STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2017

VOLUME X

AXIOM
Certified Public Accountants
and Business Advisors LLC

STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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RED RIVER VALLEY CHARTER SCHOOL

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Statement of Net Position
June 30, 2017

ASSETS AND DEFERRED OUTFLOWS		
Current assets:		
Cash and Cash Equivalents	$	83,399
Receivables		
Due from Other Governments		29,782
Total current assets		113,181
Noncurrent assets:		
Capital Assets		
Leasehold Improvements		245,217
Furniture, Fixtures, and Equipment		19,258
Less: Accumulated Depreciation		(80,345)
Total Capital Assets		184,130
Total Assets		297,311
Deferred Outflows - Pension Related		365,622
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable		1,308
Accrued Liabilities		48,094
Total Current Liabilities		49,402
Noncurrent Liabilities:		
Net Pension Liability		1,306,872
Total Noncurrent Liabilities		1,306,872
Total Liabilities		1,356,274
Deferred Inflows - Pension Related		13,599
NET POSITION (DEFICIT)		
Net Investment in Capital Assets		184,130
Restricted		38,477
Unrestricted (Deficit)		(929,547)
Total Net Position (Deficit)	$	706,940

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Statement of Activities
For The Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Service	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental activities:					
Instruction	$ 606,562	422	178,673	-	(427,467)
Support Services:					
Students	93,312	-	-	-	(93,312)
Instruction	317	-	-	-	(317)
General Administration	29,555	-	-	-	(29,555)
School Administration	169,720	-	-	-	(169,720)
Central Services	71,197	-	-	-	(71,197)
Operation & Maintenance of Plant	44,654	-	-	-	(44,654)
Student Transportation	102,454	-	83,019	-	(19,435)
Food Services Operations	37,892	166	38,798	-	1,072
Facilities Materials, Supplies & Other Services	91,046	-	-	153,091	62,045
Total Governmental Activities	$ 1,246,709	588	300,490	153,091	(792,540)
		General Revenues:			
		State Equalization Guarantee			$ 687,581
		Total General Revenues			687,581
		Change in Net Position			(104,959)
		Net Position (Deficit), Beginning			(601,981)
		Net Position (Deficit), Ending			$ (706,940)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Balance Sheets - Governmental Funds
June 30, 2017

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	$ 43,402	-	12,587	22,737
Accounts Receivable				
Due from Government	-	-	-	-
Due from Other Funds	22,510	-	-	-
Total Assets	$ 65,912	-	12,587	22,737
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 1,308	-	-	-
Accrued Expenditures	39,302	-	-	59
Due to Other Funds	-	-	-	-
Total Liabilities	40,610	-	-	59
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	12,587	-
Food Service Operations	-	-	-	22,678
Assigned to:				
Subsequent Years Expenditures and Other Programs	25,302	-	-	-
Total Fund Balance	25,302	-	12,587	22,678
Total Liabilities and Fund Balances	$ 65,912	-	12,587	22,737

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	NM Fresh Fruit and Vegetables 24118	IDEA-B Risk Pool 24120	Teacher Principal Training 24154
-	-	-	-	-
10,107	2,288	336	-	1,830
-	-	-	-	-
10,107	2,288	336	-	1,830
-	-	-	-	-
1,080	-	-	-	-
9,027	2,288	336	-	1,830
10,107	2,288	336	-	1,830
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
10,107	2,288	336	-	1,830

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Balance Sheets - Governmental Funds (Continued)
June 30, 2017

	Title XIX Medicaid 3/21 Years 25153	Reads to Leads 27114	Pre-K Initiative 27149	Taos County EGRT Bond 31100
ASSETS				
Cash and Cash Equivalents	$ 3,212	1,461	-	-
Accounts Receivable				
Due from Government	-	661	11,614	-
Due from Other Funds	-	-	-	-
Total Assets	$ 3,212	$ 2,122	11,614	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ -	$ -	-	-
Accrued Expenditures	-	2,122	5,531	-
Due to Other Funds	-	-	6,083	-
Total Liabilities	-	2,122	11,614	-
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	3,212	-	-	-
Food Service Operations	-	-	-	-
Assigned to:	-	-		
Subsequent Years Expenditures	-	-		
and Other Programs	-	-	-	-
Total Fund Balance	3,212	-	-	-
Total Liabilities and Fund Balances	$ 3,212	$ 2,122	11,614	-

The accompanying notes are an integral part of these financial statements

Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	83,399
-	2,946	29,782
-	-	22,510
-	2,946	135,691
-	-	1,308
-	-	48,094
-	2,946	22,510
-	2,946	71,912
-	-	15,799
-	-	22,678
-	-	25,302
-	-	63,779
-	2,946	135,691

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2017

Fund Balances - Total Governmental Funds		**$ 63,779**
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital Assets	264,475	
Accumulated Depreciation	(80,345)	
		184,130
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		365,622
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(13,599)
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		(1,306,872)
Net Position (Deficit)-Total Governmental Activities		**$ (706,940)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2017

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Local & County Grant	$ -	-	-	-
State Grant	687,581	83,019	4,773	-
Federal Grant	-	-	-	38,350
Donations and contributions	35,339	-	-	-
Charges for Services	422	-	-	166
Total Revenues	723,342	83,019	4,773	38,516
EXPENDITURES				
Current:				
Instruction	384,559	-	5,472	-
Support Services:				
Students	65,857	-	-	-
Instruction	317	-	-	-
General Administration	15,979	-	-	-
School Administration	158,142	-	-	-
Central Services	71,197	-	-	-
Operation & Maintenance of Plant	37,840	-	-	-
Student Transportation	13,360	84,094	-	-
Food Services Operations	-	-	-	37,444
Capital Outlay	-	-	-	-
Total Expenditures	747,251	84,094	5,472	37,444
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,909)	(1,075)	(699)	1,072
Other financing sources (uses):				
Transfers in (out)	(745)	-	-	-
Total other financing sources (uses):	(745)	-	-	-
Net Changes in Fund Balances	(24,654)	(1,075)	(699)	1,072
Fund Balances - Beginning of Year	49,956	1,075	13,286	21,606
Fund Balances - End of Year	$ 25,302	-	12,587	22,678

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	NM Fresh Fruit and Vegetables 24118	IDEA-B Risk Pool 24120	Teacher Principal Training 24154
-	-	-	-	-
-	-	-	-	-
26,074	18,380	448	-	3,481
-	-	-	-	-
-	-	-	-	-
26,074	18,380	448	-	3,481
24,347	-	-	-	3,481
142	18,380	-	-	-
-	-	-	-	-
1,585	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	448	-	-
-	-	-	-	-
26,074	18,380	448	-	3,481
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2017

	Title XIX Medicaid 3/21 Years 25153	Reads to Leads 27114	Pre-K Initiative 27149	Taos County EGRT Bond 31100
REVENUES				
Local & County Grant	$ -	-	-	93,094
State Grant	-	22,000	64,199	-
Federal Grant	4,427	-	-	-
Donations and contributions	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	4,427	22,000	64,199	93,094
EXPENDITURES				
Current:				
Instruction	-	22,000	59,199	-
Support Services:				
Students	1,215	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	5,000	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	93,094
Total Expenditures	1,215	22,000	64,199	93,094
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,212	-	-	-
Other financing sources (uses):				
Transfers in (out)	-	-	-	-
Total other financing sources (uses):	-	-	-	-
Net Changes in Fund Balances	3,212	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances - End of Year	$ 3,212	-	-	-

The accompanying notes are an integral part of these financial statements

Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	93,094
57,776	2,221	921,569
-	-	91,160
-	-	35,339
-	-	588
57,776	2,221	1,141,750
-	-	499,058
-	-	85,594
-	-	317
-	-	17,564
-	-	158,142
-	-	71,197
-	-	37,840
-	-	102,454
-	-	37,892
57,796	2,946	153,836
57,796	2,946	1,163,894
(20)	(725)	(22,144)
20	725	-
20	725	-
-	-	(22,144)
-	-	85,923
-	-	63,779

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Net Change in Fund Balance-Total Governmental Funds		**$ (22,144)**
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period		
Capital Outlays	66,147	
Depreciation Expense	(11,134)	
		55,013
Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		(137,828)
Change in Net Position-Total Governmental Activities		**$ (104,959)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2017

	Agency Funds
ASSETS	
Cash in Bank	$ 785
Total Assets	$ 785
LIABILITIES	
Deposits Held for Others	$ 785
Total Liabilities	$ 785

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
ASSETS				
Cash in Bank	$ -	785	-	785
Total Assets	$ -	785	-	785
LIABILITIES				
Deposits Held for Others	$ -	785	-	785
Total Liabilities	$ -	785	-	785

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	3-20 years
Leasehold Improvements	5-25 years

Capital assets for Red River Valley Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2017 follows:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Capital Assets being Depreciated:				
Leasehold improvements	$ 189,948	66,147	(10,878)	245,217
Furniture, Fixtures and Equipment	206,215	-	(186,957)	19,258
Total	396,163	66,147	(197,835)	264,475
Less: Accumulated Depreciation				
Leasehold improvements	(68,607)	(9,798)	10,878	(67,527)
Furniture, Fixtures and Equipment	(198,439)	(1,336)	186,957	(12,818)
Total	(267,046)	(11,134)	197,835	(80,345)
Capital Assets, Net	$ 129,117	55,013	-	184,130

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expense for the year ended June 30, 2017 was expensed to the following functions:

Instruction	$	963
Operations & Maintenance of Plant		6,814
Facilities, Materials, Supplies & Other Services		3,357
Total	$	11,134

NOTE 3. COMMITMENTS AND LIABILITIES

The school leased facilities under a short-term cancelable operating lease. Rental expense for the year was $57,796. The school's minimum future payments are based on the total allocation from the Public School Capital Outlay Funds.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Red River Valley Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. For the fiscal year ended June 30, 2017 and 2016 educational employers contributed to the Plan based on the following rate schedule.

Fiscal Year	Date Range	Wage Category	Member Rate	Employer Rate	Combined Rate	Increase over Prior Year
2017	7/1/16 to 6/30/17	Over $20K	10.70%	13.90%	24.60%	0.00%
2017	7/1/16 to 6/30/17	$20K or less	7.90%	13.90%	21.80%	0.00%
2016	7/1/15 to 6/30/16	Over $20K	10.70%	13.90%	24.60%	0.00%
2016	7/1/15 to 6/30/16	$20K or less	7.90%	13.90%	21.80%	0.00%

The contribution requirements are estimated in statue under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. For the fiscal years ended June 30, 2017 and 2016, Red River Valley Charter School paid employee and employer contributions of $64,485 and $72,109.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, Red River Valley Charter School reported a liability of $1,306,872 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2016.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Red River Valley Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2016. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2016, Red River Valley Charter School's proportion was 0.01816%, which was an increase of 0.00181% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, Red River Valley Charter School recognized pension expense of $202,664. At June 30, 2017, Red River Valley Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,670	(12,430)
Changes in assumptions	26,603	-
Net difference between projected and actual earnings on pension plan investments	78,009	-
Changes in proportion and differences between Red River Valley Charter School's contributions and proportionate share of contributions	190,855	(1,169)
Red River Valley Charter School's contributions subsequent to the measurement date	64,485	-
Total	$ 365,622	(13,599)

The amount of $64,485 reported as deferred outflows of resources related to pensions resulting from Red River Valley Charter School's contributions subsequent to the measurement date of June 30, 2016 will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	$ 103,605
2019	104,299
2020	60,610
2021	19,024
Total	$ 287,538

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Red River Valley Charter School's proportionate share of the net pension liability to changes in the discount rate. The following presents the Red River Valley Charter School proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the Red River Valley Charter School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School's proportionate share of the net pension liability	$ 1,730,922	1,306,872	955,031

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued NMERB's financial reports. The reports can be found on NMERB's web site at www.nmerb.org/Annual_reports.html.

Payables to the pension plan. At June 30, 2017, Red River Valley Charter School owed $21,722 to ERB for fiscal year 2017 contributions.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of the School's Proportionate Share of the Net Pension Liability
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

For Last 10 Fiscal Years*

(Dollars in Thousands)

		30-Jun		
Fiscal Year		**2017**	**2016**	**2015**
Measurement Date		**2016**	**2015**	**2014**
School's Proportion of the Net Pension Liability (Asset)		0.01816%	0.01635%	0.01293%
School's Proportionate Share of Net Pension Liability (Asset)	$	1,307	1,059	738
School's Covered-Employee Payroll	$	498	446	356
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll		262.59%	237.23%	207.05%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		61.58%	63.97%	66.54%

**Governmental Accounting Standards Board Statement No.* 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for Red River Valley Charter School is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of School Contributions
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

Last Ten Fiscal Years*

(Dollars in Thousands)

	2015	2016	2017
Contractually Required Contribution	$ 65	72	64
Contributions in Relation to the Contractually Required Contribution	65	72	64
Annual contribution deficiency (excess)	$ -	-	-

