assets	1,075,690
Accumulated Depreciation	(912,536)
Total Non-Current Assets	163,154
Total Assets	11,573,383
LIABILITIES	
CURRENT LIABILITIES:	
Accounts Payable	6,573,016
Accrued Payroll and Taxes	381,015
Interest in State General Fund Investment Pool-Overdraft	128,096
Due to Federal Government	235,798
Unearned Revenue	2,052,355
Funds Held for Others	
Compensated Absences - Due Within One Year	579,655
TOTAL CURRENT LIABILITIES	9,949,935
NET POSITION	
Investment in Capital Assets	163,154
Restricted	2,144,374
Unrestricted (Deficit)	(684,080)
TOTAL NET POSITION	$ 1,623,448

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF ACTIVITIES
DIVISION OF VOCATIONAL REHABILITATION ONLY
For the Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
PRIMARY GOVERNMENT					
GOVERNMENTAL ACTIVITIES:					
Health and Welfare	$ 32,563,815	311,452	26,615,768	-	(5,636,595)
Total Primary Government	$ 32,563,815	311,452	26,615,768	-	(5,636,595)
		GENERAL REVENUES AND TRANSFERS:			
		State general fund - general appropriations			$ 5,616,700
		Transfers in - other			485,300
		TOTAL GENERAL REVENUES AND TRANSFERS			6,102,000
		CHANGE IN NET POSTION			465,405
		NET POSITION, BEGINNING			1,158,043
		NET POSTION, ENDING			$ 1,623,448

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS - GOVERNMENTAL FUNDS
DIVISION OF VOCATIONAL REHABILITATION ONLY
June 30, 2014

	DVR General Fund **50000**	Disability Determination Services **50100**	DVR Recovery Act **89000**	Total Governmental Funds
ASSETS				
Interest in State General Fund Investment Pool	$ 9,389,427	-	874	9,390,301
Due From Federal Government	1,481,102	528,274	-	2,009,376
Other Assets	10,552	-	-	10,552
Total Assets	$ 10,881,081	528,274	874	11,410,229
Accounts Payable	$ 6,193,440	379,576	-	6,573,016
Accrued Payroll and Taxes	259,611	121,404	-	381,015
Interest in State General Fund Investment Pool-overdraft	-	128,096	-	128,096
Due to Federal Government	235,067	41	690	235,798
Unearned Revenue	2,048,773	3,582	-	2,052,355
Total Liabilities	8,736,891	632,699	690	9,370,280
FUND BALANCES (DEFICIT)				
Restricted	2,144,190	-	184	2,144,374
Unassigned (Deficit)	-	(104,425)	-	(104,425)
Total Fund Balances (Deficit)	2,144,190	(104,425)	184	2,039,949
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	$ 10,881,081	528,274	874	11,410,229

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, 2014

		Governmental Activities
Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet - Division of Vocational Rehabilitation Only)		$ 2,039,949
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	1,075,690	
Accumulated Depreciation	(912,536)	
Total Capital Assets		163,154
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		(579,655)
Net Position of Governmental Activities (Statement of Net Position - Division of Vocational Rehabilitation Only)		$ 1,623,448

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, 2014

	DVR General Fund **50000**	Disability Determination Services **50100**	DVR Recovery Act Funds **89000**	Total Governmental Funds
REVENUES:				
Federal Grants	$ 17,301,655	9,314,113	-	26,615,768
Other Revenue	309,656	1,796	-	311,452
Total Revenues	17,611,311	9,315,909	-	26,927,220
EXPENDITURES:				
Current:				
Health and Welfare	23,364,699	9,293,655	-	32,658,354
Capital outlay	110,378	-	-	110,378
Total Expenditures	23,475,077	9,293,655	-	32,768,732
(DEFICIENCY) EXCESS OF REVENUES (UNDER) OVER EXPENDITURES	(5,863,766)	22,254	-	(5,841,512)
OTHER FINANCING SOURCES (USES):				
State general fund appropriations	5,616,700	-	-	5,616,700
Transfers in:				
Other	485,300	-	-	485,300
Total other Financing Sources (uses):	6,102,000	-	-	6,102,000
NET CHANGES IN FUND BALANCES	238,234	22,254	-	260,488
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	1,905,956	(126,679)	184	1,779,461
FUND BALANCES (DEFICIT) - END OF YEAR	$ 2,144,190	(104,425)	184	2,039,949

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, 2014

		Governmental Activities
Net Change in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances/Deficit - Division of Vocational Rehabilitation Only)		$ 260,488
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		137,428
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	110,378	
Depreciation expense	(42,889)	
Excess of capital outlay over depreciation expense		67,489
Change in Net Position of Governmental Activities (Statement of Activities - Division of Vocational Rehabilitation Only)		$ 465,405

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, 2014

	Balance June 30, 2013	Restatement	Additions	Deletions	Balance June 30, 2014
ASSETS					
Interest in State General Fund Investment Pool	$ 6,026,958	-	1,418,706	(1,481,452)	5,964,212
Due from Other State Agencies	-	117,228	3,843	-	121,071
Total Assets	$ 6,026,958	117,228	1,422,549	(1,481,452)	6,085,283
LIABILITIES					
Due to Other Funds	$ 6,026,958	(2,908,500)	-	-	3,118,458
Due to External Parties	-	3,025,728	1,422,549	(1,481,452)	2,966,825
Total Liabilities	$ 6,026,958	117,228	1,422,549	(1,481,452)	6,085,283

See Independent Auditors Report

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF FIDUCIARY NET POSITION
June 30, 2014

	Eva Lou Kelly Scholarship **61600**	Tutor-Scholars Program **99300**	Total Private Purpose Trusts
ASSETS			
Interest in State General Fund Investment Pool	$ 39,997	4,876	44,873
Certificate of Deposit	20,000	-	20,000
Total Assets	59,997	4,876	64,873
LIABILITIES			
Due to External Parties	-	-	-
Total Liabilities	-	-	-
NET POSITION			
Reserved for Scholarships	$ 59,997	4,876	64,873

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, 2014

	Eva Lou Kelly Scholarship **61600**	Tutor-Scholars Program **99300**	Total Private Purpose Trusts
ADDITIONS			
Investment Earnings - Interest	$ 217	-	216
DEDUCTIONS			
Scholarship Expense	-	-	-
CHANGE IN NET POSITION	217	-	216
NET POSITION, BEGINNING	59,780	4,876	64,657
NET POSITION, ENDING	$ 59,997	4,876	64,873

See Independent Auditors Report

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO TRUST AND AGENCY FUNDS
For the Year Ended June 30, 2014

Trust Funds

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

Eva Lou Kelly Scholarship Fund (SHARE Fund 61600)

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

Tutor-Scholars Program Fund (SHARE Fund 99300)

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

Agency Fund

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

Driver Safety Fees (SHARE Fund 57300)

The Driver Safety Fee fund is used to accumulate the driver safety fee in the amount of $3 for each driver's license or duplicate driver's license issued. The fees are distributed through the State Equalization Guarantee distribution to each school district for the purpose of providing defensive driving instruction (NMSA 1978, Section 66-5-44). The balance reported on the Statement of Changes in Assets and Liabilities - Agency Fund in the amount of $3,118,458 is a result of Legislative Appropriations Laws 2013 (Chapter 227, Section 5, Page 218) which stipulated that $4,600,000 be transferred from this Driver Safety Fees Fund to the Special Projects Fund 79000. During the current fiscal year, $1,481,452 of this balance was transferred to the Special Projects Fund while the remaining $3,118,548 is due to the fund at June 30, 2014.

