

## AGENDA ITEM EXECUTIVE SUMMARY

- I. Public Education Commission Meeting Date: January 13, 2017
- II. Item Title: Discussion and Possible Action – PED Recommendation to Commence Revocation Proceedings Against La Promesa Early Learning Center Based on Suspension of Board of Finance and Fiscal Mismanagement
- III. Executive Summary and Proposed Motions:

### Recommendation and Rationale

The Public Education Department (PED) is recommending that the Public Education Commission commence revocation proceedings against La Promesa Early Learning Center.

On August 12, 2016, the Public Education Department notified La Promesa Early Learning Center that it was suspending the school's Board of Finance because the PED "reasonably believes there is mismanagement, improper recording or improper reporting of public school funds under [the school's] control." NMSA 1978 §§ 22-8B-39 and 22-2-1. Enclosed we have provided copies of the letter and the NMPED Audit Bureau's investigation results, which led to the issuance of the notice of suspension of the Board of Finance.

While the FY2016 audit is not yet public, it is clear from preliminary discussions with the auditor that financial issues remain that have not been cleared up. These issues appear to be significant and point to the inability of the school to manage themselves. PED believes there is adequate information to demonstrate the school has failed to meet generally accepted standards of fiscal management and/or has violated provision(s) of law from which the charter school was not specifically exempted.

NMSA 1978 § 22-8B-39 (G) states that "[w]hen a...governing body of a state-chartered charter school is suspended from acting as a board of finance, the department shall:...consider commencing proceedings before the commission to...revoke...the charter of the state-chartered charter school in the case of a state-chartered charter school that has engaged in serious or repeated mismanagement, improper recording or improper reporting of public school funds under its control."

## School History

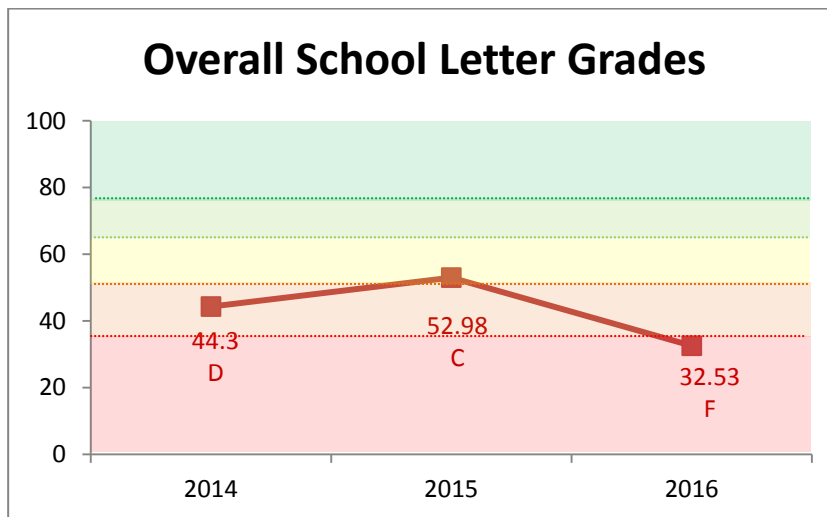
La Promesa Early Learning Center was originally authorized as a charter school by the Albuquerque Public Schools in 2005. It started with a focus on early childhood learning and Dual Language Education with 27 students in grades K-3. In 2014, the school charter was approved by the Public Education Commission for a 5 year term beginning in 2015.

The school is authorized to serve grades K-8 and its enrollment cap is 475. According to the 2016- 2017 80<sup>th</sup> Day STARS report, the school had 387 students enrolled in December 2016.

## School Performance

La Promesa Early Learning Center has received the following school grades:

In 2013-14 the school grade was a D. In 2014-15 the school grade was a C. In 2015-2016 the school grade was a F.



## Proposed Motion

- **Move** to commence revocation proceedings against La Promesa Early Learning Center and schedule a revocation hearing for a date no later than April 1, 2017. The revocation proceedings shall determine whether there is sufficient evidence to demonstrate the charter should be revoked because the school failed to meet generally accepted standards of fiscal management, and/or has violated provision(s) of law from which the charter school was not specifically exempted, and/or engaged in serious or repeated mismanagement, improper recording or improper reporting of public school funds under its control.