**Governmental Accounting Standards Board Statement No.* 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for Red River Valley Charter School is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 702,958	681,434	687,581	6,147
Donations and contributions	-	35,000	35,339	339
Charges for Services	1,890	1,890	422	(1,468)
Total Revenues	704,848	718,324	723,342	5,018
EXPENDITURES				
Current:				
Instruction	413,000	401,579	384,559	17,020
Support Services:				
Students	59,870	48,521	65,857	(17,336)
Instruction	-	-	317	(317)
General Administration	18,000	16,205	15,979	226
School Administration	145,168	155,717	158,142	(2,425)
Central Services	32,494	85,135	71,197	13,938
Operation & Maintenance of Plant	73,707	44,506	36,532	7,974
Student Transportation	-	16,617	13,360	3,257
Total Expenditures	742,239	768,280	745,943	22,337
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,391)	(49,956)	(22,601)	27,355
Other Financing Sources (Uses):				
Transfers	-	-	(745)	(745)
Designated Cash	37,391	49,956	-	(49,956)
Total Other Financing Sources (Uses):	37,391	49,956	(745)	(50,701)
Net Change in Fund Balance	-	-	(23,346)	(23,346)
Cash or Fund Balance - Beginning of Year	-	-	49,956	49,956
Cash or Fund Balance - End of Year	$ -	-	26,610	26,610
Reconciliation to GAAP Basis:				
Net change in fund balance			$ (23,346)	
Adjustments to Revenues			-	
Adjustments to Expenditures			(1,308)	
NET CHANGE IN FUND BALANCE			$ (24,654)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 28,277	84,094	84,094	-
Total Revenues	28,277	84,094	84,094	-
EXPENDITURES				
Current:				
Student Transportation	28,277	84,094	84,094	-
Total Expenditures	28,277	84,094	84,094	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Cash or Fund Balance - Beginning of Year	-	-	1,075	1,075
Cash or Fund Balance - End of Year	$ -	-	1,075	1,075
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to revenues			(1,075)	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			$ (1,075)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 4,237	3,591	4,773	1,182
Total Revenues	4,237	3,591	4,773	1,182
EXPENDITURES				
Current:				
Instruction	4,237	16,876	5,472	11,404
Total Expenditures	4,237	16,876	5,472	11,404
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	(13,285)	(699)	12,586
Other Financing Sources (Uses):				
Designated Cash	-	13,285	-	(13,285)
Total Other Financing Sources (Uses):	-	13,285	-	(13,285)
Net Change in Fund Balance	-	-	(699)	(699)
Cash or Fund Balance - Beginning of Year	-	-	13,286	13,286
Cash or Fund Balance - End of Year	$ -	-	12,587	12,587
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (699)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (699)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ -	-	38,350	38,350
Charges for Services	26,000	26,000	166	(25,834)
Total Revenues	26,000	26,000	38,516	12,516
EXPENDITURES				
Current:				
Food Services Operations	33,506	47,606	37,444	10,162
Total Expenditures	33,506	47,606	37,444	10,162
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(7,506)	(21,606)	1,072	22,678
Other Financing Sources (Uses):				
Designated Cash	7,506	21,606	-	(21,606)
Total Other Financing Sources (Uses):	7,506	21,606	-	(21,606)
Net Change in Fund Balance	-	-	1,072	1,072
Cash or Fund Balance - Beginning of Year	-	-	21,606	21,606
Cash or Fund Balance - End of Year	$ -	-	22,678	22,678
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 1,072	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 1,072	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 23,209	54,677	24,681	(29,996)
Total Revenues	23,209	54,677	24,681	(29,996)
EXPENDITURES				
Current:				
Instruction	23,209	51,141	24,347	26,794
Support Services:				
Students	-	-	142	(142)
General Administration	-	3,536	1,585	1,951
Total Expenditures	23,209	54,677	26,074	28,603
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(1,393)	(1,393)
Net Change in Fund Balance	-	-	(1,393)	(1,393)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	$ -	-	(1,393)	(1,393)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (1,393)	
Adjustments to Revenues			1,393	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 16,092	18,380	16,092	(2,288)
Total Revenues	16,092	18,380	16,092	(2,288)
EXPENDITURES				
Current:				
Support Services:				
Students	16,092	18,380	18,380	-
Total Expenditures	16,092	18,380	18,380	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(2,288)	(2,288)
Net Change in Fund Balance	-	-	(2,288)	(2,288)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	$ -	-	(2,288)	(2,288)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (2,288)	
Adjustments to Revenues			2,288	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
NM Fresh Fruit and Vegetables 24118
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ -	3,864	111	(3,753)
Total Revenues	-	3,864	111	(3,753)
EXPENDITURES				
Current:				
Food Services Operations	-	3,864	448	3,416
Total Expenditures	-	3,864	448	3,416
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(337)	(337)
Net Change in Fund Balance	-	-	(337)	(337)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	$ -	-	(337)	(337)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (337)	
Adjustments to Revenues			337	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ -	-	33,717	33,717
Total Revenues	-	-	33,717	33,717
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	33,717	33,717
Net Change in Fund Balance	-	-	33,717	33,717
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	$ -	-	33,717	33,717
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 33,717	
Adjustments to Revenues			(33,717)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 4,385	9,725	2,811	(6,914)
Total Revenues	4,385	9,725	2,811	(6,914)
EXPENDITURES				
Current:				
Instruction	4,385	9,725	3,481	6,244
Total expenditures	4,385	9,725	3,481	6,244
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(670)	(670)
Net change in Fund Balance	-	-	(670)	(670)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	$ -	-	(670)	(670)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (670)	
Adjustments to Revenues			670	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 3/21 Years 25153
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ -	4,428	4,427	(1)
Total Revenues	-	4,428	4,427	(1)
EXPENDITURES				
Current:				
Support Services:				
Students	-	4,428	1,215	3,213
Total Expenditures	-	4,428	1,215	3,213
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	3,212	3,212
Net Change in Fund Balance	-	-	3,212	3,212
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	$ -	-	3,212	3,212
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 3,212	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 3,212	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Reads to Leads 27114
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 22,000	22,000	30,219	8,219
Total Revenues	22,000	22,000	30,219	8,219
EXPENDITURES				
Current:				
Instruction	22,000	22,000	22,000	-
Total Expenditures	22,000	22,000	22,000	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	8,219	8,219
Net Change in Fund Balance	-	-	8,219	8,219
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	$ -	-	8,219	8,219
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 8,219	
Adjustments to Revenues			(8,219)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Pre-K Initiative 27149
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 69,124	69,124	52,585	(16,539)
Total Revenues	69,124	69,124	52,585	(16,539)
EXPENDITURES				
Current:				
Instruction	64,124	64,124	59,199	4,925
Student Transportation	5,000	5,000	5,000	-
Total Expenditures	69,124	69,124	64,199	4,925
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(11,614)	(11,614)
Net Change in Fund Balance	-	-	(11,614)	(11,614)
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	$ -	-	(11,614)	(11,614)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (11,614)	
Adjustments to Revenues			11,614	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Taos County EGRT Bond 31100
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	149,006	93,094	(55,912)
Total Revenues	-	149,006	93,094	(55,912)
EXPENDITURES				
Capital Outlay	-	149,006	93,094	55,912
Total Expenditures	-	149,006	93,094	55,912
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	57,796	73,349	15,553
Total Revenues	-	57,796	73,349	15,553
EXPENDITURES				
Capital Outlay	-	57,796	57,796	-
Total Expenditures	-	57,796	57,796	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	15,553	15,553
Other financing sources (uses):				
Transfers	-	-	20	20
Total other financing sources (uses):	-	-	20	20
Net Change in Fund Balance	-	-	15,573	15,573
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	$ -	-	15,573	15,573
Reconciliation to GAAP Basis:				
Net change in fund balance			$ 15,573	
Adjustments to Revenues			(15,573)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 594	3,335	2,415	(920)
Total Revenues	594	3,335	2,415	(920)
EXPENDITURES				
Capital Outlay	594	3,335	2,946	389
Total Expenditures	594	3,335	2,946	389
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(531)	(531)
Other Financing Sources (Uses):				
Transfers	-	-	725	725
Total Other Financing Sources (Uses):	-	-	725	725
Net Change in Fund Balance	-	-	194	194
Cash or Fund Balance - Beginning of Year	-	-	-	-
Cash or Fund Balance - End of Year	$ -	-	194	194
Reconciliation to GAAP Basis:				
Net change in fund balance			$ 194	
Adjustments to Revenues			(194)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2017

Name of Depository	Security Type	CUSIP/ Security Number	Maturity Date	Fair Value June 30, 2017
N/A	N/A	N/A	N/A	$ -
				$ -

Total Cash per Schedule of Cash Accounts:	$ 163,776
Less: FDIC coverage:	(163,776)
Uninsured Public Funds:	-
Collateral Requirement:	-
Pledged Collateral Held by Pledging Financial Institution:	-
Balance Over Collateralized:	**$ -**
Balance Uninsured and Uncollateralized at June 30, 2017:	**$ -**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Cash Accounts
June 30, 2017

Bank Account Type	Peoples Bank	Nusenda Bank	Total
Checking - Old Operational Account	$ 9,325	-	9,325
Checking - New Operational Account	-	154,451	154,451
Total on Deposit	9,325	154,451	163,776
Reconciling Items	-	(79,592)	(79,592)
Reconciled Balance June 30, 2017	9,325	74,859	84,184
Less Agency Funds	-	(785)	(785)
Total Cash	$ 9,325	74,074	83,399

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Cash Reconciliation
June 30, 2017

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2016	$ 100	2,150	10,681	21,606	-
Add:					
2016-17 revenues	723,342	84,094	4,773	38,516	785
Total Cash Available	723,442	86,244	15,454	60,122	785
Less:					
2016-17 expenditures	(745,943)	(84,094)	(5,472)	(37,444)	-
Receivables/Payables	39,302	-	-	59	-
Cash transfers	(745)	-	-	-	-
Outstanding Loans	(22,510)	-	-	-	-
Cash June 30, 2017	(6,454)	2,150	9,982	22,737	785
Fund Balance Reconciliations to GAAP Basis:					
Audit reclassifications to cash	49,856	(2,150)	2,605	-	-
Cash Per Books	43,402	-	12,587	22,737	785
Fund Balance Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	(18,100)	-	-	(59)	(785)
Fund Balance, Modified Accrual Basis	$ 25,302	-	12,587	22,678	-

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	Federal Direct Account 25000	State Acccount 27000	Bond Building 31100	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	-	34,537
81,963	4,427	82,804	93,094	73,349	2,415	1,189,562
81,963	4,427	82,804	93,094	73,349	2,415	1,224,099
(48,383)	(1,215)	(86,199)	(93,094)	(57,796)	(2,946)	(1,162,586)
1,080	-	7,653	-	-	-	48,094
-	-	-	-	20	725	-
13,481	-	6,083	-	-	2,946	-
48,141	3,212	10,341	-	15,573	3,140	109,607
(48,141)	-	(8,880)	-	(15,573)	(3,140)	(25,423)
-	3,212	1,461	-	-	-	84,184
					Less - Agency Fund:	(785)
						$ 83,399
-	-	(1,461)	-	-	-	(20,405)
-	3,212	-	-	-	-	63,779

ROOT AND WINGS COMMUNITY CHARTER

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Statement of Net Position
June 30, 2017

ASSETS AND DEFERRED OUTFLOWS	
Current assets:	
Cash and Cash Equivalents	$ 132,477
Receivables	
Due from Other Governments	8,089
Total current assets	140,566
Noncurrent assets:	
Capital Assets	
Land	58,802
Construction in Progress	23,922
Buildings and Improvements	54,292
Equipment and Vehicles	56,678
Less: Accumulated Depreciation	(87,091)
Total Capital Assets	106,603
Total Assets	247,169
Deferred Outflows - Pension Related	228,960
LIABILITIES AND DEFERRED INFLOWS	
Current Liabilities:	
Accounts Payable	6,130
Accrued Liabilities	34,198
Total Current Liabilities	40,328
Noncurrent Liabilities:	
Net Pension Liability	788,009
Total Noncurrent Liabilities	788,009
Total Liabilities	828,337
Deferred Inflows - Pension Related	30,154
NET POSITION (DEFICIT)	
Net Investment in Capital Assets	106,603
Restricted	16,478
Unrestricted (Deficit)	(505,443)
Total Net Position (Deficit)	$ (382,362)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Statement of Activities
For The Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental Activities:					
Instruction	$ 320,868	883	79,132	-	(240,853)
Support Services:					
Students	22,500	-	-	-	(22,500)
Instruction	799	-	-	-	(799)
General Administration	9,174	-	-	-	(9,174)
School Administration	132,344	-	-	-	(132,344)
Central Services	69,257	-	-	-	(69,257)
Operation & Maintenance of Plant	55,325	-	-	32,490	(22,835)
Facilities Materials, Supplies & Other Services	33,535	-	-	-	(33,535)
Total Governmental Activities	$ 643,802	883	79,132	32,490	(531,297)
			General Revenues:		
			State Equalization Guarantee		$ 479,576
			Miscellaneous		1,787
			Total General Revenues		481,363
			Change in Net Position		(49,934)
			Net Position (Deficit), Beginning, as Previously Reported		(420,928)
			Restatement (Note 6)		88,500
			Net Position (Deficit), Beginning, as Restated		(332,428)
			Net Position (Deficit), Ending		$ (382,362)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Balance Sheets - Governmental Funds
June 30, 2017

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	$ 108,915	3,908	913	681
Accounts Receivable				
Due from Government	1,389	-	-	5,300
Due from Other Funds	8,411	-	-	-
Total Assets	$ 118,715	3,908	913	5,981
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 6,130	-	-	-
Accrued Expenditures	28,825	-	913	681
Due to Other Funds	-	-	-	5,300
Total Liabilities	$ 34,955	-	913	5,981
Fund Balances				
Fund Balance:				
Nonspendable				
Restricted for:				
Instruction	-	3,908	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	83,760	-	-	-
Total Fund Balance	83,760	3,908	-	-
Total Liabilities and Fund Balances	$ 118,715	3,908	913	5,981

The accompanying notes are an integral part of these financial statements

Title XIX Medicaid 25153	Golden Apple Foundation 26163	Literacy GO Bonds 27105	2012 GO Bond Student Library 27107	Reads to Lead 27114	Bond Building 31100
178	-	-	-	5,490	12,392
-	-	-	1,400	-	-
-	-	-	-	-	-
178	-	-	1,400	5,490	12,392
-	-	-	-	-	-
-	-	-	-	3,779	-
-	-	-	1,400	1,711	-
-	-	-	1,400	5,490	-
178	-	-	-	-	-
-	-	-	-	-	12,392
-	-	-	-	-	-
178	-	-	-	-	12,392
178	-	-	1,400	5,490	12,392

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Balance Sheets - Governmental Funds - (Continued)
June 30, 2017

	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
ASSETS			
Cash and Cash Equivalents	$ -	-	132,477
Accounts Receivable			
Due from Government	-	-	8,089
Due from Other Funds	-	-	8,411
Total Assets	$ -	-	148,977
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	$ -	-	6,130
Accrued Expenditures	-	-	34,198
Due to Other Funds	-	-	8,411
Total Liabilities	$ -	-	48,739
Fund Balances			
Fund Balance:			
Nonspendable			
Restricted for:			
Instruction	-	-	4,086
Capital Improvements	-	-	12,392
Assigned to:			
Subsequent Years Expenditures and Other Programs	-	-	83,760
Total Fund Balance	-	-	100,238
Total Liabilities and Fund Balances	$ -	-	148,977

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2017

Fund Balances - Total Governmental Funds		**$ 100,238**
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	193,694	
Accumulated Depreciation	(87,091)	
		106,603
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		228,960
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		(30,154)
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		(788,009)
Net Position (Deficit)-Total Governmental Activities		**$ (382,362)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2017

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Local & County Grant	$ 2,883	-	-	-
State Grant	479,576	2,332	-	-
Federal Grant	-	-	20,856	12,773
Charges for Services	883	-	-	-
Miscellaneous Income	1,764	-	-	-
Total Revenues	485,106	2,332	20,856	12,773
EXPENDITURES				
Current:				
Instruction	223,804	3,584	10,364	12,773
Support Services:				
Students	10,638	-	10,492	-
Instruction	799	-	-	-
General Administration	9,174	-	-	-
School Administration	119,784	-	-	-
Central Services	64,406	-	-	-
Operation & Maintenance of Plant	51,161	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	479,766	3,584	20,856	12,773
Net Changes in Fund Balances	5,340	(1,252)	-	-
Fund Balances (Deficit) - Beginning of Year	12,298	5,160	-	-
Restatement (Note 6)	66,122	-	-	-
Fund Balances - Beginning of Year, as restated	78,420	5,160	-	-
Fund Balances - End of Year	$ 83,760	3,908	-	-

The accompanying notes are an integral part of these financial statements

Title XIX Medicaid 25153	Golden Apple Foundation 26163	Literacy GO Bonds 27105	2012 GO Bond Student Library 27107	Reads to Lead 27114	Bond Building 31100
-	3,000	-	-	-	-
-	-	-	1,400	35,710	-
178	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	23
178	3,000	-	1,400	35,710	23
-	3,000	-	1,400	35,710	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	83,769
-	3,000	-	1,400	35,710	83,769
178	-	-	-	-	(83,746)
-	-	(108)	(4,367)	(8,169)	96,138
-	-	108	4,367	8,169	-
-	-	-	-	-	96,138
178	-	-	-	-	12,392

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Statement of Revenues, Expenditures, and Changes In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2017

	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
REVENUES			
Local & County Grant	$ -	-	5,883
State Grant	32,490	-	551,508
Federal Grant	-	-	33,807
Charges for Services	-	-	883
Miscellaneous Income	-	-	1,787
Total Revenues	32,490	-	593,868
EXPENDITURES			
Current:			
Instruction	-	-	290,635
Support Services:			
Students	-	-	21,130
Instruction	-	-	799
General Administration	-	-	9,174
School Administration	-	-	119,784
Central Services	-	-	64,406
Operation & Maintenance of Plant	-	-	51,161
Capital Outlay	32,490	-	116,259
Total Expenditures	32,490	-	673,348
Net Changes in Fund Balances	-	-	(79,480)
Fund Balances (Deficit) - Beginning of Year	(15,094)	(1,780)	84,078
Restatement	15,094	1,780	95,640
Fund Balances - Beginning of Year, as restated	-	-	179,718
Fund Balances - End of Year	$ -	-	100,238

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Net Change in Fund Balances-Total Governmental Funds		**$ (79,480)**
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period		
Capital Outlays	82,724	
Depreciation Expense	(4,960)	
		77,764
Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability		(48,218)
Change in Net Position-Total Governmental Activities		**$ (49,934)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2017

	Funds
ASSETS	
Cash in Bank	$ 68
Total Assets	$ 68
LIABILITIES	
Deposits Held for Others	$ 68
Total Liabilities	$ 68

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
ASSETS				
Cash in Bank	$ -	19,385	19,317	68
Total Assets	$ -	19,385	19,317	68
LIABILITIES				
Deposits Held for Others	$ -	19,385	19,317	68
Total Liabilities	$ -	19,385	19,317	68

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Buildings and Improvements	10-20 years
Equipment and Vehicles	5-15 years

Capital assets for Roots and Wings Community School are recorded in the Statement of Net Position.