OTHER SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUPPLEMENTAL SCHEDULE OF CASH AND CASH EQUIVALENTS
For the Year Ended June 30, 2014

Agency/Fund	Account Name	General Ledger Balance
General Funds:		
924-05700	Public Education Department (PED)	$ 2,314,064
644-50000	Division of Vocational Rehabilitation (DVR)	9,389,427
Total General Funds		11,703,491
Special Revenue and Capital Outlay Funds:		
924-00500	Schools in Need in Improvement	836,835
924-11420	K-3 Plus	9,563,162
924-20160	Ed Tech Deficiency Correction Fund	161,702
924-20550	School Transportation Training	26,462
924-30800	Private Grants	756,103
924-33400	Family Youth	556,727
924-39700	Educator Certification	3,574,186
924-45800	Adult Basic Education	122,565
924-47000	Charter School Stimulus	14,292
644-50100	Disability Determination Services	(128,096)
924-51300	Pre-Kindergarten	7,286,060
924-56200	Professional Development	4,813,136
924-56800	Incentive for School Improvement	49,663
924-58600	Reading Materials	155,564
924-63300	Indian Education Act	3,520,919
924-63400	Public School Capital Improvements	4,811,243
924-63500	Public School Capital Outlay	1,103,044
924-63900	Kindergarten Plus	88,919
924-66000	Instructional Materials Adoption	412,736
924-66200	Education Technology	681,461
924-66900	School Library	125,207
924-67200	Federal Food Services	92,648
924-67300	Federal Department of Education Flowthrough	(180,671)
924-67400	Federal Vocational Education Flowthrough	540,875
924-72500	Public Building Energy Efficiency Act	47
924-79000	Special Projects	26,498,692
924-81300	Special Capital Outlay Severance Tax Bonds 2000	37,097
924-81600	Special Capital Outlay Severance Tax Bonds 2004	165,768
924-81800	Special Capital Outlay - General Fund	100,215
924-84400	Federal Department of Education Admin	6,031,290
924-85600	Instructional Materials Flowthrough	7,706,062
924-85700	State Support Reserve	1,000,000
924-85800	Public School Support Flowthrough	9,403,437
924-88900	Transportation Emergency	3,627,178
924-89000	PED ARRA Fund	2,348
644-89000	DVR ARRA Fund	874
924-89200	STB Capital Outlay	1,285,305
924-93100	GF Capital Outlay	88,449
Total Special Revenue and Capital Outlay Funds		94,931,504
Total General Fund, Special Revenue and Capital Outlay Funds		106,634,995
Trust and Agency Funds:		
924-57300	Driver Safety Fees	5,964,212
924-61600	Eva Lou Kelly Scholarship	39,997
924-61600	Eva Lou Kelly Scholarship - CD with Washington Federal	20,000
924-99300	Tutor Scholars Program	4,876
Total Trust and Agency Funds		6,029,085
Total Cash and Investments, Net of Overdrafts		$ 112,664,080