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August 12, 2016

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**RE: NOTICE OF SUSPENSION OF BOARD OF FINANCE AUTHORITY**

Dear Ladies and Gentlemen:

Events occurring over the last year have raised serious concerns regarding the fiscal management and accountability of La Promesa Early Learning Center. As a result of the work of the Public Education Department's (PED's) Audit and Accounting Bureau, multiple issues regarding a lack of internal controls over procurement or cash disbursements have been brought to our attention, including:

- missing back-up documentation for purchases;
- missing purchase orders;
- purchase orders created subsequent to purchases;
- lack of vendor support or details on invoices submitted for payment;
- lack of evidence for goods received or services rendered,

- a lack of Chief Procurement Officer as required by law; and
- missing policies and procedures as approved by the Governing Council

Additionally, the work of the Audit and Accounting Bureau identified numerous issues related to management controls in the internal controls over procurement or cash disbursements, including:

- numerous issues related to an altered invoice;
- cash disbursements to management without supporting documentation;
- requests for reimbursement made by management pre-empting the procurement code; and
- reimbursement to management of public funds for purchases like fencing without supporting documentation indicating services were rendered or goods received

A recently released risk review report from the State Auditor's Office expressed similar concerns regarding the altering of an invoice for personal services after being notified by PED of the altered invoice in compliance with the state's audit rule. That report identified the possibility of numerous criminal violations associated with the altering of an invoice for personal services and submitting it for reimbursement of public funds. The report also identifies some of the same weakness in the procurement process and internal controls of the school; though the risk review report was narrower in scope.

The statutory framework for the operations of a public school places considerable budgetary authority and autonomy on local school boards. However, with that authority comes the responsibility for ensuring a strong system of internal controls and ensuring decisions of charter school management instill public confidence in the leadership of public schools. Ultimately, it is the local school board and governing councils that are accountable for the operations of charter schools they represent.

The Legislature has provided multiple legal processes to be invoked should a local school board fail to meet its obligations under the law. Among these processes includes the authority granted to the Secretary of Education to suspend a local school board from acting as a board of finance if the Secretary, "reasonably believes there is mismanagement, improper recording or improper reporting of public school funds under its control [Sections 22-8-39 and 22-2-1 NMSA 1978]."

After reviewing the audit report from the Audit and Accounting Bureau, I am exercising the authority granted to the Secretary of Education pursuant to the sections of law previously cited. Effective immediately, I am suspending La Promesa Early Learning Center from acting as a board of finance. Therefore, the approved fiscal year 2017 operating budget will be implemented under oversight of the PED. In addition, the following actions are to be taken as required by statute:

1. I will, through the PED, immediately take control of all public school funds under control of the Board of Education of La Promesa Early Learning Center.
2. I will, through the PED, act as the fiscal agent for La Promesa Early Learning Center and will take actions as I deem necessary to attempt to bring the fiscal management of funds of the charter school into strict compliance with the law and generally accepted accounting principles.
3. I will report any violations to proper agencies or authorities, including law enforcement or prosecutorial authorities if criminal activity is suspected.
4. Your assigned PED budget analyst will be discussing compliance with the attached financial oversight plan, subject to additional changes.

The PED's School Budget and Finance Analysis Bureau will be monitoring the school's operations and reviewing the practices of the charter school with the goal of instilling an increased degree of accountability, better financial controls, better management and oversight, and adherence to the generally accepted audit principles, including a

Notice of Suspension of Board of Finance Authority  
August 12, 2016  
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strong internal control framework. Remediation of these deficiencies will require strong support from the La Promesa Early Learning Center Board of Education. An analyst from the PED's School Budget and Finance Analysis Bureau will be contacting the school about adherence to the financial oversight plan, necessary transition of business office procedures and discussing additional steps to improve the financial environment of the school, including possible contractors.

I believe we can work together to improve the business practices of the La Promesa Early Learning Center and ensure that the charter school continues to provide a quality education in a positive financial environment.