***Pensions*.** For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2017 follows:

	Balance June 30, 2016 (as restated)	Additions	Deletions	Balance Balance June 30, 2017
Capital Assets not being Depreciated:				
Land	$ -	58,802	-	58,802
Construction in progress	-	23,922	-	23,922
Total	-	82,724	-	82,724
Capital Assets being Depreciated:				
Buildings and Improvements	54,292	-	-	54,292
Equipment and Vehicles	56,678	-	-	56,678
Total	110,970	-	-	110,970
Less: Accumulated Depreciation				
Buildings and Improvements	(31,284)	(2,862)	-	(34,146)
Equipment, Vehicles, and Software	(50,847)	(2,098)	-	(52,945)
Total	(82,131)	(4,960)	-	(87,091)
Capital Assets being Depreciated, Net:	28,839	(4,960)	-	23,879
Capital Assets, Net	$ 28,839	77,764	-	106,603

Depreciation expensed for the year ended June 30, 2017 was expensed to the following function:

Instruction	$	2,098
Operation & Maintenance of Plant		2,862
Total	$	4,960

NOTE 3. COMMITMENTS AND LIABILITIES

Roots and Wings Community School leases its facilities under a long-term cancelable operating lease. Rental expenses for the year ended June 30, 2017 was $47,110. Roots and Wings Community School's minimum future payments on this lease are as follows:

Year Ending June 30:		
2018	$	48,057
2019		48,739
Total	$	96,796

NOTE 4. RELATED PARTY TRANSACTIONS

Roots and Wings Community School leases its facilities, as described in Note 3 above, from the spouse of one of its teachers.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Roots and Wings Community School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Board fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. For the fiscal year ended June 30, 2017 and 2016 educational employers contributed to the Plan based on the following rate schedule.

Fiscal Year	Date Range	Wage Category	Member Rate	Employer Rate	Combined Rate	Increase over Prior Year
2017	7/1/16 to 6/30/17	Over $20K	10.70%	13.90%	24.60%	0.00%
2017	7/1/16 to 6/30/17	$20K or less	7.90%	13.90%	21.80%	0.00%
2016	7/1/15 to 6/30/16	Over $20K	10.70%	13.90%	24.60%	0.00%
2016	7/1/15 to 6/30/16	$20K or less	7.90%	13.90%	21.80%	0.00%

The contribution requirements are estimated in statue under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. For the fiscal years ended June 30, 2017 and 2016, Roots and Wings Community School paid employee and employer contributions of $45,776 and $43,327.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, Roots and Wings Community School reported a liability of $788,009 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2016.

Roots and Wings Community School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2016. The contribution amounts were defined by Section 22-22-21, NMSA 1978. At June 30, 2016, Roots and Wings Community School's proportion was 0.01095%, which was an increase of 0.00248% from its proportion measured as of June 30, 2015.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2017, Roots and Wings Community School recognized pension expense of $94,302. At June 30, 2017, Roots and Wings Community School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,419	$ (7,495)
Changes in assumptions	16,041	-
Net difference between projected and actual earnings on pension plan investments	47,038	-
Changes in proportion and differences between Roots and Wings Community School's contributions and proportionate share of contributions	116,686	(22,659)
Roots and Wings Community School's contributions subsequent to the measurement date	45,776	-
Total	$ 228,960	(30,154)

The amount of $45,776 reported as deferred outflows of resources related to pensions resulting from Roots and Wings Community School's contributions subsequent to the measurement date of June 30, 2016 will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	$ 36,092
2019	50,758
2020	54,709
2021	11,471
Total	$ 153,030

Sensitivity of Roots and Wings Community School's proportionate share of the net pension liability to changes in the discount rate. The following presents Roots and Wings Community School's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what Roots and Wings Community School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Roots and Wings Community School proportionate share of the net pension liability	$ 1,043,700	788,009	575,858

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued NMERB's financial reports. The reports can be found on NMERB's web site at www.nmerb.org/Annual_reports.html.

Payables to the pension plan. At June 30, 2017, Roots and Wings Community School owed $9,532 to ERB for fiscal year 2017 contributions.

NOTE 6. RESTATEMENT OF PREVIOUSLY REPORTED AMOUNTS

Roots and Wings Community School identified several errors related to receipts and disbursements during fiscal year 2017 that should have been reported as revenues and expenditures of fiscal year 2016. Roots and Wings Community School has restated its previously reported fund balance in the following funds to correct these errors:

Fund No.	Fund Description	Adjustment
11000	Operational	$ 66,122
27105	Literacy GO Bonds	108
27107	2012 GO Bond Student Library	4,367
27114	Reads to Lead	8,169
31200	Public School Capital Outlay	15,094
31700	SB-9 Capital Improvements	1,780
		$ 95,640

Additionally, Roots and Wings Community School identified a capital asset that was previously capitalized, but does not meet Roots and Wings Community School's capitalization threshold. In addition to the adjustments above to its individual funds, Roots and Wings Community School has restated its previously reported net position of governmental activities by $7,140, which represents the net book value of this asset at June 30, 2016.

NOTE 7. TRANSFER OF COMPONENT UNIT

During 2017 Roots and Wings Community School transferred into the Public Education Department. Prior to transferring into the Public Education Department Roots and Wings Community School was a component unit of the Questa Independent School District.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of the School's Proportionate Share of the Net Pension Liability
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

For Last 10 Fiscal Years*

(Dollars in Thousands)

		30-Jun		
Fiscal Year		**2017**	**2016**	**2015**
Measurement Date		**2016**	**2015**	**2014**
School's Proportion of the Net Pension Liability (Asset)		0.01095%	0.00847%	0.00882%
School's Proportionate Share of Net Pension Liability (Asset)	$	788	549	503
School's Covered-Employee Payroll	$	341	231	243
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll		231.29%	237.23%	207.09%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		61.58%	63.97%	66.54%

**Governmental Accounting Standards Board Statement No.* 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for Roots and Wings Charter School is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of School Contributions
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

Last Ten Fiscal Years*

(Dollars in Thousands)

	2015	2016	2017
Contractually Required Contribution	$ 34	43	43
Contributions in Relation to the Contractually Required Contribution	34	43	43
Annual contribution deficiency (excess)	$ -	-	-

**Governmental Accounting Standards Board Statement No.* 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for Roots and Wings Charter School is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	2,387	2,883	496
State Grant	486,884	479,576	480,343	767
Charges for Services	-	673	883	210
Miscellaneous Income	-	503	997	494
Total Revenues	486,884	483,139	485,106	1,967
EXPENDITURES				
Current:				
Instruction	256,059	240,067	227,798	12,269
Support Services:				
Students	9,500	9,500	8,584	916
Instruction	1,000	1,000	716	284
General Administration	8,500	9,424	8,492	932
School Administration	129,871	125,484	116,509	8,975
Central Services	76,184	57,102	54,763	2,339
Operation & Maintenance of Plant	55,770	57,493	51,161	6,332
Total Expenditures	536,884	500,070	468,023	32,047
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(50,000)	(16,931)	17,083	34,014
Other Financing Sources (Uses):				
Designated Cash	16,931	16,931	-	(16,931)
Total Other Financing Sources (Uses):	16,931	16,931	-	(16,931)
Net Changes in Fund Balances	(33,069)	-	17,083	17,083
Cash or Fund Balances - Beginning of Year, as restated	-	-	78,420	78,420
Cash or Fund Balances - End of Year	$ (33,069)	-	95,503	95,503
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 17,083	
Adjustments to Revenues			-	
Adjustments to Expenditures			(11,743)	
NET CHANGE IN FUND BALANCE			$ 5,340	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 2,873	2,331	2,332	1
Total Revenues	2,873	2,331	2,332	1
EXPENDITURES				
Current:				
Instruction	4,677	9,295	3,584	5,711
Total Expenditures	4,677	9,295	3,584	5,711
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(1,804)	(6,964)	(1,252)	5,712
Other Financing Sources (Uses):				
Designated Cash	5,160	5,160	-	(5,160)
Total Other Financing Sources (Uses):	5,160	5,160	-	(5,160)
Net Changes in Fund Balances	3,356	(1,804)	(1,252)	552
Cash or Fund Balances - Beginning of Year	-	-	5,160	5,160
Cash or Fund Balances - End of Year	$ 3,356	(1,804)	3,908	5,712
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (1,252)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (1,252)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 33,232	20,856	20,856	-
Total Revenues	33,232	20,856	20,856	-
EXPENDITURES				
Current:				
Instruction	16,232	10,364	10,364	-
Support Services:				
Students	17,000	10,492	10,492	-
Total Expenditures	33,232	20,856	20,856	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 10,429	12,773	23,244	10,471
Total Revenues	10,429	12,773	23,244	10,471
EXPENDITURES				
Current:				
Instruction	10,429	12,773	12,773	-
Total Expenditures	10,429	12,773	12,773	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	10,471	10,471
Net Changes in Fund Balances	-	-	10,471	10,471
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	10,471	10,471
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 10,471	
Adjustments to Revenues			(10,471)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25153
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ -	-	178	178
Total Revenues	-	-	178	178
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	178	178
Net Changes in Fund Balances	-	-	178	178
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	178	178
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 178	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 178	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Golden Apple Foundation 26163
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	3,000	3,000	-
Total Revenues	-	3,000	3,000	-
EXPENDITURES				
Current:				
Support Services:				
Instruction	-	3,000	3,000	-
Total Expenditures	-	3,000	3,000	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of Budgetary Comparisons - Budgetary Basis
2012 GO Bond Student Library 27107
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	1,400	-	(1,400)
Total Revenues	-	1,400	-	(1,400)
EXPENDITURES				
Current:				
Instruction	-	1,400	1,400	-
Total Expenditures	-	1,400	1,400	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(1,400)	(1,400)
Net Changes in Fund Balances	-	-	(1,400)	(1,400)
Cash or Fund Balances - Beginning of Year, as restated	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	(1,400)	(1,400)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (1,400)	
Adjustments to Revenues			1,400	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Reads to Lead 27114
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 22,000	35,710	35,710	-
Total Revenues	22,000	35,710	35,710	-
EXPENDITURES				
Current:				
Instruction	22,000	35,710	35,710	-
Total Expenditures	22,000	35,710	35,710	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year, as restated	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Bond Building 31100
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Miscellaneous Income	$ -	-	23	23
Total Revenues	-	-	23	23
EXPENDITURES				
Capital Outlay	96,456	96,456	83,769	12,687
Total Expenditures	96,456	96,456	83,769	12,687
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(96,456)	(96,456)	(83,746)	12,710
Other financing sources (uses):				
Designated Cash	96,138	96,138	-	(96,138)
Total other financing sources (uses):	96,138	96,138	-	(96,138)
Net Changes in Fund Balances	(318)	(318)	(83,746)	(83,428)
Cash or Fund Balances - Beginning of Year	-	-	96,138	96,138
Cash or Fund Balances - End of Year	$ (318)	(318)	12,392	12,710
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (83,746)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (83,746)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	32,490	32,490	-
Total Revenues	-	32,490	32,490	-
EXPENDITURES				
Capital Outlay	-	32,490	32,490	-
Total Expenditures	-	32,490	32,490	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year, as restated	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2017

Name of Depository	Security Type	CUSIP/ Security Number	Maturity Date	Fair Value June 30, 2017
N / A	N / A	N / A	N / A	$ -
				-
				-
				$ -

Total Cash per Schedule of Cash Accounts:	$ 134,982
Less: FDIC coverage:	(134,982)
Uninsured Public Funds:	-
Collateral Requirement:	-
Pledged Collateral Held by Pledging Financial Institution:	-
Balance Over Collateralized:	**$ -**
Balance Uninsured and Uncollateralized at June 30, 2017:	**$ -**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Schedule of Cash Accounts
June 30, 2017

Bank Account Type	Peoples Bank
Checking - Operational Account	$ 134,982
Total on Deposit	134,982
Reconciling Items	(2,437)
Reconciled Balance June 30, 2017	132,545
Less Agency Funds	(68)
Total Cash	$ 132,477

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Roots and Wings Community School
Cash Reconciliation
June 30, 2017

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2016	$ 6,956	5,160	-	-
Add:				
2016-17 revenues	485,106	2,332	19,385	44,100
Total Cash Available	492,062	7,492	19,385	44,100
Less:				
2016-17 expenditures	(468,023)	(3,584)	(19,317)	(33,629)
Receivables/Payables	28,825	-	-	1,594
Outstanding Loans	(8,411)	-	-	5,300
Cash June 30, 2017	44,453	3,908	68	17,365
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	64,462	-	-	(15,771)
Cash Per Books	108,915	3,908	68	1,594
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(25,155)	-	(68)	(1,594)
Fund Balance, Modified Accrual Basis	$ 83,760	3,908	-	-

The accompanying notes are an integral part of these financial statements.