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University of Wisconsin-Madison	Access ELL Assess.	PED	1,377,800	6/30/2014	6/30/2015	PED	PED
Julia Hosfard Barnes	Charter Schools	PED	37,866	7/1/2013	6/30/2014	PED	PED
Measured Progress	Assessment	PED	594,260	1/1/2012	12/30/2013	PED	PED
Rio Rancho Public Schools	CTWEB	PED	52,535	7/1/2013	6/30/2014	PED	PED
GTS Khalsa	Ethics	PED	15,000	7/1/2013	6/30/2014	PED	PED
Romero Law LLC	Ethics	PED	30,000	7/1/2013	6/30/2014	PED	PED
Mettler Law PC	Ethics	PED	15,000	7/1/2013	6/30/2014	PED	PED
REC IX	CTWEB	PED	501,766	7/1/2013	6/30/2014	PED	PED
Charter Schools	Charter Schools	PED	30,800	7/1/2013	6/30/2014	PED	PED
NM Coalition of Charter Schools	Charter Schools	PED	15,000	7/1/2013	6/30/2014	PED	PED
Vision Link	Ed Quality	PED	223,925	7/1/2013	6/30/2014	PED	PED
REC IX	Ed Quality	PED	210,545	7/1/2013	6/30/2014	PED	PED
UNM	Prof. Development	PED	300,000	7/1/2013	6/30/2014	PED	PED
REC IX	Dossier	PED	363,958	7/1/2013	6/30/2014	PED	PED
CYFD	Carl Perkins career	PED	10,000	6/1/2013	5/31/2014	PED	PED/CYFD
META Associates	Title I	PED	52,796	7/1/2013	6/30/2014	PED	PED
ABQ Public Schools	Pre K	PED	2,463,000	7/1/2013	6/30/2014	PED	PED/ABQ Public Schools
Belen Consolidated School	Pre K	PED	120,000	7/1/2013	6/30/2014	PED	PED/Belen Consolidated Schools
Bernalillo School	Pre K	PED	594,198	7/1/2013	6/30/2014	PED	PED/Bernalillo Schools
Bloomfield Schools	Pre K	PED	486,720	7/1/2013	6/30/2014	PED	PED/Bloomfield Schools
Central Schools	Pre K	PED	1,398,000	7/1/2013	6/30/2014	PED	PED/Central Schools
Chama Schools	Pre K	PED	90,000	7/1/2013	6/30/2014	PED	PED/Chama Schools
Cobre Schools	Pre K	PED	245,820	7/1/2013	6/30/2014	PED	PED/Cobre Schools
Cuba Schools	Pre K	PED	63,072	7/1/2013	6/30/2014	PED	PED/Cuba Schools
Deming Schools	Pre K	PED	250,556	7/1/2013	6/30/2014	PED	PED/Deming Schools
Dexter Schools	Pre K	PED	112,135	7/1/2013	6/30/2014	PED	PED/Dexter Schools
Farmington Schools	Pre K	PED	580,000	7/1/2013	6/30/2014	PED	PED/Farmington Schools
Gadsden Schools	Pre K	PED	1,490,000	7/1/2013	6/30/2014	PED	PED/Gadsden Schools
Gallup McKinley	Pre K	PED	595,670	7/1/2013	6/30/2014	PED	PED/Gallup McKinley Schools
Grants Cikbola Schools	Pre K	PED	240,000	7/1/2013	6/30/2014	PED	PED/Grants Cibola Schools
Hatch Valley Schools	Pre K	PED	145,000	7/1/2013	6/30/2014	PED	PED/Hatch Valley Schools
Horizon Academy West Charter	Pre K	PED	120,000	7/1/2013	6/30/2014	PED	PED/Horizon Academy West Charter
Jemez Valley Public Schools	Pre K	PED	59,000	7/1/2013	6/30/2014	PED	PED/Jemez Valley Public Schools
Lordsburg Schools	Pre K	PED	90,000	7/1/2013	6/30/2014	PED	PED/Lordsburg Schools
Los Lunas Schools	Pre K	PED	408,606	7/1/2013	6/30/2014	PED	PED/Los Lunas Schools
Magdalena Schools	Pre K	PED	40,874	7/1/2013	6/30/2014	PED	PED/Magdalena Schools
Mesa Vista Schools	Pre K	PED	62,000	7/1/2013	6/30/2014	PED	PED/Mesa Vista Schools
North Valley Academy	Pre K	PED	120,000	7/1/2013	6/30/2014	PED	PED/North Valley Academy
Pecos Independent Schools	Pre K	PED	126,000	7/1/2013	6/30/2014	PED	PED/Pecos Independent Schools
Pojoaque Valley schools	Pre K	PED	105,000	7/1/2013	6/30/2014	PED	PED/Pojoaque Valley Schools
Truth or Consequences	Pre K	PED	196,000	7/1/2013	6/30/2014	PED	PED/Truth or Consequences Schools
Taos Schools	Pre K	PED	108,000	7/1/2013	6/30/2014	PED	PED/Taos Schools
Vaughn Schools	Pre K	PED	18,000	7/1/2013	6/30/2014	PED	PED/Vaughn Schools
Zuni Schools	Pre K	PED	60,000	7/1/2013	6/30/2014	PED	PED/Zuni Schools
REC 6	Pre K	PED	286,097	7/1/2013	6/30/2014	PED	PED/REC 6
REC 7	Pre K	PED	444,000	7/1/2013	6/30/2014	PED	PED/REC 7
Santa Fe Schools	Pre K	PED	666,000	7/1/2013	6/30/2014	PED	PED/Santa Fe Schools
Red River Schools	Pre K	PED	40,000	7/1/2013	6/30/2014	PED	PED/Red River Schools
Roswell Schools	Pre K	PED	135,000	7/1/2013	6/30/2014	PED	PED/Roswell Schools
Silver Schools	Pre K	PED	180,000	7/1/2013	6/30/2014	PED	PED/Silver Schools
Socorro Schools	Pre K	PED	218,000	7/1/2013	6/30/2014	PED	PED/Socorro Schools
Questa Schools	Pre K	PED	81,000	7/1/2013	6/30/2014	PED	PED/Questa Schools
La Promesa	Pre K	PED	120,000	7/1/2013	6/30/2014	PED	PED/La Promesa Charter School
West Las Vegas	Pre K	PED	180,000	7/1/2013	6/30/2014	PED	PED/West Las Vegas Schools
Rio Rancho Public Schools	Pre K	PED	957,252	7/1/2013	6/30/2014	PED	PED/Rio Rancho Public Schools
REC IX	Literacy	PED	99,106	7/1/2013	6/30/2014	PED	PED/REC IX
Central REC 5	Literacy	PED	199,737	7/1/2013	6/30/2014	PED	PED/Central REC 5