Warm regards,



Hanna Skandera  
Secretary of Education

HS/dtc

Enc: (Financial Oversight Plan)

cc: Hipolito "Paul" Aguilar, Deputy Secretary, Finance and Operations, PED  
Eileen Marujo-Gallegos, Director of Operations, PED  
David Craig, Director, School Budget and Finance Analysis Bureau, PED  
✓ Katherine Poulos, Director, Options for Parents Division, PED  
Pamela Bowker, Deputy Director, School Budget and Finance Analysis Bureau, PED



**THE NEW MEXICO PUBLIC  
EDUCATION DEPARTMENT**

***AUDIT OF LA PROMESA  
EARLY LEARNING CENTER***

**AUGUST 12, 2016**



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Public Education Department  
La Promesa Early Learning Center—A State-Chartered Charter School  
Audit Results  
Fiscal Year 2016

Public Education Department (PED)—Audit Division has recently reviewed various procurement documents from La Promesa Early Learning Center (La Promesa or LPCC), a state-chartered charter school. The focus of the review was to verify that La Promesa has proper internal control over the purchasing, receiving, and payment processes prescribed by PED's Public School Accounting and Budgeting (PSAB) Number 13 and was in compliance with the NM Procurement Code regarding expenditures using public funds in FY16. Also considered were relevant statutes, such as those that relate to the K-3 Program and taxation, as it effects the purchases for the school.

**Section 13-1-30 NMSA 1978. Application of the code.**

**A. (Unless otherwise exempted) the code shall apply to every expenditure by state agencies or local public bodies.**

**B. When procurement involves the expenditure of federal funds, the procurement shall be conducted in accordance with mandatory applicable federal law and regulation. If those laws are inconsistent with the Procurement Code, compliance with federal law or regulations shall be deemed compliant with the Procurement Code.**

**Section 13-1-196 NMSA 1978. Civil Penalty.**

**Any person, firm or corporation that knowingly violates any provision of the Procurement Code [Sections 13-1-28 through 13-1-199 NMSA 1978] is subject to a civil penalty of not more than one thousand dollars (\$1,000) for each procurement in violation of any provision of the Procurement Code.**

The areas concentrated on were the documentation provided by La Promesa for the K-3 Plus Program (Summer 2015). Documentation included the Request for Reimbursements (RfRs) #528-000-1516-27166-0001 and #528-000-1516-27166-0002. Additionally, La Promesa provided documentation supporting the administration's reimbursements to the executive director, principal, and vice-principal.

The PED audit has verified inconsistencies with the internal control processes and noncompliance with the NM Procurement Code, as well as non-compliance with various other state statute sections and the NM Administrative Code. Please see the following 18 areas of concern regarding the issues found by the Audit Division:

**Area of Concern #1—K-3 Plus RfR 528-000-1516-27166-001**

**A) Confirm all document support (invoice, purchase order, purchase requisition) is attached to the check copy. Recalculate invoice, including extensions and totals. Recalculate hours worked multiplied by hourly rate and include location of services.**

For 1 out of 10 items tested, the auditor noted that no purchase order was provided by LPCC for review of the transaction. The test item is included in the testwork for Administration—Reimbursements.

For 4 out of 10 items tested, the auditor was unable to recalculate the hours worked by the hourly pay rate and the location of services performed. No detailed statement or equivalent documentation was received from LPCC. The auditor noted that the payment processing to vendors appeared to have been completed without receipt of the required documentation specified by the contract.

For 1 out of 10 items tested, the auditor was unable to recalculate the hours worked by the hourly pay rate, nor was the auditor able to determine the location of the services performed. Per the contract, “the processing of payment will begin upon receipt of a detailed, certified statement of account, which shall include dates and hours reported for the period covered, along with details and percent of work expended.” The auditor noted that the payment processing to vendors appeared to have been completed without receipt of the supporting documentation required by the contract.

For 9 out of 10 items tested, the auditor noted no purchase requisition was issued prior to the purchase. In reviewing the La Promesa Policy and Procedures for Purchasing, it is stated that a purchase requisition must be submitted to the business office for review by the business manager. The business manager will then assign a purchase order. The auditor noted that the payment processing to vendors appeared to have been completed without following La Promesa’ Policies and Procedures for Purchasing.