Federal Direct Account 25000	Local Account 26000	State Acccount 27000	Bond Building 31100	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	96,138	-	-	108,254
178	3,000	35,710	23	32,490	-	622,324
178	3,000	35,710	96,161	32,490	-	730,578
-	(3,000)	(37,110)	(83,769)	(32,490)	-	(680,922)
-	-	3,779	-	-	-	34,198
-	-	3,111	-	-	-	-
178	-	5,490	12,392	-	-	83,854
-	-	-	-	-	-	48,691
178	-	5,490	12,392	-	-	$ 132,545
					Less: Agency Fund:	(68)
						$ 132,477
-	-	(5,490)	-	-	-	(32,307)
178	-	-	12,392	-	-	$ 100,238

SAGE MONTESSORI CHARTER SCHOOL

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Statement of Net Position
June 30, 2017

ASSETS AND DEFERRED OUTFLOWS		
Current Assets:		
Cash and Cash Equivalents	$	85,112
Receivables		
Due from Other Governments		12,853
Total Current Assets		97,965
Noncurrent Assets:		
Capital Assets		
Furniture, Fixtures, and Equipment		23,261
Less: Accumulated Depreciation		(23,261)
Total Noncurrent Assets		-
Total Assets		97,965
Deferred Outflows - Pension Related		256,932
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable		632
Accrued Liabilities		44,088
Total Current Liabilities		44,720
Noncurrent Liabilities:		
Net Pension Liability		1,591,131
Total Noncurrent Liabilities		1,591,131
Total Liabilities		1,635,851
Deferred Inflows - Pension Related		16,560
NET POSITION (DEFICIT)		
Restricted		58,068
Unrestricted (Deficit)		(1,355,582)
Total Net Position (Deficit)	$	(1,297,514)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Statement of Activities
For The Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Service	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental activities:					
Instruction	$ 680,343	-	106,049	-	(574,294)
Support Services:					
Students	74,671	-	-	-	(74,671)
Instruction	24,690	-	-	-	(24,690)
General Administration	92,896	-	-	-	(92,896)
School Administration	163,436	-	-	-	(163,436)
Central Services	118,291	-	-	-	(118,291)
Operation & Maintenance of Plant	231,442	-	-	-	(231,442)
Facilities Materials, Supplies & Other Services	196,092	-	-	132,489	(63,603)
Total Governmental Activities	$ 1,581,861	-	106,049	132,489	(1,343,323)
		General Revenues:			
		Property Taxes			$ 106,166
		State Equalization Guarantee			1,148,330
		Miscellaneous			18,195
		Total General Revenues			1,272,691
		Change in Net Position			(70,632)
		Net Position (Deficit), Beginning			(1,226,882)
		Net Position (Deficit), Ending			$ (1,297,514)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Balance Sheets - Governmental Funds
June 30, 2017

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	$ 26,917	15,505	-	127
Accounts Receivable				
Due from Other Governments	493	-	11,073	1,287
Due from Other Funds	7,751	-	-	-
Total Assets	$ 35,161	15,505	11,073	1,414
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 632	-	-	-
Accrued Expenditures	39,352	-	3,322	1,414
Due to Other Funds	-	-	7,751	-
Total Liabilities	39,984	-	11,073	1,414
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	15,505	-	-
Capital Outlay	-	-	-	-
Unassigned (Deficit)	(4,823)	-	-	-
Total Fund Balance	(4,823)	15,505	-	-
Total Liabilities and Fund Balances	$ 35,161	15,505	11,073	1,414

The accompanying notes are an integral part of these financial statements

Literacy for Children 27107	Public School Capital Outlay 31200	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Total
-	-	42,563	-	85,112
-	-	-	-	12,853
-	-	-	-	7,751
-	-	42,563	-	105,716
-	-	-	-	632
-	-	-	-	44,088
-	-	-	-	7,751
-	-	-	-	52,471
-	-	-	-	15,505
-	-	42,563	-	42,563
-	-	-	-	(4,823)
-	-	42,563	-	53,245
-	-	42,563	-	105,716

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2017

Fund Balance - Total Governmental Funds		**$ 53,245**
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital Assets	23,261	
Accumulated Depreciation	(23,261)	
		-
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		256,932
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(16,560)
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		(1,591,131)
Net Position (Deficit)-Total Governmental Activities		**$ (1,297,514)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2017

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	$ -	-	-	-
State Grant	1,148,330	6,855	-	-
Contributions and Donations	7,453	-	-	-
Federal Grant	-	-	55,505	32,581
Miscellaneous Income	18,195	-	-	-
Total Revenues	1,173,978	6,855	55,505	32,581
EXPENDITURES				
Current:				
Instruction	518,470	2,616	55,505	29,467
Support Services:				
Students	71,557	-	-	3,114
Instruction	21,035	-	-	-
General Administration	92,896	-	-	-
School Administration	144,865	-	-	-
Central Services	118,291	-	-	-
Operation & Maintenance of Plant	224,738	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	1,191,852	2,616	55,505	32,581
Net Changes in Fund Balances	(17,874)	4,239	-	-
Fund Balances - Beginning of Year	13,051	11,266	-	-
Fund Balances - End of Year	$ (4,823)	15,505	-	-

The accompanying notes are an integral part of these financial statements

Literacy for Children 27107	Public School Capital Outlay 31200	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Total
-	-	106,166	-	106,166
3,655	127,739	-	4,750	1,291,329
-	-	-	-	7,453
-	-	-	-	88,086
-	-	-	-	18,195
3,655	127,739	106,166	4,750	1,511,229
-	-	-	-	606,058
-	-	-	-	74,671
3,655	-	-	-	24,690
-	-	-	-	92,896
-	-	-	-	144,865
-	-	-	-	118,291
-	-	-	-	224,738
-	127,739	63,603	4,750	196,092
3,655	127,739	63,603	4,750	1,482,301
-	-	42,563	-	28,928
-	-	-	-	24,317
-	-	42,563	-	53,245

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Net Change in Fund Balances-Total Governmental Funds	**$ 28,928**
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period	
Depreciation Expense	(6,704)
Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability	(92,856)
Change in Net Position-Total Governmental Activities	**$ (70,632)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2017

	Agency Funds
ASSETS	
Cash in Bank	$ -
Total Assets	$ -
LIABILITIES	
Deposits Held for Others	$ -
Total Liabilities	$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
ASSETS				
Cash in Bank	$ 25,977	-	(25,977)	-
Total Assets	$ 25,977	-	(25,977)	-
LIABILITIES				
Deposits Held for Others	$ 25,977	-	(25,977)	-
Total Liabilities	$ 25,977	-	(25,977)	-

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years

Capital assets for Sage Montessori Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2017 follows:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Capital Assets being Depreciated:				
Furniture, Fixtures and Equipment	$ 23,261	-	-	23,261
Total	23,261	-	-	23,261
Less: Accumulated Depreciation				
Furniture, fixtures and equipment	(16,557)	(6,704)	-	(23,261)
Total	(16,557)	(6,704)	-	(23,261)
Capital Assets, Net	$ 6,704	(6,704)	-	-

Depreciation expense for the year ended June 30, 2017 was expensed to the following function:

Operations and Maintenance of Plant	$ 6,704
Total	$ 6,704

NOTE 3. COMMITMENTS AND LIABILITIES

Sage Montessori Charter School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2017 was $275,000. The School terminated their lease as of June 30, 2017 upon closure of the School.

In December 2014, the School ceased making payments on one of its building leases and subsequently vacated the property. The lease spanned from August 1, 2012 through June 30, 2017, and provided for annual rents of $233,036 in fiscal year 2015, $239,984 in fiscal year 2016, and $246,932 in fiscal year 2017. On November 16, 2016, a lawsuit was filed by POC Properties, LLC against Sage for breaching the lease. Sage has asserted defenses to liability because the property was not suitable for Sage's uses and POC may have breached its obligations under the lease. If the School is liable, the damages awarded likely would be rent the School owed under the lease from November 1, 2014 through the date of any judgment or the end of the lease, whichever is earlier, plus late charges and maintenance charges. The estimated liability would be approximately $650,000 excluding the maintenance charges as they cannot be estimated. On June 8, 2017, the School's attorney informed the POC Properties counsel that the School closed down and does not have funding and there are no longer contacts at the School. In response, counsel for POC requested a consent to judgment but the School's attorney could not take action without the School's instruction. There has been no correspondence since June 2017. The School has not recorded a liability related to this issue.

CenturyLink provided fiber optic internet service to the School while at the School's previous location under a multi-year contract. When the School relocated, CenturyLink informed the School that CenturyLink could not provide service to that new location and the School did not receive service from January of 2015 through May of 2016. The School stopped paying pursuant to the contract beginning in November of 2015. CenturyLink took the position that as of May 2016, the School owed $7,443 pursuant to the contract plus an additional $21,632 early termination charge. On May 16, 2016, the School sent a letter to CenturyLink disputing those charges. CenturyLink has not responded. The School has not recorded a liability related to this issue.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Sage Montessori Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. For the fiscal year ended June 30, 2017 and 2016 educational employers contributed to the Plan based on the following rate schedule.

Fiscal Year	Date Range	Wage Category	Member Rate	Employer Rate	Combined Rate	Increase over Prior Year
2017	7/1/16 to 6/30/17	Over $20K	10.70%	13.90%	24.60%	0.00%
2017	7/1/16 to 6/30/17	$20K or less	7.90%	13.90%	21.80%	0.00%
2016	7/1/15 to 6/30/16	Over $20K	10.70%	13.90%	24.60%	0.00%
2016	7/1/15 to 6/30/16	$20K or less	7.90%	13.90%	21.80%	0.00%

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The contribution requirements are estimated in statue under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. For the fiscal years ended June 30, 2017 and 2016, Sage Montessori Charter School paid employee and employer contributions of $72,695 and $87,759.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, Sage Montessori Charter School reported a liability of $1,591,131 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2016.

Sage Montessori Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2016. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2016, Sage Montessori Charter School's proportion was 0.02211%, which was an increase of 0.0003% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, Sage Montessori Charter School recognized pension expense of $166,056. At June 30, 2017, Sage Montessori Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 6,903	(15,134)
Changes in assumptions	32,389	-
Net difference between projected and actual earnings on pension plan investments	94,978	-
Changes in proportion and differences between Sage Montessori Charter School's contributions and proportionate share of contributions	49,967	(1,426)
Sage Montessori Charter School's contributions subsequent to the measurement date	72,695	-
Total	$ 256,932	(16,560)

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The amount of $72,695 reported as deferred outflows of resources related to pensions resulting from Sage Montessori Charter School contributions subsequent to the measurement date June 30, 2016 will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	$ 45,452
2019	50,169
2020	48,895
2021	23,161
Total	$ 167,677

Sensitivity of Sage Montessori Charter School's proportionate share of the net pension liability to changes in the discount rate. The following presents the Sage Montessori Charter School proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the Sage Montessori Charter School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School's proportionate share of the net pension liability	$ 2,107,417	1,591,131	1,162,761

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued NMERB's financial reports. The reports can be found on NMERB's web site at www.nmerb.org/Annual_reports.html.

Payables to the pension plan. At June 30, 2017, Sage Montessori Charter School owed $18,302 to ERB for fiscal year 2017 contributions.

NOTE 5. BUDGETARY OVERAGES

Sage Montessori Charter School has expended in excess of the budget in the following fund and function:

Fund 24106 – IDEA B Fund	
Support Services	$533

NOTE 6. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2017:

Operational – 11000	$4,823

NOTE 7. SCHOOL CLOSURE

The school year ending June 30, 2017 is the final year of operation of Sage Montessori Charter School. Subsequent to year end the New Mexico Public Education Department (PED) is in the process of closing out the School's governmental funds.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of the School's Proportionate Share of the Net Pension Liability
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

For Last 10 Fiscal Years*

(Dollars in Thousands)

		30-Jun		
Fiscal Year		**2017**	**2016**	**2015**
Measurement Date		**2016**	**2015**	**2014**
School's Proportion of the Net Pension Liability (Asset)		0.02211%	0.02181%	0.02065%
School's Proportionate Share of Net Pension Liability (Asset)	$	1,591	1,413	1,178
School's Covered-Employee Payroll	$	606	595	569
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll		262.59%	237.23%	206.96%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		61.58%	63.97%	66.54%

**Governmental Accounting Standards Board Statement No.* 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for Sage Montessori Charter School is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of School Contributions
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

Last Ten Fiscal Years*

(Dollars in Thousands)

	2015	2016	2017
Contractually Required Contribution	$ 87	88	73
Contributions in Relation to the Contractually Required Contribution	87	88	73
Annual contribution deficiency (excess)	$ -	-	-

**Governmental Accounting Standards Board Statement No.* 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for Sage Montessori Charter School is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Contributions and Donations	$ -	7,453	7,453	-
State Grant	1,459,036	1,148,330	1,148,330	-
Miscellaneous Income	-	18,335	18,195	(140)
Total Revenues	1,459,036	1,174,118	1,173,978	(140)
EXPENDITURES				
Current:				
Instruction	764,323	551,612	550,433	1,179
Support Services:				
Students	142,720	81,788	80,726	1,062
Instruction	27,000	22,221	22,354	(133)
General Administration	47,000	107,888	106,493	1,395
School Administration	145,449	145,921	145,597	324
Central Services	105,694	122,764	123,243	(479)
Operation & Maintenance of Plant	266,850	216,837	214,239	2,598
Total Expenditures	1,499,036	1,249,031	1,243,085	5,946
Excess (Deficiency) of Revenues Over (Under) Expenditures	(40,000)	(74,913)	(69,107)	5,806
Other Financing Sources (Uses):				
Designated Cash	40,000	74,913	-	(74,913)
Total Other Financing Sources (Uses):	40,000	74,913	-	(74,913)
Net Changes in Fund Balances	-	-	(69,107)	(69,107)
Cash or Fund Balances - Beginning of Year	-	-	13,051	13,051
Cash or Fund Balances - End of Year	$ -	-	(56,056)	(56,056)
Reconciliation to GAAP Basis:				
Net change in fund balance			$ (69,107)	
Adjustments to Revenues			-	
Adjustments to Expenditures			51,233	
NET CHANGE IN FUND BALANCE			$ (17,874)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 6,920	4,522	6,855	2,333
Total Revenues	6,920	4,522	6,855	2,333
EXPENDITURES				
Current:				
Instruction	13,081	23,855	10,683	13,172
Total Expenditures	13,081	23,855	10,683	13,172
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(6,161)	(19,333)	(3,828)	15,505
Other Financing Sources (Uses):				
Designated Cash	6,161	19,333	-	(19,333)
Total Other Financing Sources (Uses):	6,161	19,333	-	(19,333)
Net Changes in Fund Balances	-	-	(3,828)	(3,828)
Cash or Fund Balances - Beginning of Year	-	-	11,266	11,266
Cash or Fund Balances - End of Year	$ -	-	7,438	7,438
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (3,828)	
Adjustments to Revenues			-	
Adjustments to Expenditures			8,067	
NET CHANGE IN FUND BALANCE			$ 4,239	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 25,972	55,505	44,431	(11,074)
Total Revenues	25,972	55,505	44,431	(11,074)
EXPENDITURES				
Current:				
Instruction	25,972	55,505	55,505	-
Total Expenditures	25,972	55,505	55,505	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(11,074)	(11,074)
Net Changes in Fund Balances	-	-	(11,074)	(11,074)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	(11,074)	(11,074)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (11,074)	
Adjustments to Revenues			11,074	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 33,114	32,581	31,294	(1,287)
Total Revenues	33,114	32,581	31,294	(1,287)
EXPENDITURES				
Current:				
Instruction	30,000	30,000	29,467	533
Support Services:				
Students	3,114	2,581	3,114	(533)
Total Expenditures	33,114	32,581	32,581	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(1,287)	(1,287)
Net Changes in Fund Balances	-	-	(1,287)	(1,287)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	(1,287)	(1,287)
Reconciliation to GAAP Basis:				
Net change in fund balance			$ (1,287)	
Adjustments to Revenues			1,287	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children 27107
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 3,655	3,655	3,655	-
Total Revenues	3,655	3,655	3,655	-
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,655	3,655	3,655	-
Total Expenditures	3,655	3,655	3,655	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Net change in fund balance			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	127,739	127,739	-
Total Revenues	-	127,739	127,739	-
EXPENDITURES				
Capital Outlay	-	127,739	127,739	-
Total Expenditures	-	127,739	127,739	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements HB-33 31600
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Property Taxes	$ 109,702	109,702	106,166	(3,536)
Total Revenues	109,702	109,702	106,166	(3,536)
EXPENDITURES				
Capital Outlay	109,702	109,702	63,603	46,099
Total Expenditures	109,702	109,702	63,603	46,099
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	42,563	42,563
Net Changes in Fund Balances	-	-	42,563	42,563
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	42,563	42,563
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			$ 42,563	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 42,563	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements SB-9 31700
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 13,261	16,914	4,750	(12,164)
Total Revenues	13,261	16,914	4,750	(12,164)
EXPENDITURES				
Capital Outlay	13,261	16,914	4,750	12,164
Total Expenditures	13,261	16,914	4,750	12,164
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2017