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High Plains REC 3	Literacy	PED	106,380	7/1/2013	6/30/2014	PED	PED/High Plains REC 3
SWREC 10	Literacy	PED	198,720	7/1/2013	6/30/2014	PED	PED/SWREC 10
NMAEYC	Pre K	PED	40,000	7/1/2013	6/30/2014	PED	PED/NMAEYC
Farmington Schools	School Health	PED	146,876	7/1/2013	6/30/2014	PED	PED/Farmington Schools
Las Cruces Schools	School Health	PED	315,330	7/1/2013	6/30/2014	PED	PED/Las Cruces Schools
Socorro Schools	School Health	PED	129,825	7/1/2013	6/30/2014	PED	PED/Socorro Schools
Bernalillo School	School Health	PED	312,563	7/1/2013	6/30/2014	PED	PED/Bernalillo Schools
Central Consolidated Schools	School Health	PED	624,463	7/1/2013	6/30/2014	PED	PED/Central Consolidated Schools
Teach for America	Idian Ed.	PED	400,000	7/1/2013	6/30/2014	PED	PED
NW REC 2	Literacy	PED	201,661	7/1/2013	6/30/2014	PED	PED/NW REC 2
NEREC 4	Literacy	PED	100,413	7/1/2013	6/30/2014	PED	PED/NEREC 4
Las Vegas City Schools	School Health	PED	418,775	7/1/2013	6/30/2014	PED	PED/Las Vegas City Schools
REC 6	SPED	PED	114,954	7/1/2013	6/30/2014	PED	PED/REC 6
REC 5	SPED	PED	392,896	7/1/2013	6/30/2014	PED	PED/REC 5
REC 9	SPED	PED	794,942	7/1/2013	6/30/2014	PED	PED/REC 9
REC 2	SPED	PED	461,158	7/1/2013	6/30/2014	PED	PED/REC 2
EPICS	SPED	PED	199,000	7/1/2013	6/30/2014	PED	PED/EPICS
REC 8	SPED	PED	260,879	7/1/2013	6/30/2014	PED	PED/REC 8
REC 7	SPED	PED	197,381	7/1/2013	6/30/2014	PED	PED/REC 7
REC 3	SPED	PED	310,482	7/1/2013	6/30/2014	PED	PED/REC 3
REC 8	Literacy	PED	161,994	7/1/2013	6/30/2014	PED	PED/REC 8
Laguna Dept. Education	School Health	PED	89,316	7/1/2013	6/30/2014	PED	PED/Laguna Dept of Education
Jane Bloom Yohalem	SPED	PED	21,888	7/1/2013	6/30/2014	PED	PED
Barbara Albin	SPED	PED	21,688	7/1/2013	6/30/2014	PED	PED
Morgan Lyman	SPED	PED	21,763	7/1/2013	6/30/2014	PED	PED
Muriel McClelland	SPED	PED	21,500	7/1/2013	6/30/2014	PED	PED
Earl Mettler	SPED	PED	21,688	7/1/2013	6/30/2014	PED	PED
REC 10	SPED	PED	337,263	7/1/2013	6/30/2014	PED	PED/REC 10
Taos Day School	School HEalth	PED	167,108	7/1/2013	6/30/2014	PED	PED/Taos Day School
UNM	Pre K	PED	945,000	7/1/2013	6/30/2014	PED	PED/UNM
Elizabeth Savage	ASD	PED	53,719	7/1/2013	6/30/2014	PED	PED
Pueblo de San Idelfonso	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED
REC 4	SPED	PED	418,931	7/1/2013	6/30/2014	PED	PED/REC 4
REC 7	Literacy	PED	100,224	7/1/2013	6/30/2014	PED	PED/REC 7
After Math	School Health	PED	257,591 / 150,396	7/1/2013	6/30/2014	PED	PED/Aftermath
NM Community FaithLinks	School Health	PED	257,591	7/1/2013	6/30/2014	PED	PED/NM Community Faith Links
Gallup McKinley Schools	School Health	PED	1,305,018	7/1/2013	6/30/2014	PED	PED/Gallup McKinley Schools
Gadsden Schools	School Health	PED	876,999	7/1/2013	6/30/2014	PED	PED/Gadsden Schools
Dulce Independent Schools	School Health	PED	331,476	7/1/2013	6/30/2014	PED	PED/Dulce Independent Schools
REC 6	School Health	PED	513,548	7/1/2013	6/30/2014	PED	PED/REC 6
Apple Tree Eductional Center	School Health	PED	286,973	7/1/2013	6/30/2014	PED	PED/Apple Tree
Socorro Schools	School Health	PED	200,000	7/1/2013	6/30/2014	PED	PED/Socorro Schools
UNM	SPED	PED	478,548	7/1/2013	6/30/2014	PED	PED/UNM
PRO	SPED	PED	159,000	7/1/2013	6/30/2014	PED	PED/PRO
Research In Action	Assessment	PED	260,611	7/1/2013	6/30/2014	PED	PED
Teresa Sainz	Policy	PED	23,297	7/1/2013	6/30/2014	PED	PED
Pueblo of Taos	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Pueblo of Taos
Ohkay Owingeh	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Ohkay Owingeh
WEST ED	Policy	PED	49,671	11/25/2012	11/25/2013	PED	PED
Pueblo of Santa Clara	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Pueblo of Santa Clara
Pueblo of Santa Ana	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Pueblo of Santa Ana
Utah State University (TAESE)	SPED	PED	372,580	7/1/2013	6/30/2014	PED	PED/TAESE
Pueblo of Zuni	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Pueblo of Zuni
Pueblo of Jemez	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Pueblo of Jemez
Pueblo of Zia	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Pueblo of Zia
Pueblo of Pojoaque	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Pueblo of Pojoaque

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Pueblo of Sandia	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Pueblo of Sandia
Pueblo of Laguna	Indian Ed.	PED	30,000	7/1/2013	6/30/2013	PED	PED/Pueblo of Laguna
Pueblo of Isleta	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Pueblo of Isleta
Pueblo of Acoma	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Pueblo of Acoma
Pueblo of Cochiti	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Pueblo of Cochiti
Mescalero Apache Tribe	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Mescalero Apache Tribe
Navajo Nation	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Navajo Nation
San Felipe Pueblo	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/San Felipe Pueblo
Sutin Thayer & Brown	Legal	PED	50,000	7/1/2013	6/30/2014	PED	PED
REC 7	SPED	PED	599,686	7/1/2013	6/30/2014	PED	PED/REC 7
REC 6	Literacy	PED	198,720	7/1/2013	6/30/2014	PED	PED/REC 6
SWREC 10	IDEAL	PED	56,700	7/1/2013	6/30/2014	PED	PED/SWREC 10
Jicarilla Apache Tribe	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Jicarilla Apache Tribe
Save the Children Federation Inc.	Indian Ed.	PED	600,000	7/1/2013	6/30/2014	PED	PED
Pueblo Nambe	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Pueblo of Nambe
Pueblo Santo Domingo	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Pueblo of Santo Domingo
APS	School Health	PED	255,212	7/1/2013	6/30/2014	PED	PED/Albuquerque Public Schools
Santa Fe Public	School Health	PED	526,510	7/1/2013	6/30/2014	PED	PED/Santa Fe Schools
Knowledge Delivery Systems	Policy	PED	1,524,094	7/1/2013	6/30/2014	PED	PED
NMAG	School Health	PED	85,000	7/1/2013	6/30/2014	PED	PED
Horizons of New Mexico TIBH	Educator Quality	PED	494,012	7/1/2013	6/30/2014	PED	PED
Picuris Pueblo	Indian Ed.	PED	29,379	7/1/2013	6/30/2014	PED	PED/Picuris Pueblo
Tesuque Pueblo	Indian Ed.	PED	30,000	7/1/2013	6/30/2014	PED	PED/Tesuque Pueblo
REC IX	Literacy	PED	72,232	7/1/2013	6/30/2014	PED	PED/REC IX
UNM	School Health	PED	18,952	8/1/2013	7/31/2014	PED	PED/UNM
REC IX	Priority Schools	PED	946,982	7/1/2013	6/30/2014	PED	PED/REC IX
NM Alliance for School Based Health Care	School Health	PED	18,600	8/1/2013	7/31/2014	PED	PED
NM Forum for Youth in Community	School Health	PED	25,000	8/1/2013	7/31/2014	PED	PED
APEX Education	School Health	PED	59,920	8/1/2013	7/31/2014	PED	PED
Roswell Independent Schools	CTWEB	PED	120,000	7/1/2013	6/30/2014	PED	PED/Roswell Schools
REC IX	Literacy	PED	443,788	7/1/2013	6/30/2014	PED	PED/REC IX
REC IX	ASD	PED	102,100	7/1/2013	6/30/2014	PED	PED/REC IX
Cooperative Educational Services	CTWEB	PED	70,000	7/1/2013	6/30/2014	PED	PED
Cooperative Educational Services	CTWEB	PED	41,950	7/1/2013	6/30/2014	PED	PED
NM Teen Prgnancy Coalition	School Health	PED	50,000	8/1/2013	7/31/2014	PED	PED/NM Teen Pregnancy Coalitin
Las Cruces Schools	CTWEB	PED	120,000	7/1/2013	6/30/2014	PED	PED/Las Cruces Schools
Dept of Health	Policy	PED	27,134,034	1/1/2013	12/31/2017	PED	PED/Dept of Health
CYFD	Policy	PED	5,476,170	1/1/2013	12/31/2017	PED	PED/CYFD
University of New Mexico	School Health	PED	50,000	8/1/2013	7/31/2014	PED	PED/UNM
Mesa Vista Schools	CTWEB	PED	137,282	7/1/2013	6/30/2014	PED	PED/Mesa Vista Schools
REC IV	Bilingual Education	PED	252,704	7/1/2013	6/30/2014	PED	PED/REC IV
SWREC 10	Literacy	PED	20,288	7/1/2013	6/30/2014	PED	PED/SWREC 10
REC IX	Literacy	PED	861,142	7/1/2013	6/30/2014	PED	PED/REC IX
REC IX	Assessment	PED	56,364	7/1/2013	6/30/2014	PED	PED/REC IX
College Board	CTWEB	PED	300,000	7/1/2013	6/30/2014	PED	PED
REC IX	Literacy	PED	146,178	7/1/2013	6/30/2014	PED	PED/REC IX
University of Virginia	Policy	PED	67,500	7/1/2013	6/30/2014	PED	PED
Penasco Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Penasco Schools
Albuquerque Public Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Albuquerque Public Schools
Aztec Municpal Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Aztec
Bernalillo School	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Bernalillo Schools
Dulce Independent Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Dulce Independent Schools
Los Lunas Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Los Lunas Schools
Rio Rancho Public Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Rio Rancho Public Schools
NMHU	CTWEB	PED	144,500	7/1/2013	6/30/2014	PED	PED/NMHU
Taos Municpal Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Taos Municipal Schools