**Criteria.** Per the executed professional services contracts, “the processing of payment will begin upon receipt of a detailed, certified statement of account, which shall include dates and hours reported for the period covered, along with details and percent of work expended.” Per PSAB 13—for procurements less than statutory thresholds, the central purchasing office shall develop, implement, and maintain its own purchasing procedures consistent with the Procurement Code and the policies adopted by the local boards of education or governing councils as applicable. La Promesa’s policy and procedures for purchasing states that purchasing policies and procedures must be followed and that a purchase requisition is required prior to an executed purchase order.



**Effect.** The impact to La Promesa is over-expenditure of fund budgets as well as improper recording of expenditures that could lead to over- or under-statement of fund activity.

**B) Verify the expenditure and meet the expenditure guidelines outlined in FY15 K–3 Plus Program Guide.**

For 1 out of 10 items tested, the auditor noted that there is no notation showing the expenditure is related to K–3 Plus Program. That one tested item was for the purchase of sheet protectors.

For 1 out of 10 items tested, the auditor was unable to determine the scope of work and whether it was a professional services contract or for goods and services. The expenditure was coded for Instruction—General Materials and Supplies. It was not clear by the description what was actually purchased; however, the invoice states "program development, classroom support". It was unclear how the expenditure met the expenditure guidelines of the FY15 K–3 Plus Program Guide.

**Criteria.** The FY15 K–3 Plus Program Guide states that the allowable expenditures must be directly related to providing for the K–3 Plus Program. K–3 Plus funds may not be used to supplant funding designated for year-round expenses and executed professional services contracts.

**Effect.** The impact to La Promesa is over-expenditure of fund budgets as well as improper recording of expenditures, which could lead to over- or under-statement of fund activity. In addition, La Promesa is not in compliance with Educational Standards—General Requirements for the K–3 Plus Program NMAC 6.30.12.

**C) Verify that the expenditure for professional development (PD) meets 6.30.12.11 NMAC for the areas identified (early reading, math, and English as a second language).**

For 1 of 10 items tested, the auditor noted that the PD, as provided, did not meet the PD areas identified per 6.30.12.11 NMAC. The tested item was PD, with the scope shown as Wellness vs Exercise/Nutrition, Wellness Psychology, and Playing Well with Others.

**Criteria.** The K–3 Plus Program Guide as defined by 6.30.12.11 NMAC states that PD for K–3 Plus teachers should be provided in the areas of early literacy and its implications for instruction, best practices of English as a second language/English language learner instruction, and best practices in early mathematics instruction.

**Effect.** The impact to La Promesa in providing PD in the areas defined by 6.30.12.11 NMAC is significant in that it is essential for PreK–3 teachers to improve the education of their students in the noted areas.

**D) Verify receiving document that includes verification of receipt of goods, including approval notation of *OK TO PAY* or similar coding and that the purchase order number is written on the receiving document.**

Of all 10 items tested, the auditor noted no verification/support of receipt of goods/services, nor approval notations, nor purchase order numbers on the invoice or sales receipt. There was no evidence of the business manager's review.

**Criteria.** Per PSAB 13 Purchasing, the receiving document shall be manually or electronically signed by authorized receiving personal and processed for payment according to procedures established by charter school boards' of education local procedures. Per La Promesa's Policy and Procedures for Purchasing, the business manager will review the vendor invoice for mathematical accuracy; compare terms, quantities, and prices to the purchase order, packing list, and purchase requisition; and initial the original invoice to indicate evidence of such review.

**Effect.** The impact to La Promesa is the potential for inappropriate purchases, unallowable expenditures, and fraud—which could affect future federal and state funding.

**E) Verify, prior to payment made, that the corresponding, receiving documentation is certified indicating that the goods/services have been received by LPCC, as required by the Procurement Code.**

For all 10 items that were tested, the auditor noted that there was no receiving document for goods/services.