Name of Depository	Security Type	CUSIP/ Security Number	Maturity Date	Fair Value June 30, 2017
N/A	N/A	N/A	N/A	$ -
				$ -

Total Cash per Schedule of Cash Accounts:	$ 111,184
Less: FDIC coverage:	(111,184)
Uninsured Public Funds:	-
Collateral Requirement:	-
Pledged Collateral Held by Pledging Financial Institution:	-
Balance Over Collateralized:	**$ -**
Balance Uninsured and Uncollateralized at June 30, 2017:	**$ -**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Cash Accounts
June 30, 2017

Bank Account Type	Wells Fargo
Checking - Operational Account	$ 111,184
Total on Deposit	111,184
Reconciling Items	(26,072)
Reconciled Balance June 30, 2017	85,112
Less Agency Funds	-
Total Cash	$ 85,112

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Cash Reconciliation
June 30, 2017

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2016	$ 63,510	19,333	25,977	-
Add:				
2016-17 revenues	1,173,978	6,855	-	75,725
Total Cash Available	1,237,488	26,188	25,977	75,725
Less:				
2016-17 expenditures	(1,243,085)	(10,683)	(25,977)	(88,085)
Receivables/Payables	39,352	-	-	4,736
Outstanding Loans	(7,751)	-	-	7,751
Cash June 30, 2017	26,004	15,505	-	127
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	913	-	-	-
Cash Per Books	26,917	15,505	-	127
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(31,740)	-	-	(127)
Fund Balance, Modified Accrual Basis	$ (4,823)	15,505	-	-

The accompanying notes are an integral part of these financial statements

State Acccount 27000	Public School Capital Outlay 31200	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Total
-	-	-	-	108,820
3,655	127,739	106,166	4,750	1,498,868
3,655	127,739	106,166	4,750	1,607,688
(3,655)	(127,739)	(63,603)	(4,750)	(1,567,577)
-	-	-	-	44,088
-	-	-	-	-
-	-	42,563	-	84,199
-	-	-	-	913
-	-	42,563	-	85,112
			Less - Agency Fund:	-
				$ 85,112
-	-	-	-	(31,867)
-	-	42,563	-	$ 53,245

SANDOVAL ACADEMY FOR BILINGUAL EDUCATION

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Statement of Net Position
June 30, 2017

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets:		
Cash and Cash Equivalents	$	28,410
Receivables		
Due from Other Governments		2,966
Total Current Assets		31,376
Deferred Outflows - Pension Related		614,046
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
Current Liabilities:		
Accounts Payable		913
Accrued Expenditures		68,366
Due to Other Governments		40,000
Total Current Liabilities		109,279
Noncurrent Liabilities:		
Net Pension Liability		752,747
Total Noncurrent Liabilities		752,747
Total Liabilities		862,026
Deferred Inflows - Pension Related		7,160
NET POSITION (DEFICIT)		
Restricted		12,881
Unrestricted (Deficit)		(236,645)
Total Net Position (Deficit)	$	(223,764)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Statement of Activities
For The Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental Activities:					
Instruction	$ 581,911	667	7,968	-	(573,276)
Support Services:					
Students	38,656	-	-	-	(38,656)
Instruction	1,550	-	-	-	(1,550)
General Administration	13,720	-	-	-	(13,720)
School Administration	184,698	-	-	-	(184,698)
Central Services	49,064	-	-	-	(49,064)
Operation & Maintenance of Plant	177,110	-	-		(177,110)
Total Governmental Activities	$ 1,046,709	667	7,968	-	(1,038,074)
			General Revenues:		
			State Equalization Guarantee		$ 876,630
			Miscellaneous		300
			Total General Revenues		876,930
			Change in Net Position		(161,144)
		Net Position (Deficit), Beginning, as Previously Reported			(104,154)
		Restatement (Note 5)			41,534
		Net Position (Deficit), Beginning, as Restated			(62,620)
		Net Position (Deficit), Ending			$ (223,764)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Balance Sheets - Governmental Funds
June 30, 2017

	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	Public School Capital Outlay 31200	Total
ASSETS					
Cash and Cash Equivalents	$ 15,529	6,297	-	6,584	28,410
Accounts Receivable					
Due from Other Governments	-	-	2,966	-	2,966
Due from Other Funds	2,966	-	-	-	2,966
Total Assets	$ 18,495	6,297	2,966	6,584	34,342
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$ 913	-	-	-	913
Accrued Expenditures	68,366	-	-	-	68,366
Due to Other Governments	40,000	-	-	-	40,000
Due to Other Funds	-	-	2,966	-	2,966
Total Liabilities	109,279	-	2,966	-	112,245
Fund Balances					
Fund Balance:					
Restricted for:					
Instruction	-	6,297	-	-	6,297
Capital Improvements	-	-	-	6,584	6,584
Unassigned (Deficit)	(90,784)	-	-	-	(90,784)
Total Fund Balance (Deficit)	(90,784)	6,297	-	6,584	(77,903)
Total Liabilities and Fund Balance	$ 18,495	6,297	2,966	6,584	34,342

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2017

Fund Balance (Deficit) - Total Governmental Funds	**$ (77,903)**
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds	614,046
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	(7,160)
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.	(752,747)
Net Position (Deficit) - Total Governmental Activities	**$ (223,764)**

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2017

	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	Public School Capital Outlay 31200	Total
REVENUES					
State Grant	$ 876,630	1,289	-	58,900	936,819
Federal Grant	-	-	6,679	-	6,679
Charges for Services	667	-	-	-	667
Miscellaneous Income	300	-	-	-	300
Total Revenues	877,597	1,289	6,679	58,900	944,465
EXPENDITURES					
Current:					
Instruction	444,569	-	-	-	444,569
Support Services:					
Students	25,703	-	6,679	-	32,382
Instruction	1,550		-	-	1,550
General Administration	13,720	-	-	-	13,720
School Administration	142,220	-	-	-	142,220
Central Services	49,064	-	-	-	49,064
Operation & Maintenance of Plant	175,809	-	-	-	175,809
Capital Outlay	-	-	-	58,900	58,900
Total Expenditures	852,635	-	6,679	58,900	918,214
Net Changes in Fund Balance	24,962	1,289	-	-	26,251
Fund Balance (Deficit) - Beginning of Year	(115,746)	5,008	-	6,584	(104,154)
Fund Balance (Deficit) - End of Year	$ (90,784)	6,297	-	6,584	(77,903)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Net Change in Fund Balance-Total Governmental Funds	**$ 26,251**
Changes in long-term liabilities	
Change in the net pension liability	(187,395)
Change in Net Position-Total Governmental Activities	**$ (161,144)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2017

	Agency Funds
ASSETS	
Cash in Bank	$ 4,966
Total Assets	$ 4,966
LIABILITIES	
Deposits Held for Others	$ 4,966
Total Liabilities	$ 4,966

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
ASSETS				
Cash in Bank	$ 1,464	12,426	(8,924)	4,966
Total Assets	$ 1,464	12,426	(8,924)	4,966
LIABILITIES				
Deposits Held for Others	$ 1,464	12,426	(8,924)	4,966
Total Liabilities	$ 1,464	12,426	(8,924)	4,966

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

For the fiscal year ended June 30, 2017, Sandoval Academy of Bilingual Education did not have any capital assets.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. COMMITMENTS AND LIABILITIES

The Sandoval Academy of Bilingual Education leased equipment and facilities under long-term non-cancelable operating leases. Rental expense for the year ended June 30, 2017 was $135,397. The Sandoval Academy of Bilingual Education's minimum future payments on this lease are as follows:

Year Ending June 30:		
2018	$	180,000
2019		197,500
2020		212,500
Total	$	590,000

NOTE 3. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Sandoval Academy of Bilingual Education and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. For the fiscal year ended June 30, 2017 educational employers contributed to the Plan based on the following rate schedule.

Fiscal Year	Date Range	Wage Category	Member Rate	Employer Rate	Combined Rate	Increase over Prior Year
2017	7/1/16 to 6/30/17	Over $20K	10.70%	13.90%	24.60%	0.00%
2017	7/1/16 to 6/30/17	$20K or less	7.90%	13.90%	21.80%	0.00%
2016	7/1/15 to 6/30/16	Over $20K	10.70%	13.90%	24.60%	0.00%
2016	7/1/15 to 6/30/16	$20K or less	7.90%	13.90%	21.80%	0.00%

The contribution requirements are estimated in statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. For the fiscal years ended June 30, 2017 and 2016, Sandoval Academy for Bilingual Education School paid employee and employer contributions of $58,368. Sandoval Academy for Bilingual Education School did not have employee and employer contributions for the fiscal year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, Sandoval Academy for Bilingual Education School reported a liability of $752,747 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2016.

Sandoval Academy for Bilingual Education School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2016. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2016, Sandoval Academy of Bilingual Education's proportion was 0.01046%, which was an increase of 0.01046% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, Sandoval Academy for Bilingual Education School recognized pension expense of $245,754. As of June 30, 2017, Sandoval Academy for Bilingual Education School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 3. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,266	(7,160)
Changes in assumptions	15,323	-
Net difference between projected and actual earnings on pension plan investments	44,933	-
Changes in proportion and differences between the Sandoval Academy of Bilingual Education's contributions and proportionate share of contributions	492,156	-
Sandoval Academy of Bilingual Education's contributions subsequent to the measurement date	58,368	-
Total	$ 614,046	(7,160)

The amount of $58,368 reported as deferred outflows of resources related to pensions resulting from Sandoval Academy of Bilingual Education contributions subsequent to the measurement date of June 30, 2016 will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	$ 188,607
2019	190,870
2020	158,084
2021	10,957
Total	$ 548,518

Sensitivity of Sandoval Academy of Bilingual Education's proportionate share of the net pension liability to changes in the discount rate. The following presents the Sandoval Academy of Bilingual Education proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the Sandoval Academy of Bilingual Education School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

NOTE 3. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Sandoval Academy of Bilingual Education proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2016. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Sandoval Academy of Bilingual Education proportionate share of the net pension liability	$ 996,996	752,747	550,089

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued NMERB's financial reports. The reports can be found on NMERB's web site at www.nmerb.org/Annual_reports.html.

Payables to the pension plan. At June 30, 2017, Sandoval Academy of Bilingual Education owed $16,652 to ERB for fiscal year 2017 contributions.

NOTE 4. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2017:

Operational	$ 90,784

Sandoval Academy for Bilingual Education is addressing the deficit fund balance and is planning on taking the appropriate action to eliminate the deficit balance.

NOTE 5. RESTATEMENT

As a result of implementation of GASB No. 68, *Accounting and Financial Reporting for Pensions,* as amended by GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, net position at June 30, 2016 was restated in the amount of $41,534.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy of Bilingual Education
Schedule of the School's Proportionate Share of the Net Pension Liability
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

For Last 10 Fiscal Years*

(Dollars in Thousands)

		30-Jun		
Fiscal Year		**2017**	**2016**	**2015**
Measurement Date		**2016**	**2015**	**2014**
Sandoval Academy of Bilingual Education School's Proportion of the Net Pension Liability (Asset)		0.01046%	0.0000%	0.0000%
Sandoval Academy of Bilingual Education School's Proportionate Share of Net Pension Liability (Asset)	$	753	-	-
Sandoval Academy of Bilingual Education School's Covered-Employee Payroll	$	287	-	-
Sandoval Academy of Bilingual Education School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll		262.59%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		61.58%	63.97%	66.54%

**Governmental Accounting Standards Board Statement No.* 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for Sandoval Academy of Bilingual Education is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy of Bilingual Education
Schedule of School Contributions
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

Last Ten Fiscal Years*

(Dollars in Thousands)

	2015	2016	2017
Contractually Required Contribution	$ -	63	58
Contributions in Relation to the Contractually Required Contribution	-	63	58
Annual contribution deficiency (excess)	$ -	-	-

**Governmental Accounting Standards Board Statement No.* 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for Sandoval Academy of Bilingual Education is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ 981,968	876,586	876,586	-
Charges for Services	-	941	1,011	70
Total Revenues	981,968	877,527	877,597	70
EXPENDITURES				
Current:				
Instruction	500,906	448,242	430,627	17,615
Support Services:				
Students	5,382	28,688	26,707	1,981
Instruction	7,055	5,055	4,980	75
General Administration	14,000	13,878	13,720	158
School Administration	151,821	142,343	142,370	(27)
Central Services	74,619	63,308	49,064	14,244
Operation & Maintenance of Plant	228,185	176,013	173,926	2,087
Total Expenditures	981,968	877,527	841,394	36,133
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	36,203	36,203
Net Changes in Fund Balances	-	-	36,203	36,203
Cash or Fund Balances - Beginning of Year	-	-	(115,746)	(115,746)
Cash or Fund Balances - End of Year	$ -	-	(79,543)	(79,543)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 36,203	
Adjustments to Revenues			-	
Adjustments to Expenditures			(11,241)	
NET CHANGE IN FUND BALANCE			$ 24,962	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	1,289	1,289	-
Total Revenues	-	1,289	1,289	-
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	1,289	1,289	-
Net Changes in Fund Balances	-	1,289	1,289	-
Cash or Fund Balances - Beginning of Year	-	-	5,008	5,008
Cash or Fund Balances - End of Year	$ -	1,289	6,297	5,008
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 1,289	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 1,289	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ 5,315	9,556	5,999	(3,557)
Total Revenues	5,315	9,556	5,999	(3,557)
EXPENDITURES				
Current:				
Instruction	315	-	-	-
Support Services:				
Students	5,000	9,556	6,679	2,877
Total Expenditures	5,315	9,556	6,679	2,877
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	(680)	(680)
Net Changes in Fund Balances	-	-	(680)	(680)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	(680)	(680)
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ (680)	
Adjustments to Revenues			680	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	58,900	80,988	22,088
Total Revenues	-	58,900	80,988	22,088
EXPENDITURES				
Capital Outlay	-	58,900	58,900	-
Total Expenditures	-	58,900	58,900	-
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	-	22,088	22,088
Net Changes in Fund Balances	-	-	22,088	22,088
Cash or Fund Balances - Beginning of Year	-	-	6,584	6,584
Cash or Fund Balances - End of Year	$ -	-	28,672	28,672
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 22,088	
Adjustments to Revenues			(22,088)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2017