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Central Consolidated Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Central Consolidated Schools
Native American Academy	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Native American Academy
Cuba Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Cuba Schools
Ruidoso Municpal Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Ruidoso Municipal Schools
Magadelena Municpal Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Magdalena Schools
Deanna Gomez	Audit	PED	50,000	7/1/2013	6/30/2014	PED	PED
REC 7	School Health	PED	100,000	7/1/2013	6/30/2014	PED	PED/REC 7
NMSU	Math & Science	PED	1,169,441	10/1/2014	9/30/2015	PED	PED/NMSU
Grants Cibola Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Grants Cibola Schools
Southwest Cooperative Education Coop #10	Math & Science	PED	780,516	7/1/2013	6/30/2014	PED	PED/SWREC 10
Sandy Beery	Charter Schools	PED	32,556	7/1/2013	6/30/2014	PED	PED
Aztec Municpal Schools	IMB	PED	181,808	7/1/2013	6/30/2014	PED	PED/Aztec
Santa Fe Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Santa Fe Schools
NMHU	CTWEB	PED	270,000	7/1/2013	6/30/2014	PED	PED/NMHU
REC 3	CTWEB	PED	300,000	7/1/2013	6/30/2014	PED	PED/REC 3
Gallup McKinley Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Gallup McKinley Schools
Carlsbad Schools	CTWEB	PED	25,000	7/1/2013	6/30/2014	PED	PED/Carlsbad Schools
Pojoaque Valley schools	CTWEB	PED	25,000	7/1/2013	6/30/2014	PED	PED/Pojoaque Valley Schools
Bernalillo School	CTWEB	PED	25,000	7/1/2013	6/30/2014	PED	PED/Bernalillo Schools
Zuni Schools	CTWEB	PED	25,000	7/1/2013	6/30/2014	PED	PED/Zuni Schools
Cognasante IV & V K-3 Formative Assessment	Literacy	PED	16,158	7/1/2013	6/30/2014	PED	PED
CES	CTWEB	PED	67,199	7/1/2013	9/30/2014	PED	PED
Walatowa Charter High	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Walatowa Charter High
East Mountain High School	CTWEB	PED	134,717	7/1/2013	6/30/2014	PED	PED/East Mountain High School
REC 4	CTWEB	PED	28,000	7/1/2013	6/30/2014	PED	PED/REC 4
Los Alamos Schools	CTWEB	PED	100,000	7/1/2013	6/30/2014	PED	PED/Los Alamos Schools
Zuni Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Zuni Schools
Espanola Public Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Espanola Public Schools
WEST ED	Pre K	PED	153,337	7/1/2013	6/30/2014	PED	PED/West Ed
REC IX	Policy	PED	110,000	7/1/2013	6/30/2014	PED	PED/REC IX
REC IX	Assessment	PED	59,514	7/1/2013	6/30/2014	PED	PED/REC IX
Belinda Hancock	Finance Oper	PED	52,563	7/1/2013	6/30/2014	PED	PED
UNM	Pre K	PED	53,640	7/1/2013	6/30/2014	PED	PED/UNM
CES	CTWEB	PED	215,000	7/1/2013	6/30/2014	PED	PED
REC 4	CTWEB	PED	26,244	1/1/2013	12/30/2014	PED	PED/REC 4
Teach for America	Ed. Quality	PED	250,028	7/1/2013	6/30/2014	PED	PED
Teach for America	Ed. Quality	PED	250,028	7/1/2013	6/30/2014	PED	PED
Pojoaque Valley schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Pojoaque Valley Schools
Jemez Mountain Schools	Indian Ed.	PED	20,000	7/1/2013	6/30/2014	PED	PED/Jemez Valley Public Schools
Native American Academy	Policy	PED	115,615	7/1/2013	6/30/2014	PED	PED/Native American Academy
Santa Fe Public Schools	Policy	PED	139,830	7/1/2013	6/30/2014	PED	PED/Santa Fe Schools