**Criteria.** Per Section 13-1-158 NMSA 1978, no warrant, check, or other negotiable instrument shall be issued in payment for any purchase of services, construction, or items of tangible personal property unless the central purchasing office or the using agency certifies that the services, construction, or items of tangible personal property have been received and meet specifications.

**Effect.** The impact to La Promesa is the potential for inappropriate purchases, unallowable expenditures, and fraud—which could affect future federal and state funding.

**F) Trace the account code utilized on the purchase order that is executed in the financial management system (APTA) and to ensure it agrees with the actual expenditure, as noted in the general ledger.**

For 1 out of the 10 items tested, the auditor noted that no purchase order was provided by LPCC for review of the transaction.

**Criteria.** Per PSAB 13, local procedures shall demonstrate that appropriate controls are in place. General controls also require that the accounting department compares the invoice to the purchase order and receiving documentation. Additionally, all purchase orders and requisitions

are reviewed to ensure that account codes that include fund, function, and object are used appropriately.

**Effect.** La Promesa has the potential for inappropriate purchases, unallowable expenditures, and fraud—which could affect future federal and state funding

**G) Verify that the account code is accurate and appropriate for the expenditure submitted for reimbursement.**

Auditor noted that the account code does not support the actual expenditure as follows:

For 1 out of 10 items tested, \$1,100 was charged to the function code “1000”, which includes the activities dealing directly with the interaction between teachers and students. The function code “2100”— Support Services— Students appears to be appropriate for the expenditures. This function provides administrative, technical and logistical support to facilitate and enhance instruction. These activities supplement the instructional processes. The expenditure is for professional development of teachers and staff and was held when no students were in attendance. The invoice provided shows a three-hour PD session—Wellness versus Exercise/ Nutrition, Wellness Psychology, and Playing Well with Others.

The auditor noted that of 4 out of the 10 items tested, a total of \$9,933, which was charged to the expenditure account code 1000, does not support the transaction submitted. Function “1000”— Instruction is used for direct instructional costs. The correct function code appears to be “2100”— Support Services—Students. In a second item, the object code “55915” was used for expenditures for Inter-Educational, Inter-Agency Purchased Services, and it appears to be mis-coded. The correct code appears to be “53414” —Other Services under Other Professional Services. For the professional services contracts, the scope appears to be for management consultation of teachers and not for providing educational content to students; therefore, the account code is not properly recorded per the PSAB Chart of Accounts.

For 1 out of 10 items tested, the auditor noted that no purchase order was provided by LPCC for review of transaction.

For 1 out of 10 items tested, the auditor noted that \$1,800 was charged to “56118—General Merchandise and Supplies”. The auditor is unable to determine the scope of work—goods or services. The expenditure code indicates it was for instructional materials and supplies. However, the description line of the invoice states “Program Development, Classroom Support”. The description does not clarify what was actually purchased.

For 1 out of 10 items tested, the auditor noted that \$83.56 of a sales receipt of \$2,004.49 was for the purchase of office supplies. The \$83.56 apparently requires the expenditure code “56118— General Materials and Supplies”. The items purchased were rulers, folders, and receipt books. The entire invoice was coded to “57332”—Supply Assets (\$5,000 or less); therefore, the \$83.56 was not properly recorded per the PSAB Chart of Accounts.

For 1 out of the 10 items tested, the auditor noted that \$1,400 was coded to “55915”— Other Contract Costs under Inter-Educational, Inter- Agency Purchased Services and appears to be coded incorrectly. The correct object code is “53414”— Other Services under Other Professional Services. The expense was related to nursing services. However, no contract for nursing services was provided. The school made two payments to this vendor (one payment in RfR 528-000-1516-27166-001 and one in RfR 528-000-1516-27166-002) at two different rates.

**Criteria.** Executed Professional Services Contracts, the PED’s PSAB 3, establishes a complete fund accounting system, including the recording of assets, liabilities, fund balance, revenues, and expenditures, which is implemented and designed to meet key objectives of the accounting process.

**Effect.** La Promesa has the potential for inappropriate purchases, unallowable expenditures, and fraud—which could affect future federal and state funding.