Name of Depository	Security Type	CUSIP/ Security Number	Maturity Date	Fair Value June 30, 2017
N / A	N / A	N / A	N / A	$ -
				-
				-
				$ -

Total Cash per Schedule of Cash Accounts:	$ 34,240
Less: FDIC coverage:	(34,240)
Uninsured Public Funds:	-
Collateral Requirement:	-
Pledged Collateral Held by Pledging Financial Institution:	-
Balance Over Collateralized:	**$ -**
Balance Uninsured and Uncollateralized at June 30, 2017:	**$ -**

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Schedule of Cash Accounts
June 30, 2017

Bank Account Type	Wells Fargo
Checking - Operational Account	$ 34,240
Total on Deposit	34,240
Reconciling Items	(864)
Reconciled Balance June 30, 2017	33,376
Less Agency Funds	(4,966)
Total Cash	$ 28,410

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sandoval Academy for Bilingual Education
Cash Reconciliation
June 30, 2017

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000	Public School Capital Outlay 31200	Total
Cash, June 30, 2016	$ 34,735	5,008	1,464	-	-	41,207
Add:						
2016-17 revenues	877,597	1,289	12,426	5,999	80,988	978,299
Total Cash Available	912,332	6,297	13,890	5,999	80,988	1,019,506
Less:						
2016-17 expenditures	(841,394)	-	(8,924)	(6,679)	(58,900)	(915,897)
Receivables/Payables	68,366	-	-	-	-	68,366
Outstanding Loans	(2,966)	-	-	2,966	-	-
Cash June 30, 2017	136,338	6,297	4,966	2,286	22,088	171,975
Fund Balance Reconciliations to GAAP Basis:						
Audit reclassifications to cash	(120,809)	-	-	(2,286)	(15,504)	(138,599)
Cash Per Books	15,529	6,297	4,966	-	6,584	33,376
					Less: Agency Fund	(4,966)
						$ 28,410
Fund Balance Reconciliation to GAAP Basis:						
Modified Accrual Adjustments	(106,313)	-	(4,966)	-	-	(111,279)
Fund Balance, Modified Accrual Basis	$ (90,784)	6,297	-	-	6,584	(77,903)

The accompanying notes are an integral part of these financial statements

SCHOOL OF DREAMS ACADEMY

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Statement of Net Position
June 30, 2017

ASSETS AND DEFERRED OUTFLOWS		
Current assets:		
Cash and Cash Equivalents	$	452,384
Receivables		
Due from Other Governments		95,295
Total current assets		547,679
Noncurrent assets:		
Capital Assets		
Construction in Progress		2,617,702
Furniture, Fixtures, and Equipment		464,526
Less: Accumulated Depreciation		(339,222)
Total Capital Assets		2,743,006
Restricted cash		15,000
Total Noncurrent Assets		2,758,006
Total Assets		3,305,685
Deferred Outflows - Pension Related		911,589
LIABILITIES AND DEFERRED INFLOWS		
Current Liabilities:		
Accounts Payable		23,815
Deferred Revenue		25,000
Current Portion of Compensated Absences		18,161
Total Current Liabilities		66,976
Noncurrent Liabilities:		
Note Payable		2,403,163
Net Pension Liability		3,886,794
Total Noncurrent Liabilities		6,289,957
Total Liabilities		6,356,933
Deferred Inflows - Pension Related		159,787
NET POSITION (DEFICIT)		
Net Investment in Capital Assets		339,843
Restricted		447,635
Unrestricted (Deficit)		(3,086,924)
Total Net Position (Deficit)	$	(2,299,446)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Statement of Activities
For The Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental Activities:					
Instruction	$ 2,119,760	11,865	489,918	-	(1,617,977)
Support Services:					
Students	640,120	-	-	-	(640,120)
Instruction	100	-	-	-	(100)
General Administration	80,984	-	-	-	(80,984)
School Administration	687,958	-	-	-	(687,958)
Central Services	60,116	-	-	-	(60,116)
Operation & Maintenance of Plant	881,528	-	-	-	(881,528)
Community Services Operations	4,542	-	-	-	(4,542)
Student Transportation	138,661	-	102,943	-	(35,718)
Food Services	152,924	-	-	-	(152,924)
Facilities Materials, Supplies & Other Services	506,217	-	-	362,235	(143,982)
Debt	40,449	-	-	-	(40,449)
Total Governmental Activities	$ 5,313,359	11,865	592,861	362,235	(4,346,398)

General Revenues:	
State Equalization Guarantee	$ 3,615,750
Miscellaneous	124,506
Total General Revenues	3,740,256
Change in Net Position	(606,142)
Net Position (Deficit), Beginning	(1,693,304)
Net Position (Deficit), Ending	$ (2,299,446)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Balance Sheets - Governmental Funds
June 30, 2017

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101	IDEA-B Entitlement 24106	Teacher Principal Training 24154
ASSETS							
Assets							
Cash and Cash Equivalents	$ 15,921	-	13,791	-	-	-	-
Restricted Cash	-	-	-	-	-	-	-
Accounts receivable							
Due from Government	-	-	-	10,939	19,245	19,932	-
Due from other funds	45,178	-	-	-	-	-	-
Total Assets	$ 61,099	-	13,791	10,939	19,245	19,932	-
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	$ 23,815	-	-	-	-	-	-
Unspent grant revenue	-	-	-	-	-	-	-
Due to other funds	-	-	-	4,322	20,825	20,031	-
Total Liabilities	23,815	-	-	4,322	20,825	20,031	-
Fund Balances							
Fund Balance (Deficit):							
Non Spendable							
Restricted for:							
Instruction	-	-	13,791	-	-	-	-
Capital improvements	-	-	-	-	-	-	-
Unassigned	37,284	-	-	6,617	(1,580)	(99)	-
Total Fund Balance	37,284	-	13,791	6,617	(1,580)	(99)	-
Total Liabilities and Fund Balance	$ 61,099	-	13,791	10,939	19,245	19,932	-

The accompanying notes are an integral part of these financial statements

Title XIX Medicaid 25153	Dual Credit 27103	Public Schools Capital Outlay 31200	Special Capital Outlay 31400	HB 33 Capital Outlay 31600	SB 9 Capital Improvements 31700	Foundation	Total Government
11,391	-	-	-	377,274	-	34,007	452,384
-	-	-	-	-	-	15,000	15,000
-	-	-	-	45,179	-	-	95,295
-	-	-	-	-	-	-	45,178
11,391	-	-	-	422,453	-	49,007	607,857
-	-	-	-	-	-		23,815
-	-	-	-	-	-	25,000	25,000
-	-	-	-	-	-	-	45,178
-	-	-	-	-	-	25,000	93,993
11,391	-	-	-	-	-	-	25,182
-	-	-	-	422,453	-	-	422,453
-	-	-	-	-	-	24,007	66,229
11,391	-	-	-	422,453	-	24,007	513,864
11,391	-	-	-	422,453	-	49,007	607,857

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Reconciliation of the Balance Sheet Governmental Funds to the Statement of Net Position
June 30, 2017

Fund balances - Total Governmental Funds		**$ 513,864**
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets	3,082,228	
Accumulated depreciation	(339,222)	
		2,743,006
Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		911,589
Compensated absences are not due in the current period and, therefore, are not reported in the funds.		(18,161)
Long-term liabilities are not due in the current period and, therefore, is not reported in the funds		
Long term debt	(2,403,163)	
Net pension liabilities	(3,886,794)	
		(6,289,957)
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		(159,787)
Net Position (Deficit) -Total Governmental Activities		**$ (2,299,446)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2017

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101	IDEA-B Entitlement 24106	Teacher Principal Training 24154
Revenues:							
Property Taxes	$ -	-	-	-	-	-	-
State grant	3,615,750	102,943	31,301	-	-	-	-
Federal grant	-	-	-	76,656	61,310	72,735	10,769
Charges for services	11,333	-	-	532	-	-	-
Miscellaneous	19,787	-	-	-	-	-	-
Total Revenues	3,646,870	102,943	31,301	77,188	61,310	72,735	10,769
Expenditures:							
Current:							
Instruction	2,145,396	-	23,552	-	56,832	-	10,769
Support Services:							
Students	558,524	-	-	-	-	65,377	-
Instruction	100	-	-	-	-	-	-
General Administration	46,158	-	-	-	-	-	-
School Administration	665,561	-	-	-	-	-	-
Central Services	58,310	-	-	-	-	-	-
Operation & Maintenance of Plant	877,748	-	-	-	-	-	-
Student Transportation	-	138,661	-	-	-	-	-
Food Services Operations	82,353	-	-	70,571	-	-	-
Community Services	-	-	-	-	4,478	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total expenditures	4,434,150	138,661	23,552	70,571	61,310	65,377	10,769
Other financing sources (uses):							
Operating transfers	-	-	-	-	-	-	-
Proceeds from Debt	-	-	-	-	-	-	-
Total other financing sources (uses):	-	-	-	-	-	-	-
Net Changes in Fund Balances	(787,280)	(35,718)	7,749	6,617	-	7,358	-
Fund Balances (Deficit) - Beginning of Year	824,564	35,718	6,042	-	(1,580)	(7,457)	-
Fund Balances (Deficit) - End of Year	$ 37,284	-	13,791	6,617	(1,580)	(99)	-

The accompanying notes are an integral part of these financial statements

Title XIX Medicaid 25153	Dual Credit 27103	Public Schools Capital Outlay 31200	Special Capital Outlay 31400	HB 33 Capital Outlay 31600	SB 9 Capital Improvements 31700	Foundation	Total Government
-	-	-	-	166,677	-	-	166,677
-	7,427	362,235	-	45,179	-	-	4,164,835
17,864	-	-	-	-	-	-	239,334
-	-	-	-	-	-	-	11,865
-	-	-	-	-	-	104,719	124,506
17,864	7,427	362,235	-	211,856	-	104,719	4,707,217
-	7,427	-	-	-	-	-	2,243,976
8,333	-	-	-	-	-	-	632,234
-	-	-	-	-	-	-	100
-	-	-	-	-	-	12,429	58,587
-	-	-	-	-	-	-	665,561
-	-	-	-	-	-	-	58,310
-	-	-	-	-	-	-	877,748
-	-	-	-	-	-	-	138,661
-	-	-	-	-	-	-	152,924
-	-	-	-	-	-	-	4,478
-	-	362,235	-	93,897	-	2,532,383	2,988,515
-	-	-	-	-	-	-	-
-	-	-	-	-	-	40,449	40,449
8,333	7,427	362,235	-	93,897	-	2,585,261	7,861,543
-	-	-	60,900	(91,998)	31,098	-	-
-	-	-	-	-	-	2,491,504	2,491,504
-	-	-	60,900	(91,998)	31,098	2,491,504	2,491,504
9,531	-	-	(60,900)	209,957	(31,098)	10,962	(662,822)
1,860	-	-	60,900	212,496	31,098	13,045	1,176,686
11,391	-	-	-	422,453	-	24,007	513,864

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For The Year Ended June 30, 2017

Net change in Fund Balances-Total Governmental Funds		**$ (662,822)**
Amounts reported for governmental activities in the Statement of Activities are different because:		
Change in compensated absences		(7,468)
Change in net pension liability and related pension accounts		49,048
Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period		
Capital Outlays	2,532,383	
Depreciation Expense	(25,779)	
Proceeds from Debt	(2,491,504)	
		15,100
Change in Net Position-Total Governmental Activities		**$ (606,142)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2017

	Agency Funds
ASSETS	
Cash in Bank	$ 21,222
Total Assets	$ 21,222
LIABILITIES	
Deposits Held for Others	$ 21,222
Total Liabilities	$ 21,222

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
ASSETS				
Cash in Bank	$ 16,426	27,867	(23,071)	21,222
Total Assets	$ 16,426	27,867	(23,071)	21,222
LIABILITIES				
Deposits Held for Others	$ 16,426	27,867	(23,071)	21,222
Total Liabilities	$ 16,426	27,867	(23,071)	21,222

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Notes to the Financial Statements
June 30, 2017

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets, which include property, plant, and equipment, are reported in the applicable governmental-wide financial statements. The School of Dreams Academy (SODA) defines capital assets as assets with an initial, individual cost of more than $5,000 and an initial useful life extending beyond a single reporting period. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant, and equipment of SODA are depreciated using the straight line method over the following estimated useful lives:

Furniture, fixtures and equipment	5-10 years
Vehicles	8 years

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2017 follows:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Capital Assets not being Depreciated:				
Construction in progress	$ 85,319	2,532,383	-	2,617,702
Total	85,319	2,532,383	-	2,617,702
Capital Assets being Depreciated:				
Furniture, fixtures and equipment	248,807	-	-	248,807
Vehicles	215,719	-	-	215,719
Total	464,526	-	-	464,526
Less: Accumulated Depreciation	(313,443)	(25,779)	-	(339,222)
Total	151,083	(25,779)	-	125,204
Capital Assets, Net	$ 236,402	2,506,604	-	2,743,006

Depreciation expense for the year ended June 30, 2017 was expensed to the following functions:

Instruction	$ 2,746
School Administration	12,021
Operation & Maintenance of Plant	1,806
Capital Outlay	9,206
Total	$ 25,779

NOTE 3. COMMITMENTS AND LIABILITIES

SODA leased buildings and land under short-term cancelable operating leases. Rental expense for the year ended June 30, 2017 was $522,693. SODA's minimum future payments on these leases are as follows:

Year Ending June 30:		
2018	$	469,515
2019		2,912
Total minimum lease payments	$	472,427

The school had a compensated absences balance of $25,629 at the beginning of the fiscal year. Deletions to the balance were $7,468, which resulted in an ending balance of $18,161. All of this balance is considered to be current.

On September 28, 2016, the School Of Dreams Foundation entered into a loan agreement with Peoples Bank to rehab portable buildings. The total loan was for a total Principal of $2,500,000, the note has a maturity of September 28, 2017. No principal payments have been made as of June 30, 2017.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to School of Dreams Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. For the fiscal year ended June 30, 2017 and 2016 educational employers contributed to the Plan based on the following rate schedule.

Fiscal Year	Date Range	Wage Category	Member Rate	Employer Rate	Combined Rate	Increase over Prior Year
2017	7/1/16 to 6/30/17	Over $20K	10.70%	13.90%	24.60%	0.00%
2017	7/1/16 to 6/30/17	$20K or less	7.90%	13.90%	21.80%	0.00%
2016	7/1/15 to 6/30/16	Over $20K	10.70%	13.90%	24.60%	0.00%
2016	7/1/15 to 6/30/16	$20K or less	7.90%	13.90%	21.80%	0.00%

The contribution requirements are estimated in statue under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. For the fiscal years ended June 30, 2017 and 2016, School of Dreams Academy paid employee and employer contributions of $322,152 and $214,426.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, School of Dreams Academy reported a liability of $3,886,794 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2016.