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, 2014

	Project Authorization	Reversions	Prior Years	Current Year	Total to Date
CASH RECEIPTS					
Laws of 2001, CH 338 (SSTB 2009-2010)	$ 18,500,000	52,338	18,236,101	79,010	18,315,111
Laws of 2001, CH 338 (SSTB 2008-2009)	20,000,000	1,871,307	17,658,601	131,223	17,789,824
Laws of 2001, CH 338 (SSTB 2007-2008)	20,500,000	1,521,223	18,978,783	-	18,978,783
Laws of 2001, CH 338 (SSTB 2006-2007)	18,500,000	498,676	18,001,324	-	18,001,324
Laws of 2001, CH 338 (SSTB 2005-2006)	20,001,934	2,020,629	17,981,305	-	17,981,305
Laws of 2001, CH 338 (SSTB 2004-2005)	13,200,000	162,070	13,037,930	-	13,037,930
Laws of 2001, CH 338 (SSTB 2003-2004)	14,200,000	802,200	13,398,000	-	13,398,000
Laws of 2001, CH 338 (SSTB 2001-2002)	8,500,000	636,967	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	-	-	414,485	28,283	442,768
TOTAL CASH RECEIPTS	174,530,234	7,565,409	166,605,613	238,516	166,844,129
CASH OUTLAYS					
Laws of 2001, CH 338 (SSTB 2009-2010)	18,500,000	52,338	18,187,211	377,297	18,564,508
Laws of 2001, CH 338 (SSTB 2008-2009)	20,000,000	1,871,307	17,496,847	148,220	17,645,067
Laws of 2001, CH 338 (SSTB 2007-2008)	20,500,000	1,521,223	18,327,177	433,425	18,760,602
Laws of 2001, CH 338 (SSTB 2006-2007)	18,500,000	498,676	17,932,990	-	17,932,990
Laws of 2001, CH 338 (SSTB 2005-2006)	20,001,934	2,020,629	18,035,011	-	18,035,011
Laws of 2001, CH 338 (SSTB 2004-2005)	13,200,000	162,070	13,037,930	-	13,037,930
Laws of 2001, CH 338 (SSTB 2003-2004)	14,200,000	802,200	13,398,000	-	13,398,000
Laws of 2001, CH 338 (SSTB 2001-2002)	8,500,000	636,967	7,863,033	-	7,863,033
Laws of 2000, CH 15 General Fund 2000-2001	5,732,800	-	3,648,024	-	3,648,024
Laws of 1999, CH 3 General Fund 1999-2000	6,595,500	-	5,411,351	-	5,411,351
Laws of 1998,CH 116 General Fund 1998-1999	7,200,000	-	6,061,387	-	6,061,387
Laws of 1996, CH 13 GO Bonds 1996-1997	5,000,000	-	5,000,000	-	5,000,000
Laws of 1995, CH 13 General Fund, 1995-1996, p182	7,000,000	-	7,374,812	-	7,374,812
Laws of 1994, CH 148 General Fund, 1994-1995 s.53 p.1489	9,600,000	-	9,300,170	-	9,300,170
TOTAL CASH OUTLAYS	174,530,234	7,565,409	161,073,944	958,942	162,032,886
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	$ -	-	5,531,669	(720,426)	4,811,243
RECEIVABLES, June 30, 2014					$ -
PAYABLES, June 30, 2014					(4,746,034)
FUND BALANCE, June 30, 2014					$ 65,209

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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, 2014

	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 Severace 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 Severace Tax Bonds	95,676,311	78,116,453	-	78,116,453
Laws of 2002, Ch 44 (General Fund-1420)	1,000,000	102,374,067	-	102,374,067
2001-02 Severance Tax Bonds	99,140,730	19,041	-	19,041
Lottery 2001-02	3,859,271	914,800	-	914,800
2000-01, General Obligation Bonds	5,000,000	99,476,105	-	99,476,105
Lottery allocation 00-01	15,000,000	4,008,200	-	4,008,200
Lottery 99-00 allocation (9904)	10,000,000	5,026,023	-	5,026,023
Lottery 99-00 allocation	-	14,233,863	-	14,233,863
Laws of 1998, Ch 7 and 118 (STBs 9803 & 9804)	6,400,000	9,997,194	-	9,997,194
Lottery 98-99 allocation (9806)	13,000,000	6,310,471	-	6,310,471
Laws of 1998, Ch 5(General Fund 9805)	5,000,000	13,036,343	-	13,036,343
Laws of 1998, Ch 87 (GOB 9807)	10,000,000	5,047,630	-	5,047,630
Lottery 97-98 allocation (9802)	17,500,000	10,003,582	-	10,003,582
Lottery 96-97 allocation	7,194,579	17,497,199	-	17,497,199
Lottery 96-97 allocation	-	7,145,925	-	7,145,925
Transfers	(1,427,409)	1,712,441	-	1,712,441
TOTAL CASH OUTLAYS	390,400,821	385,771,662	-	385,771,662
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	$ -	1,103,044	-	1,103,044
RECEIVABLES, June 30, 2014				$ -
PAYABLES, June 30, 2014				-
FUND BALANCE, June 30, 2014				$ 1,103,044

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STATE OF NEW MEXICO
DEPARTMENT OF EDUCATION
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY SEVERANCE TAX BONDS 2000 - FUND 81300
For the Year Ended June 30, 2014

	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)	-	-	-
Transfers	-	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)	-	-	-
Adjustment	-	(244,073)	-	(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, 2014				$ -
PAYABLES, June 30, 2014				-
FUND BALANCE, June 30, 2014				$ 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, 2014

	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	530,113	994,761	1,524,874
Laws of 2010, CH3, Sec 10 C 1 (GOB)	2,000,000	1,651,704	79,495	1,731,199
Laws of 2010, CH3, Sec 10 B (GOB)	2,000,000	1,549,069	260,036	1,809,105
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	2,855,092	83,840	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	11,784,276	31,811	11,816,087
Change in authorization FY 2010	700,000	-	-	-
Change in authorization FY 2010	(320,469)	-	-	-
BOF Reversions	(700,000)	-	-	-
Art in Public Places	(64,630)	-	-	-
Transfers	-	-	-	-
Laws of 2007, CH 42, Sec 12 (STB)	300,000	297,000	-	297,000
Art in Public Places	(3,000)	-	-	-
Laws of 2006, CH 108 (GOB)	3,000,000	2,577,855	-	2,577,855
BOF Reversions	(422,145)	-	-	-
Laws of 2006 CH 111 (STB)	19,247,200	17,626,928	-	17,626,928
Change in authorization FY 2010	(235,000)	-	-	-
Change in authorization FY 2010	(364,607)	-	-	-
Change in authorization FY 2010	112,377	-	-	-
Art in Public Places	(72,500)	-	-	-
BOF Reversions	(41,243)	-	-	-
Laws of 2005, CH 347 (STB)	12,678,400	12,160,756	-	12,160,756
Change in authorization FY 2010	150,000	-	-	-
Change in authorization FY 2010	(402,809)	-	-	-
Art in Public Places	(10,400)	-	-	-
BOF Reversions	(210,752)	-	-	-
Laws of 2004, CH 117 (GOB)	11,156,000	10,992,308	-	10,992,308
Transfers	(4,619,877)	-	-	-
Other	(6,935)	-	-	-
BOF Reversions	(90,373)	-	-	-
BOF Reversions	(73,318)	-	-	-
Laws of 2004, CH 126 (STB)	10,963,000	10,530,802	-	10,530,802
Change in authorization FY 2010	(150,000)	-	-	-
Change in authorization FY 2010	(686)	-	-	-
Art in Public Places	(14,700)	-	-	-
BOF Reversions	(257,155)	-	-	-