**H) Verify that the purchase order was executed prior to the expenditure.**

For the 1 out of 10 items that were tested, the auditor noted that no purchase order was provided by LPCC for review of the transactions.

For 2 out of 10 items tested, the auditor noted that no purchase order was issued prior to the purchase. The auditor noted that the purchase order was executed after the date of the professional services contract became effective and the work was to begin.

**Criteria.** The PED’s PSAB 13 states that the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services, or construction.

**Effect.** The impact to La Promesa is over-expenditure of fund budgets as well as improper recording of expenditures which could lead to an over- or under-statement of fund activity.

**I) For invoices for services, verify gross receipts tax is included in the invoice amount.**

For 6 of the 10 items tested, the auditor noted that there was no gross receipts tax shown on the invoice for professional services. La Promesa is not exempt from applicable taxes on services. The taxes are to be added as a separate item with the grand total clearly shown. The tested invoices did not include a separate line item for gross receipts.

For 1 of the 10 items tested, the auditor noted that, for goods purchased, there was gross receipts tax shown on the sales receipt. La Promesa is able to deduct the amount of gross receipts charged and therefore not required to pay gross receipts tax. The auditor noted that the reimbursement of gross receipts tax to the employee is evidence of statutory non-compliance. La Promesa holds a Type 9 Non-Taxable Transaction Certificate.

**Criteria.** Executed Professional Services Contracts, Section 7-9-54 (A) NMSA 1978 states that receipts from selling tangible personal property to ... agency, department or instrumentality

thereof may be deducted from gross receipts. The deduction provided by this subsection does not apply to ... (4) that portion of the receipts from performing a “service” that reflects the value of tangible personal property utilized or produced in performance of such service.

**Effect.** The procurement process is not being adhered to, and the lack of internal control over monitoring is not mitigating the potential issue of over- or under-paying the vendor the proper amount due.

### **Area of Concern #2—K-3 Plus RfR 528-000-1516-27166-002**

**A) Confirm all document support (invoice, purchase order, purchase requisition) is attached to the check copy. Recalculate invoice including extensions and totals. Recalculate hours worked multiplied by hourly rate and location of services performed.**

For 1 out of 17 items tested, the auditor noted that the support provided did not agree with the actual payment remitted to the vendor. Check #6159 for \$1,607.80 did not agree with the invoice for \$1,050.43. The difference is \$557.37.

For all 17 out of the 17 items tested, the auditor noted that no purchase requisition was issued prior to the purchase. The auditor noted that the payment processing to vendor appeared to have been completed without receipt of any required documentation.

For 1 out of the 17 items tested, the auditor recalculated the total sales receipts to equal \$652.61. The amount paid was actually \$656.61. The executive director had been over paid, and the K-3 Plus Program had been overcharged by \$4.00. The error was not found by La Promesa staff or the external business manager.

For 3 out of the 17 items tested, the auditor was unable to recalculate hours worked by hourly pay rate for the services performed. The invoices show only a total amount. Therefore, the auditor cannot recalculate or verify the hours worked and/or verify that the services were related to the K-3 Plus program. In addition, no contract was provided. The auditor also noted that the address on the invoice was incomplete and did not agree with the invoice on the purchase order.

For the 1 of 17 items tested, no purchase order was provided by LPCC for review of the transaction. The invoice packet was created for the executive director. It was noted that one receipt, totaling \$287.33, was to be charged to the K-3 Plus Program. However, it was coded in the general ledger to 11000—Operational. The sales receipt was dated Saturday, 8/15/15 at 7:34pm, after the conclusion of the K-3 Plus Program. There was no notation by management or business manager as to the lack of required documentation.

For the 1 of 17 items tested, no contract was provided for nursing services. The school made two payments to this vendor (one payment in RfR 528-000-1516-27166-001 and one in RfR 528-000-1516-27166-002) at two different rates.

**Criteria.** Good accounting practices, PSAB 13 states that vendor invoices are received and reviewed first by the accounting department. The accounting department is to compare the invoice to the purchase order and receiving documentation.

**Effect.** The impact to La Promesa could result in over-expenditure of fund budgets, as well as improper recording of expenditures—which could lead to over- or under-statement of fund activity.