School of Dreams Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2016. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2016, SODA's proportion was 0.05401% percent, which was an increase of 0.00081% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, School of Dreams Academy recognized pension expense of $377,689. As of June 30, 2017, School of Dreams Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	16,862	(36,968)
Changes in assumptions	79,120	-
Net difference between projected and actual earnings on pension plan investments	232,009	-
Changes in proportion and differences between SODA contributions and proportionate share of contributions	261,446	(122,819)
SODA contributions subsequent to the measurement date	322,152	-
Total	$ 911,589	(159,787)

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The amount of $322,152 reported as deferred outflows of resources related to pensions resulting from School of Dreams Academy's contributions subsequent to the measurement date June 30, 2016 will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2018	$	94,155
2019		179,657
2020		99,260
2021		56,578
Total	$	429,650

Sensitivity of SODA's proportionate share of the net pension liability to changes in the discount rate. The following presents School of Dreams Academy's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the School of Dreams Academy's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
SODA's proportionate share of the net pension liability	$ 5,147,968	3,886,794	2,840,375

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued NMERB's financial reports. The reports can be found on NMERB's web site at www.nmerb.org/Annual_reports.html.

Payables to the pension plan. SODA did not accrue any payables for the pension plan at June 30, 2017. All 10-month teacher contracts for the school year are paid in full by fiscal year end.

NOTE 5. DEFICIT FUND BALANCE

The following funds had a deficit balance at June 30, 2017:

24101 Title 1 IASA	$	1,580
24106 IDEA-B Entitlement		99
	$	1,679

School of Dreams Academy is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 6. RELATED PARTIES

During the fiscal year, the Business Manager also provided services for Las Montana's Charter High School.

NOTE 7. OVER EXPENDITURE OF BUDGET

School of Dreams Academy had the following funds with expenditures in excess of the budget during the year ended June 30, 2017:

Fund	Excess of Expenditures over Appropriations
General (11000) Instruction	(154,349)
General (11000) Operation and Maintenance of Plant	(83,033)
Pupil Transportation (13000) Student Transportation	(24,267)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of the School's Proportionate Share of the Net Pension Liability
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

For Last 10 Fiscal Years*

(Dollars in Thousands)

		30-Jun		
Fiscal Year		**2017**	**2016**	**2015**
Measurement Date		**2016**	**2015**	**2014**
School's Proportion of the Net Pension Liability (Asset)		0.05%	0.05%	0.05%
School's Proportionate Share of Net Pension Liability (Asset)	$	3,887	2,520	2,645
School's Covered-Employee Payroll	$	2,320	1,497	1,278
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll		167.54%	168.34%	206.96%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		61.58%	63.97%	66.54%

**Governmental Accounting Standards Board Statement No.* 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for School of Dreams Academy is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of School Contributions
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

Last Ten Fiscal Years*

(Dollars in Thousands)

	2015	2016	2017
Statutory required contributions	168	247	322
Contributions in Relation to the Contractually Required Contribution	168	217	322
Annual contribution deficiency (excess)	$ -	30	-

**Governmental Accounting Standards Board Statement No.* 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for School of Dreams Academy is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
State grant	$ 4,315,483	3,982,713	3,982,713	-
Charges for services	-	-	11,333	11,333
Miscellaneous	-	-	19,787	19,787
Total Revenues	4,315,483	3,982,713	4,013,833	31,120
Expenditures:				
Current:				
Instruction	2,699,861	1,977,542	2,131,891	(154,349)
Support Services:				
Students	401,522	682,097	558,524	123,573
Instruction	29,195	100	100	-
General Administration	123,206	46,047	46,044	3
School Administration	507,742	682,045	664,943	17,102
Central Services	70,500	58,310	58,310	-
Operation & Maintenance of Plant	711,282	795,475	878,508	(83,033)
Food Services Operations	20,000	187,779	82,353	105,426
Community Services	14,907	14,907	-	14,907
Total Expenditures	4,578,215	4,444,302	4,420,673	23,629
Excess (Deficiency) of Revenues Over (Under) Expenditures	(262,732)	(461,589)	(406,840)	54,749
Net Changes in Fund Balances	(262,732)	(461,589)	(406,840)	54,749
Cash or Fund Balances - Beginning of Year	-	-	824,564	824,564
Cash or Fund Balances - End of Year	$ (262,732)	(461,589)	417,724	879,313
Reconciliation to GAAP Basis:				
Excess Revenues Over (Under) Expenditures				
Adjustments to Revenues			(366,963)	
Adjustments to Expenditures			(13,477)	
NET CHANGE IN FUND BALANCE			$ (787,280)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
State grant	$ 125,957	114,394	114,394	-
Total Revenues	125,957	114,394	114,394	-
Expenditures:				
Current:				
Support Services:				
Student Transportation	125,957	114,394	138,661	(24,267)
Total Expenditures	125,957	114,394	138,761	(24,367)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(24,367)	(24,367)
Net Changes in Fund Balances	-	-	(24,367)	(24,367)
Cash or Fund Balances - Beginning of Year	-	-	35,718	35,718
Cash or Fund Balances - End of Year	$ -	-	11,351	11,351
Reconciliation to GAAP Basis:				
Excess Revenues Over (Under) Expenditures				
Adjustments to Revenues			(11,351)	
Adjustments to Expenditures				
NET CHANGE IN FUND BALANCE			$ (35,718)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
State grant	$ 20,840	23,552	31,301	7,749
Total Revenues	20,840	23,552	31,301	7,749
Expenditures:				
Current:				
Instruction	20,840	23,552	23,552	-
Total Expenditures	20,840	23,552	23,552	-
Excess (deficiency) of Revenues Over (Under) Expenditures	-	-	7,749	7,749
Net Changes in Fund Balances	-	-	7,749	7,749
Cash or Fund Balances - Beginning of Year	-	-	6,042	6,042
Cash or fund balances - End of Year	$ -	-	13,791	13,791
Reconciliation to GAAP Basis:				
Excess Revenues Over (Under) Expenditures				
Adjustments to Revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			$ 7,749	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Federal grant	$ -	150,000	77,188	(72,812)
Total Revenues	-	150,000	77,188	(72,812)
Expenditures:				
Current:				
Food Services Operations	150,000	150,000	70,571	79,429
Total Expenditures	150,000	150,000	70,571	79,429
Excess (Deficiency) of Revenues Over (Under) Expenditures	(150,000)	-	6,617	6,617
Net Changes in Fund Balances	(150,000)	-	6,617	6,617
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ (150,000)	-	6,617	6,617
Reconciliation to GAAP Basis:				
Excess Revenues Over (Under) Expenditures				
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 6,617	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Federal grant	$ 62,551	177,608	56,480	(121,128)
Total Revenues	62,551	177,608	56,480	(121,128)
Expenditures:				
Current:				
Instruction	62,551	140,108	61,310	78,798
Community Services Operations	-	37,500	-	37,500
Total Expenditures	62,551	177,608	61,310	116,298
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(4,830)	(4,830)
Net Changes in Fund Balances	-	-	(4,830)	(4,830)
Cash or Fund Balances - Beginning of Year	-	-	(1,580)	(1,580)
Cash or Fund Balances - End of Year	$ -	-	(6,410)	(6,410)
Reconciliation to GAAP Basis:				
Excess Revenues Over (Under) Expenditures				
Adjustments to Revenues				
Adjustments to Expenditures			4,830	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Federal Grant	$ 50,004	100,041	75,239	(24,802)
Total Revenues	50,004	100,041	75,239	(24,802)
Expenditures:				
Current:				
Support Services:				
Students	48,004	100,041	65,377	34,664
General Administration	1,500	1,500	-	1,500
Total expenditures	49,504	101,541	65,377	36,164
Excess (Deficiency) of revenues Over (Under) Expenditures	500	(1,500)	9,862	11,362
Net Changes in Fund Balances	500	(1,500)	9,862	11,362
Cash or fund Balances - Beginning of Year	-	-	(7,457)	(7,457)
Cash or fund Falances - End of Year	$ 500	(1,500)	2,405	3,905
Reconciliation to GAAP Basis:				
Excess Revenues Over (Under) Expenditures				
Adjustments to Revenues			(2,504)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 7,358	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Federal Grant	$ 12,551	12,551	10,769	(1,782)
Total Revenues	12,551	12,551	10,769	(1,782)
Expenditures:				
Current:				
Instruction	12,551	12,551	10,769	1,782
Support Services:				
Total Expenditures	12,551	12,551	10,769	1,782
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess Revenues Over (Under) Expenditures				
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25153
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Federal grant	$ 4,800	12,907	17,864	4,957
Charges for services	-	-	-	-
Total Revenues	4,800	12,907	17,864	4,957
Expenditures:				
Current:				
Support Services:				
Students	4,800	12,907	8,333	4,574
Total Expenditures	4,800	12,907	8,333	4,574
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	9,531	9,531
Other Financing Sources (Uses):				
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	-	-	-	-
Net Changes in Fund Balances	-	-	9,531	9,531
Cash or Fund Balances - Beginning of Year	-	-	1,860	1,860
Cash or Fund Falances - End of Year	$ -	-	11,391	11,391
Reconciliation to GAAP Basis:				
Excess Revenues Over (Under) Expenditures				
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 9,531	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit 27103
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
State Grant	$ -	8,737	7,427	(1,310)
Total Revenues	-	8,737	7,427	(1,310)
Expenditures:				
Current:				
Instruction	-	8,737	7,427	1,310
Total Expenditures	-	8,737	7,427	1,310
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess Revenues Over (Under) Expenditures				
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public Schools Capital Outlay 31200
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
State Grant	$ -	362,235	362,235	-
Total Revenues	-	362,235	362,235	-
Expenditures:				
Current:				
Capital outlay	-	362,235	362,235	-
Total Expenditures	-	362,235	362,235	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess Revenues Over (Under) Expenditures				
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay 31400
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Property Taxes	$ -	-	53,701	53,701
Total Revenues	$ -	-	53,701	53,701
Expenditures:				
Current:				
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	53,701	53,701
Other financing sources (uses):				
Operating transfers	-	-	60,900	-
Designated Cash	-	-	-	-
Total other financing sources (uses):	-	-	60,900	-
Net Changes in Fund Balances	-	-	(7,199)	(7,199)
Cash or Fund Balances - Beginning of Year	-	-	60,900	60,900
Cash or Fund Balances - End of Year	$ -	-	53,701	53,701
Reconciliation to GAAP Basis:				
Excess Revenues Over (Under) Expenditures				
Adjustments to Revenues			(53,701)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ (60,900)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
HB 33 Capital Outlay 31600
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Property Taxes	$ 176,000	176,000	166,677	(9,323)
State grant	-	-	45,179	45,179
Total Revenues	176,000	176,000	211,856	35,856
Expenditures:				
Current:				
Capital Outlay	176,000	176,000	93,897	82,103
Total Expenditures	176,000	176,000	93,897	82,103
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	117,959	117,959
Other Financing Sources (Uses):				
Operating transfers	-	-	(91,998)	-
Total other financing sources (uses):	-	-	(91,998)	-
Net Changes in Fund Balances	-	-	209,957	209,957
Cash or Fund Balances - Beginning of Year	-	-	212,496	212,496
Cash or Fund Balances - End of Year	$ -	-	422,453	422,453
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			-	
Adjustments to expenditures			91,998	
NET CHANGE IN FUND BALANCE			$ 209,957	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB 9 Capital Improvements 31700
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:				
Property Taxes	$ -	47,716	-	(47,716)
Prior Year Balances	65,436	65,436	-	(65,436)
Total Revenues	65,436	113,152	-	(113,152)
Expenditures:				
Current:				
Capital Outlay	65,436	113,152	-	113,152
Total Expenditures	65,436	113,152	-	113,152
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Operating transfers			31,098	-
Total Other Financing Sources (Uses):	-	-	31,098	-
Net Changes in Fund Balances	-	-	(31,098)	(31,098)
Cash or Fund Balances - Beginning of Year	-	-	31,098	31,098
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess Revenues Over (Under) Expenditures				
Adjustments to Revenues			-	
Adjustments to Expenditures			(31,098)	
NET CHANGE IN FUND BALANCE			$ (31,098)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Collateral Pledged by Depository
For Public Funds
June 30, 2017

Name of Depository	Security Type	CUSIP/ Security Number	Maturity Date	Fair Value June 30, 2017
The Bank of New York Mellon	FNMA	3138AV6U4	12/1/2026	$ 315,468
				$ 315,468

Total cash in bank per Schedule of Cash Accounts:	$ 672,371
Less: FDIC coverage:	(250,000)
Uninsured public funds:	422,371
Collateral requirement:	211,186
Pledged collateral held by pledging financial institution:	315,468
Balance over-collateralized:	**$ 104,283**
Balance uninsured and uncollateralized at June 30, 2017:	**$ 106,903**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Cash Accounts
June 30, 2017

Bank Account Type	Wells Fargo
Checking - Operational Account	$ 672,371
Checking - Foundation	34,007
Total on Deposit	706,378
Reconciling Items	(232,772)
Reconciled Balance June 30, 2017	473,606
Less Agency Funds	(21,222)
Total Cash	$ 452,384

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Cash Reconciliation
June 30, 2017

	Operational 11000	Instructional Transportation 13000	Instructional Materials 14000	Non Instruct Fund 21000	Non Instruct Fund 23000	Federal Flowthrough 24000
Cash, June 30, 2016	$ 414,494	24,267	6,042	-	16,426	-
Add:						
2016-17 revenues	4,013,833	114,394	31,301	66,249	27,867	143,603
Total Cash Available	4,428,327	138,661	37,343	66,249	44,293	143,603
Less:						
2016-17 expenditures	(4,414,448)	(114,394)	(23,552)	(70,571)	(23,071)	(137,456)
Recievables/Payables	-	-	-	-	-	-
Outstanding Loans	(45,178)	-	-	4,322	-	40,856
Cash June 30, 2017	(31,299)	24,267	13,791	-	21,222	47,003
Fund Balance Reconciliations to GAAP Basis:						
Audit reclassifications to cash	47,220	(24,267)	-			(47,003)
Cash per Books	15,921	-	13,791	-	21,222	-
Fund Balance (Deficit) Reconciliation to GAAP Basis:						
Modified Accrual Adjustments	21,363		-	6,617		(1,679)
Fund Balance (Deficit), Modified Accrual Basis	$ 37,284	-	13,791	6,617	21,222	(1,679)

*Foundation is not required to be reported to PED, and is therefore not included in the cash report
** Cash Report submitted to PED is incorrect

The accompanying notes are an integral part of these financial statements

Federal Direct 25000	State Flowthrough 27000	Public School Capital Outlay 31200	Special Capital Outlay-State 31400	Capital Improv. HB 33 31600	Capital Improv. SB 9 31700	Total
1,860	-	-	60,900	212,496	31,098	767,583
17,864	7,472	362,235	-	166,676	-	4,951,494
19,724	7,472	362,235	60,900	379,172	31,098	5,719,077
(8,332)	(7,472)	(362,235)	-	(93,897)	-	(5,255,428)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
11,392	-	-	60,900	285,275	31,098	463,649
(1)	-	-	(60,900)	91,999	(31,098)	(24,050)
11,391	-	-	-	377,274	-	439,599
					Foundation:	34,007
					Agency:	(21,222)
					Total cash per books:	$ 452,384
-	-	-	-	45,179	-	71,480
11,391	-	-	-	422,453	-	511,079
					Foundation:	24,007
					Agency:	(21,222)
					Total Fund Balance (Deficit), Modified Accrual Basis:	$ 513,864