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, 2014

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS (CONTINUED)				
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	89,538,334	1,449,943	90,988,277
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	647,776	1,352,224	2,000,000
Laws of 2010, CH3, Sec 10 C 1 (GOB)	2,000,000	1,781,375	91,301	1,872,676
Laws of 2010, CH3, Sec 10 B (GOB)	2,000,000	1,645,139	354,861	2,000,000
Laws of 2010, CH7, Sec 3 (STB)	2,873,589	437,475	-	437,475
Laws of 2009, CH7 (STB)	2,873,516	1,947,709	-	1,947,709
Laws of 2010, CH 4, Sec 34 (STB)	100,000	100,000	-	100,000
BOF Reversions	(100,000)	-	-	-
Laws of 2008, Ch 80 (GOB)	3,000,000	3,000,000	-	3,000,000
Laws of 2009, CH 125 Sec 16 (STB)	7,000,000	4,999,999	-	4,999,999
BOF Reversions	(2,000,000)	-	-	-
Laws of 2008 CH 92 (STB)	12,828,469	11,801,140	-	11,801,140
Change in authorization FY 2010	700,000	-	-	-
Change in authorization FY 2010	(320,469)	-	-	-
BOF Reversions	(700,000)	-	-	-
Art in Public Places	(64,630)	5,880	-	5,880
Transfers	-	-	-	-
Laws of 2007, CH 42, Sec 12 (STB)	300,000	297,000	-	297,000
Art in Public Places	(3,000)	-	-	-
Laws of 2006, CH 108 (GOB)	3,000,000	2,432,794	-	2,432,794
BOF Reversions	(422,145)	-	-	-
Laws of 2006 CH 111 (STB)	19,247,200	17,522,160	-	17,522,160
Change in authorization FY 2010	(235,000)	-	-	-
Change in authorization FY 2010	(364,607)	-	-	-
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)	-	-	-

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, 2014

	Project Authorization	Prior Years	Current Year	Total to Date
CASH OUTLAYS (CONTINUED)				
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	-	(133,113)	(343,966)	(477,079)
BOF Reversions	(2,544)	-	-	-
Transfers	-	(234,709)	-	(234,709)
TOTAL CASH OUTLAYS	92,370,915	89,368,089	1,454,420	90,822,509
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	$ -	170,245	(4,477)	165,768
RECEIVALBES, June 30, 2014				403,478
PAYABLES, June 30, 2014				(411,753)
FUND BALANCE, June 30, 2014				$ 157,493

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY - GENERAL FUND - FUND 81800
For the Year Ended June 30, 2014

	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)	-	-	-
Reauhorization, Laws of 2006, Ch. 107, Sec 147	(100,000)	-	-	-
Laws of 2003 CH 385	880,300	880,300	-	880,300
Reversion-Reduction in Auth, Laws of 2003, Ch. 385 (HB9)	(75,000)	(75,000)	-	(75,000)
Laws of 2004 CH 126 Sec 145	500,000	500,000	-	500,000
Laws of 2004 CH 126 Sec 136 & 137	21,330,831	21,330,831	-	21,330,831
Reversion- Reduction in Auth, Laws of 2004, Ch. 126 HB9 (04-2557 $25K/04-2472 $20K)	(45,000)	(45,000)	-	(45,000)
Reversions 2010	(636,869)	-	-	-
Laws of 2005 CH 347 Sec 48	20,060,590	20,060,590	-	20,060,590
Reversions 2010	(715,395)	-	-	-
Reauthorization, Laws of 2005, CH 347 (05-1969)	(56,147)	-	-	-
Reauthorization, Laws of 2007, Ch 341	(376,477)	-	-	-
Laws of 2005 CH 347 Sec 256	50,000	50,000	-	50,000
Laws of 2006, CH 111, Sec 39	25,826,000	25,626,000	-	25,626,000
Reauthorization, Laws of 2007, Ch 341, item 328	(200,000)	-	-	-
Reversions 2010	(1,047,787)	-	-	-
Reauthorization Laws 2007, Ch 341	(740,000)	-	-	-
Reauthorization (08-5285)	(30,000)	-	-	-
Laws of 2006, Ch. 107, Sec. 175, 64, 87, 32, 142	256,400	220,000	-	220,000
Laws of 2007, Ch. 2, Sec. 16	11,302,100	11,302,100	-	11,302,100
Reversions 2012	-	-	-	-
Laws of 2007, Ch. 42, Sec. 55	52,305,034	52,397,149	-	52,397,149
Laws of 2007, Ch 42, Sec 99	50,000	50,000	-	50,000
Reauthorization, Laws of 2007, Ch 42, Sec 99	(130,000)	-	-	-
Laws of 2007, Ch 334, Sec 5K	100,000	100,000	-	100,000
Reversions 2010	(6,521,951)	-	-	-
Reauthorization, Laws of 2007, Ch 42, Sec 55	(2,640,000)	-	-	-
Laws of 2007, Ch 341, Sec 232, 204, 205, 207, 209, 232, 333	2,421,000	2,421,000	-	2,421,000
Laws of 2008, Ch. 92, Sec. 44	18,980,000	19,008,465	-	19,008,465
Reversions 2010	(3,213,650)	-	-	-
Reauthorization, Laws of 2008, Ch 92	(79,000)	-	-	-
Laws of 2008, Ch. 83, Sec. 108, 173, 312, 102, 84, 115, 232, 351	405,000	405,000	-	405,000
Reauthorization (08-5074)	(25,000)	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY - GENERAL FUND - FUND 81800 (CONTINUED)
For the Year Ended June 30, 2014