**B) Verify the expenditure and meet the expenditure guidelines outlined in FY15 K-3 Plus Program Guide.**

For the 1 of 17 items tested, there was no notation showing that the expenditure was related to the K-3 Plus Program. The invoice showed an allocation of \$10,000 to the K-3 Plus Program, and the invoice total was \$25,992.97. The auditor was unable to determine how the allocation was calculated by La Promesa and how the expenditure met K-3 Plus Program requirements. Additionally, the invoice included \$1,742.97 of gross receipts tax. The annual license renewal is a tangible personal property type item and should not be taxed; therefore, the cost should not be paid by the K-3 Plus Program.

For 3 of the 17 items tested, the auditor noted the use of the “27166 Plus Program Code.” However, it appears that the expenditures relate to items that will be used year-round. The correct code appears to be “11000”—Operational. The three purchased items were UltraPlay Official Sport Ball Pack—52 Pieces, Foam Rollers—Half Round, and a Narcotics Box—Double Door/Double Lock. The auditor considered all the items as necessary for operations at La Promesa. However, it is not clear how these items would be used only within the approved timeframe of the program.

**Criteria.** According to the K-3 Plus Program, Summer 2015 Application Technical Assistance Guide, K-3 Plus funds may not be used to supplant funding designated for year-round expenses.

**Effect.** Due to the lack of proper documentation, the charter school has the potential for inappropriate purchases, unallowable expenditures, and fraud—which could affect future federal and state funding.

**C) Verify that the expenditure for PD meets 6.30.12.11 NMAC for the areas identified (early reading, math, and English as a second language).**

None of the 17 items tested were for PD expenditures. No exceptions were noted.

**D) Verify that the receiving documentation includes verification of the receipt of goods/services, including approval notation of *OK TO PAY* or similar code and that the purchase order number is written on the receiving document.**

For 17 of 17 items tested, there was no verification of receipt of goods/services, nor approval notations, nor purchase order numbers on invoice or receipt.

**Criteria.** Per PSAB 13, school personnel must write the purchase order number on invoices and receipts and sign *OK TO PAY* at the time of the receipt of the goods or services.

**Effect.** La Promesa has the potential for inappropriate purchases, unallowable expenditures, and fraud—which could affect future federal and state funding.

**E) Verify, prior to payment made, that the corresponding, receiving documentation is certified and that the goods/services have been received by La Promesa, as required by the Procurement Code.**

For 15 of 17 items tested, there is no certification that the goods/services have been received by La Promesa.

**Criteria.** According to Good Accounting Practices, PED's PSAB 13, school personnel must write the purchase order number on invoices and receipts and sign *OK TO PAY* at the time of the receipt of the goods or services. All receipts must immediately be given to the school secretary for processing, if applicable. According to Procurement Code—Section 13-1-158 NMSA 1978, no warrant, check, or other negotiable instrument shall be issued in payment for any purchase of services, construction, or items of tangible personal property unless the central purchasing office or the using agency certifies that the services, construction, or items of tangible personal property have been received.

**Effect.** La Promesa has the potential for receiving inaccurate or damaged goods or an inaccurate quantity/quality and not have a mitigating control before payment is made.

**F) Trace the account code that was executed in the financial management system (APTA) and utilized on the purchase order. Agree with the actual expenditure as noted in the general ledger.**

For 1 out of 17 items tested, there was no purchase order. This invoice packet was a reimbursement to the executive director.

**Criteria.** According to Good Accounting Practices, Section 13-1-127 NMSA 1978, emergency purchases are only allowed when there is an existence of an emergency need that cannot be met through normal procurement methods. These emergencies take into consideration health, safety of persons or property, and the functioning of government.

**Effect.** La Promesa has the potential for inappropriate purchases, unallowable expenditures, and fraud—which could affect future federal and state funding.

**G) Verify that the account code is accurate and appropriate for the expenditure submitted for reimbursement.**

For 1 of the 17 items tested, there is no notation showing that the expenditure is related to the K-3 Plus Program. The allocation is coded to "27166"—K-3 Plus Program. However, the auditor was not able to determine how the allocation calculation was computed by La Promesa for the program.