SIX DIRECTIONS INDIGENOUS SCHOOL

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Statement of Net Position
June 30, 2017

ASSETS AND DEFERRED OUTFLOWS	
Current assets:	
Cash and Cash Equivalents	$ 178,833
Total current assets	178,833
Total Assets	178,833
Deferred Outflows - Pension Related	33,358
LIABILITIES AND DEFERRED INFLOWS	
Current Liabilities:	
Accounts Payable	14,548
Accrued Liabilities	15,411
Total Current Liabilities	29,959
Total Liabilities	29,959
NET POSITION (DEFICIT)	
Restricted	82,209
Unrestricted (Deficit)	100,023
Total Net Position (Deficit)	$ 182,232

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Statement of Activities
For The Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Service	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental activities:					
Instruction	$ 217,133	-	195,265	-	(21,868)
Support Services:					
Students	15,432	-	-	-	(15,432)
Instruction	682	-	-	-	(682)
General Administration	61,355	-	-	-	(61,355)
School Administration	70,611	-	-	-	(70,611)
Central Services	1,746	-	-	-	(1,746)
Operation & Maintenance of Plant	74,254	-	-	-	(74,254)
Food Services	13,628	-	-	-	(13,628)
Facilities Materials, Supplies & Other Services	34,372	-	-	34,372	-
Total Governmental Activities	$ 489,213	-	195,265	34,372	(259,576)
		General Revenues:			
		State Equalization Guarantee			$ 441,808
		Total General Revenues			441,808
		Change in Net Position			182,232
		Net Position, Beginning of Year			-
		Net Position, Ending			$ 182,232

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Balance Sheets - Governmental Funds
June 30, 2017

	Operational 11000	Instructional Materials 14000	Native American Program 25248
ASSETS			
Cash and Cash Equivalents	$ 84,322	3,037	37,447
Total Assets	$ 84,322	3,037	37,447
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	$ 2,246	-	12,302
Accrued Expenditures	15,411	-	-
Total Liabilities	17,657	-	12,302
Fund Balances			
Fund Balance:			
Restricted for:			
Instruction	-	3,037	25,145
Assigned to:			
Subsequent Years Expenditures and Other Programs	66,665	-	-
Total Fund Balance	66,665	3,037	25,145
Total Liabilities and Fund Balances	$ 84,322	3,037	37,447

The accompanying notes are an integral part of these financial statements.

Golden Apple Foundation 26163	Private Directed Grant 29102	NISN-High Quality Charter School 29138	Public School Capital Outlay 31200	Total
3,000	20,177	30,850	-	178,833
3,000	20,177	30,850	-	178,833
-	-	-	-	14,548
-	-	-	-	15,411
-	-	-	-	29,959
3,000	20,177	30,850	-	82,209
-	-	-	-	66,665
3,000	20,177	30,850	-	148,874
3,000	20,177	30,850	-	178,833

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2017

Fund Balance - Total Governmental Funds	$	148,874
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		33,358
Net Position - Total Governmental Activities	$	182,232

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2017

	Operational 11000	Instructional Materials 14000	Native American Program 25248
REVENUES			
Local & County Grant	$ 1,187	-	-
State Grant	441,808	3,037	-
Federal Grant	-	-	96,667
Total Revenues	442,995	3,037	96,667
EXPENDITURES			
Current:			
Instruction	180,502	-	47,105
Support Services:			
Students	15,913	-	-
Instruction	132	-	-
General Administration	60,990	-	1,435
School Administration	77,189	-	-
Central Services	1,746	-	-
Operation & Maintenance of Plant	39,858	-	20,000
Food Services Operations	-	-	2,982
Capital Outlay	-	-	-
Total Expenditures	376,330	-	71,522
Net Changes in Fund Balances	66,665	3,037	25,145
Fund Balances - Beginning of Year	-	-	-
Fund Balances - End of Year	$ 66,665	3,037	25,145

Golden Apple Foundation 26163	Private Directed Grant 29102	NISN-High Quality Charter School 29138	Public School Capital Outlay 31200	Total
3,000	60,524	30,850	-	95,561
-	-	-	34,372	479,217
-	-	-	-	96,667
3,000	60,524	30,850	34,372	671,445
-	10,386	-	-	237,993
-	-	-	-	15,913
-	550	-	-	682
-	4,134	-	-	66,559
-	-	-	-	77,189
-	-	-	-	1,746
-	14,631	-	-	74,489
-	10,646	-	-	13,628
-	-	-	34,372	34,372
-	40,347	-	34,372	522,571
3,000	20,177	30,850	-	148,874
-	-	-	-	-
3,000	20,177	30,850	-	148,874

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Net Change in Fund Balance - Total Governmental Funds	$	148,874
Amounts reported for governmental activities in the Statement of Activities are different because:		
Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related and the net pension liability		33,358
Change in Net Position - Total Governmental Activities	$	182,232

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Six Directions Indigenous School
Notes to the Financial Statements
June 30, 2017

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Six Directions Indigenous School does not have any capital assets for the fiscal year ending June 30, 2017.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. COMMITMENTS AND LIABILITIES

The Six Directions Indigenous School leased facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2017 was $50,140. The School's minimum future payments on this lease are as follows:

Year Ending June 30:		
2018	$	74,560
2019		74,560
2020		74,560
2021		74,560
2022		74,560
Total	$	372,800

NOTE 3. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Six Directions Indigenous School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. For the fiscal year ended June 30, 2017 and 2016 educational employers contributed to the Plan based on the following rate schedule.

Fiscal Year	Date Range	Wage Category	Member Rate	Employer Rate	Combined Rate	Increase over Prior Year
2017	7/1/16 to 6/30/17	Over $20K	10.70%	13.90%	24.60%	0.00%
2017	7/1/16 to 6/30/17	$20K or less	7.90%	13.90%	21.80%	0.00%
2016	7/1/15 to 6/30/16	Over $20K	10.70%	13.90%	24.60%	0.00%
2016	7/1/15 to 6/30/16	$20K or less	7.90%	13.90%	21.80%	0.00%

The contribution requirements are estimated in statue under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. For the fiscal year ended June 30, 2017 Six Directions Indigenous School paid employee and employer contributions of $33,358.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2017, Six Directions Indigenous School reported a liability of $-0- for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2016

Six Directions Indigenous School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2016. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2016, Six Directions Indigenous School's proportion was 0.000%.

For the year ended June 30, 2017, Six Directions Indigenous School recognized pension expense of $-0-. As of June 30, 2017, Six Directions Indigenous School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

NOTE 3. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$	-	-
Changes in assumptions		-	-
Net difference between projected and actual earnings on pension plan investments		-	-
Changes in proportion and differences between Six Directions Indigenous School's contributions and proportionate share of contributions		-	-
Six Directions Indigenous School's contributions subsequent to the measurement date		33,358	-
Total	$	33,358	-

The amount of $33,358 reported as deferred outflows of resources related to pensions resulting from Six Directions Indigenous School's contributions subsequent to the measurement date June 30, 2016 will be recognized as a reduction of the net pension liability in the year ended June 30, 2018.

Sensitivity of Six Directions Indigenous School's proportionate share of the net pension liability to changes in the discount rate. The following presents Six Directions Indigenous School's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what Six Directions Indigenous School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

		1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Six Directions Indigenous School's proportionate share of the net pension liability	$	-	-	-

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued NMERB's financial reports. The reports can be found on NMERB's web site at www.nmerb.org/Annual_reports.html.

Payables to the pension plan. For the year ending June 30, 2017, Six Directions Indigenous School's accrued liability due to ERB was $10,045 for June payroll paid in July 2017.

NOTE 4. STATE CHARTER AUTHORIZATION

On September 24, 2015 the State Public Education Commission approved Six Directions Indigenous School's charter application. The school began operations on July 1, 2016 when they entered their planning year. The school anticipates adding grade levels and increasing student enrollment each year until they reach their enrollment cap of 300 and offer grades 6 through 12. Since FY17 was the school's first year of operations it was not included in the New Mexico Public Education Departments FY16 financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2017

New Mexico Educational Retirement Board Pension Plan
For Last 10 Fiscal Years*
(Dollars in Thousands)

		30-Jun		
Fiscal Year		**2017**	**2016**	**2015**
Measurement Date		**2016**	**2015**	**2014**
School's Proportion of the Net Pension Liability (Asset)		0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	$	-	-	-
School's Covered-Employee Payroll	$	240	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll		0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		61.58%	63.97%	66.54%

**Governmental Accounting Standards Board Statement No.* 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for Six Directions Indigenous School is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2017

New Mexico Educational Retirement Board Pension Plan

Last Ten Fiscal Years*

(Dollars in Thousands)

	2015	2016	2017
Statutory required contributions	-	-	33
Contributions in Relation to the Contractually Required Contribution	-	-	33
Annual contribution deficiency (excess)	$ -	-	-

**Governmental Accounting Standards Board Statement No.* 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for Six Directions Indigenous School is not available prior to fiscal year 2015, the year the statement's requirements became effective.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	-	1,187	1,187
State Grant	419,847	441,808	441,808	-
Total Revenues	419,847	441,808	442,995	1,187
EXPENDITURES				
Current:				
Instruction	181,119	203,080	186,014	17,066
Support Services:				
Students	11,000	24,184	16,543	7,641
General Administration	39,025	62,096	59,471	2,625
School Administration	48,340	83,485	77,189	6,296
Central Services	21,530	4,441	1,746	2,695
Operation & Maintenance of Plant	74,802	64,522	39,263	25,259
Student Transportation	44,031	-	-	-
Total Expenditures	419,847	441,808	380,226	61,582
Net Changes in Fund Balances	-	-	62,769	62,769
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	62,769	62,769
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 62,769	
Adjustments to Revenues			-	
Adjustments to Revenues			-	
Adjustments to Expenditures			3,896	
NET CHANGE IN FUND BALANCE			$ 66,665	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	2,285	3,037	752
Total Revenues	-	2,285	3,037	752
EXPENDITURES				
Current:				
Instruction	-	2,285	-	2,285
Total Expenditures	-	2,285	-	2,285
Net Changes in Fund Balances	-	-	3,037	3,037
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	3,037	3,037
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 3,037	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 3,037	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Native American Program 25248
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Federal Grant	$ -	73,524	96,667	23,143
Total Revenues	-	73,524	96,667	23,143
EXPENDITURES				
Current:				
Instruction	-	46,542	34,803	11,739
Support Services:				
Instruction	-	2,000	-	2,000
General Administration	-	2,000	1,435	565
Operation & Maintenance of Plant	-	20,000	20,000	-
Food Services Operations	-	2,982	2,982	-
Total Expenditures	-	73,524	59,220	14,304
Net Changes in Fund Balances	-	-	37,447	37,447
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	37,447	37,447
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 37,447	
Adjustments to Revenues			-	
Adjustments to Expenditures			(12,302)	
NET CHANGE IN FUND BALANCE			$ 25,145	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Golden Apple Foundation 26163
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	3,000	3,000	-
Total Revenues	-	3,000	3,000	-
EXPENDITURES				
Current:				
Instruction	-	3,000	-	3,000
Total expenditures	-	3,000	-	3,000
Net changes in Fund Balances	-	-	3,000	3,000
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	3,000	3,000
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 3,000	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 3,000	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Private Directed Grants 29102
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
Local & County Grant	$ -	60,524	60,524	-
Total Revenues	-	60,524	60,524	-
EXPENDITURES				
Current:				
Instruction	-	14,000	10,386	3,614
Support Services:				
Instruction	-	550	550	-
General Administration	-	9,450	4,134	5,316
Operation & Maintenance of Plant	-	15,524	14,631	893
Food Services Operations	-	21,000	10,646	10,354
Total Expenditures	-	60,524	40,347	20,177
Net Changes in Fund Balances	-	-	20,177	20,177
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	20,177	20,177
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 20,177	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 20,177	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
NISN-Hight Quality Charter Schools 29138
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	**Final Budget**	**Actual Amount**	**Variance Positive (Negative)**
REVENUES				
Local & County Grant	$ -	30,850	30,850	-
Total Revenues	-	30,850	30,850	-
EXPENDITURES				
Current:				
Instruction	-	28,350	-	28,350
Support Services:				
General Administration	-	2,500	-	2,500
Total Expenditures	-	30,850	-	30,850
Net Changes in Fund Balances	-	-	30,850	30,850
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	30,850	30,850
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ 30,850	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ 30,850	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2017

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amount	Variance Positive (Negative)
REVENUES				
State Grant	$ -	34,372	34,372	-
Total Revenues	-	34,372	34,372	-
EXPENDITURES				
Current:				
Capital Outlay	-	34,372	34,372	-
Total Expenditures	-	34,372	34,372	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	$ -	-	-	-
Reconciliation to GAAP Basis:				
Excess (Deficiency) of Revenues				
Over (Under) Expenditures			$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			$ -	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2017

Name of Depository	Security Type	CUSIP/ Security Number	Maturity Date	Fair Value June 30, 2017
N/A	N/A	N/A	N/A	N/A

Total Cash per Schedule of Cash Accounts:	$	188,555
Less: FDIC coverage:		(250,000)
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		-
Balance Over Collateralized:	$	-
Balance Uninsured and Uncollateralized at June 30, 2017:	$	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Schedule of Cash Accounts
June 30, 2017

Bank Account Type	Wells Fargo
Checking - Operational Account	$ 188,555
Total on Deposit	188,555
Reconciling Items	(9,722)
Reconciled Balance June 30, 2017	178,833
Total Cash	$ 178,833

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SIX DIRECTIONS INDIGENOUS SCHOOL
Cash Reconciliation
June 30, 2017

	Operational 11000	Instructional Materials 14000	Federal Direct 25000
Cash, June 30, 2016	$ -	-	-
Add:			
2016-17 revenues	442,995	3,037	96,667
Total Cash Available	442,995	3,037	96,667
Less:			
2016-17 expenditures	(380,226)	-	(59,220)
Receivables/Payables	15,411	-	-
Outstanding Loans	-	-	-
Cash June 30, 2017	78,180	3,037	37,447
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	6,142	-	-
Cash Per Books	84,322	3,037	37,447
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	(17,657)	-	(12,302)
Fund Balance (Deficit), Modified Accrual Basis	$ 66,665	3,037	25,145

The accompanying notes are an integral part of these financial statements.

Local Grants 26000	Local or State 29000	Public School Capital Outlay 31200	Total
-	-	-	-
3,000	91,374	34,372	671,445
3,000	91,374	34,372	671,445
-	(40,347)	(34,372)	(514,165)
-	-	-	15,411
-	-	-	-
3,000	51,027	-	172,691
-	-	-	6,142
3,000	51,027	-	178,833
-	-	-	(29,959)
3,000	51,027	-	148,874