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS (CONTINUED)				
Laws of 2009, Ch. 128, various secs.	$ 1,528,426	1,453,425	-	1,453,425
Refunds/cancelled warrants	-	21,954	-	21,954
Reversions of 2012	(6,536)	6,921	-	6,921
Transfers	-	419,358	(51,245)	368,113
Adjustments	-	24,872	-	24,872
TOTAL CASH RECEIPTS	**146,320,451**	**163,084,383**	**(51,245)**	**163,033,138**
CASH OUTLAYS				
Laws of 2002, CH 23	2,178,000	2,855,622	-	2,855,622
Incease in Authorization, Laws of 2002, CH 23	85,000	-	-	-
Laws of 2001	1,200,000	453,968	-	453,968
Reversions 2010	(53,408)	53,408	-	53,408
Laws of 2002 CH 110 (STB)	373,750	283,522	-	283,522
Reversions--Reduction in Auth, Laws of 2002, CH 110	(33,755)	-	-	-
Laws of 2003 CH 429 (STB)	85,000	85,000	-	85,000
Laws of 2003 CH 429	3,280,800	3,401,611	-	3,401,611
Reversions 2010	(151,803)	151,803	-	151,803
Reauthorization, Laws of 2006, Ch. 107, Sec 147	(100,000)	100,000	-	100,000
Laws of 2003 CH 385	880,300	531,009	-	531,009
Reversion-Reduction in Auth, Laws of 2003, Ch. 385	(75,000)	-	-	-
Laws of 2004 CH 126 Sec 145	500,000	126,074	-	126,074
Laws of 2004 CH 126 Sec 136 & 137	21,330,831	20,583,475	-	20,583,475
Reversion- Reduction in Auth, Laws of 2004, Ch. 126	(45,000)	-	-	-
Reversions 2010	(636,869)	636,869	-	636,869
Laws of 2005 CH 347 Sec 48	20,060,590	19,554,219	-	19,554,219
Reversions 2010	(715,395)	715,395	-	715,395
Reauthorization, Laws of 2005, CH 347	(56,147)	-	-	-
Reauthorization, Laws of 2007, Ch 341	(376,477)	1,100	-	1,100
Laws of 2005 CH 347 Sec 48 - reauthorization	50,000	50,000	-	50,000
Laws of 2005 CH 347 Sec 48 - reauthorization	-	230,150	-	230,150
Laws of 2006, CH 111, Sec 39	25,826,000	24,750,338	-	24,750,338
Reauthorization, Laws of 2007, Ch 341, item 328	(200,000)	-	-	-
Reversions 2010	(1,047,787)	1,047,787	-	1,047,787
Reauthorization Laws 2007, Ch 341	(740,000)	-	-	-
Reauthorization (08-5285)	(30,000)	-	-	-
Laws of 2006, Ch. 107, Sec. 175, 64, 87, 32, 142	256,400	216,512	-	216,512
Laws of 2007, Ch. 2, Sec. 16	11,302,100	9,931,610	-	9,931,610
Reversions 2012	-	6,536	-	6,536
Laws of 2007, Ch. 42, Sec. 55	52,305,034	45,301,151	-	45,301,151
Reversions 2010	(6,521,951)	6,521,951	-	6,521,951
Reauthorization, Laws of 2007, Ch 42, Sec 55	(2,640,000)	1,790,000	-	1,790,000
Reversions 2012	-	231,374	-	231,374

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY - GENERAL FUND - FUND 81800 (CONTINUED)
For the Year Ended June 30, 2014

	Project Authorization	Prior Years	Current Year	Total to Date
CASH OUTLAYS (CONTINUED)				
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 2013	-	39,394	-	39,394
Adjustment	-	251,546	64,178	315,724
Transfers	13,465	741,480	-	741,480
TOTAL CASH OUTLAYS	**146,320,451**	**162,868,745**	**64,178**	**162,932,923**
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	$ -	215,638	(115,423)	100,215
RECEIVABLES, June 30, 2014				$ 7,350
PAYABLES, June 30, 2014				(220,578)
FUND BALANCE (DEFICIT), June 30, 2014				$ (113,013)

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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, 2014

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECIEPTS				
Laws of 2001, CH 338 SB9 (SSTB 2011-2012)	$ 19,200,000	10,262,999	2,959,107	13,222,106
Laws of 2001, CH 338 SB9 (SSTB 2010-2011)	18,800,000	16,097,306	340,205	16,437,511
Laws 2001 CH 338 SB9 (SSTB 2012-2013)	19,600,000	4,857,903	1,392,519	6,250,422
Laws of 2012, CH 190 (STB 2012-2013)	708,067	160,597	39,112	199,709
Laws of 2012, CH 191 (STB 2012-2013)	7,157,500	5,021,243	68,816	5,090,059
Laws of 2013, CH 226 (STB 2012-2013)	26,701,102	-	8,168,422	8,168,422
Laws of 2013, CH 226 & 338 (SSTB 2012-2013)	15,500,000	-	8,636,058	8,636,058
Laws of 2013, CH 226 & 338 (SSTB 2012-2013)	39,800,000	-	3,459,474	3,459,474
Laws of 2012, CH 54 (GOB 2012-2013)	3,000,000	-	506,497	506,497
Laws of 2014, CH 66 (SSTB 2012-2013)	14,895,000	-	-	-
TOTAL CASH RECEIPTS	165,361,669	36,400,048	25,570,210	61,970,258
CASH OUTLAYS				
Laws of 2001, CH 338 (SSTB 2011-2012)	19,200,000	10,190,272	3,055,183	13,245,455
Laws of 2001, CH 338 (SSTB 2010-2011)	18,800,000	15,476,411	443,158	15,919,569
Laws 2001 CH 338 SB9 (SSTB 2012-2013)	19,600,000	4,667,856	820,770	5,488,626
Laws of 2012, CH 190 (STB 2012-2013)	708,067	160,597	39,112	199,709
Laws of 2012, CH 191 (STB 2012-2013)	7,157,500	4,294,783	812,842	5,107,625
Laws of 2013, CH 226 (STB 2012-2013)	26,701,102	-	8,561,750	8,561,750
Laws of 2013, CH 338 (SSTB 2012-2013)	15,500,000	-	9,667,529	9,667,529
Laws of 2001, CH 338 (SSTB 2012-2013)	39,800,000	-	1,994,360	1,994,360
Laws of 2012, CH 54 (GOB 2012-2013)	3,000,000	-	100,224	100,224
Laws of 2014, CH 66 (SSTB 2012-2013)	14,895,000	-	-	-
Adjustments	-	213,209	186,897	400,106
TOTAL CASH OUTLAYS	165,361,669	35,003,128	25,681,825	60,684,953
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	$ -	1,396,920	(111,615)	1,285,305
RECEIVABLES, June 30, 2014				$ 13,767,371
PAYABLES, June 30, 2014				(14,564,531)
FUND BALANCE, June 30, 2014				$ 488,145

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
GF CAPITAL OUTLAY - FUND 93100
For the Year Ended June 30, 2014

	Project Authorization	Prior Years	Current Year	Total to Date
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)
TOTAL CASH RECEIPTS	689,258	631,851	-	631,851
CASH OUTLAYS				
Laws of 2011, Senate Bill 373				
Account 101900	689,258	534,648	63,612	598,260
TOTAL CASH OUTLAYS	689,258	534,648	63,612	598,260
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	$ -	97,203	(63,612)	33,591
RECEIVABLES, June 30, 2014				$ -
PAYABLES, June 30, 2014				-
FUND BALANCE, June 30, 2014				$ 33,591

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