For 1 of the 17 items tested, the auditor noted that the expenditure object code "55915" did not support the transaction. The correct expenditure object code was "55913"—Contracts—Interagency/REC. This code should be used for all contractual agreements with ... governmental entities. The vendor was Cooperative Educational Services (CES), a governmental entity.

For 1 of the 17 items tested, the auditor noted that the function code "1000" did not support the transaction. The correct function code appears to be Support Services— Central Services "2500". Also, the expenditures object code "53711"—Purchased Professional and Technical Services-Other Professional Services- Other Purchased Services- Other Charges did not support the transaction. The correct expenditure object code is "55400"—Advertising under Other Purchase Services. La Promesa purchased radio advertising for the charter school using K-3 Plus Funds.

For 1 of the 17 items tested, the auditor noted that the function code "1000"—Instruction did not support the transaction. The correct function code appears to be "2700"—Student Transportation. Also, the expenditure object code "55100"—Student Transportation Services did not support the transaction, because entries are not posted to the roll-up account. The correct expenditure object code to be used for the transportation of students is "55112"—Transportation Contractors. Per PED's PSAB 3, Page 19, the program code is "0000", since the function code did not additionally require a program code.

For 4 out of 17 items tested, the auditor noted that the object code 55915—Other Contract Services appeared to be coded incorrectly. The object code used is for "Inter-Educational, Inter-Agency Purchased Services". The correct object code appears to be 51100—Salaries Expense. The vendors were contract employees.

For 1 of the 17 items tested, the auditor noted that the expenditure account code did not support the transaction submitted. Function (Program 0000) and object codes (53414-Other Services) appear to be the correct account code components. The object code used was for "Inter-Educational, Inter-Agency Purchased Services". Per the scope of work, it appears that the service was for management consultation of teachers and was not for providing educational content to students. Therefore, the account code was not properly recorded for the transaction, and did not follow the PSAB Chart of Accounts.

For 1 of the 17 items tested, the auditor noted the expenditure's object code did not support the transaction submitted. The object code "55915" is used for Inter-Educational, Inter-Agency Purchased Services. The correct code appears to be 53330—Professional Development.



For 3 of the 17 items tested, the auditor noted that the “27166 Plus Program” code was used. However, it appears that the expenditures were for items that will be used year-round. The correct code appears to be “11000”—Operational. Allowable expenditures must be directly related to providing for the K-3 Plus Program. K-3 Plus funds may not be used to supplant funding designated for year-round expenses. The three items purchased were the UltraPlay Official Sport Ball Pack—52 Pieces, Foam Rollers—Half Round, and a Narcotics Box—Double Door/Double Lock. While the auditor considered all of these items necessary for operations at La Promesa, it was not clear how these items would be used only in the approved timeframe of the program.

For 1 of the 17 items tested, the auditor was unable to verify the account coding as accurate and appropriate for the expenditure submitted for reimbursement. It was noted that this invoice packet was coded to “11000”—Operational. The cost was transferred to the K-3 Plus Program with an approved journal entry. The journal entry was not provided to the auditors.

**Criteria.** According to Good Accounting Practices, PEDs PSAB 3 establishes a complete fund accounting system, including the recording of assets, liabilities, fund balance, revenues, and expenditures—which is designed and implemented to meet key objectives of the accounting process.

**Effect.** La Promesa has the potential for inappropriate purchases, unallowable expenditures, and fraud—which could affect future federal and state.

#### **H) Verify that the purchase order was executed prior to the expenditure.**

For 1 out of 17 items tested, no purchase order was provided by LPCC for review of the transaction. The auditor was unable to verify that the purchase order was executed prior to the expenditure. The one item was an invoice packet was for the executive director.

**Criteria.** PED’s PSAB 13 states that the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services, or construction.

**Effect.** The impact to La Promesa is over-expenditure of fund budgets, as well as improper recording of expenditures—which could lead to over- or under-statement of fund activity.

#### **I) For invoices for services, verify that gross receipts tax is included in the invoice amount.**

For 8 out of 17 items tested, the auditor noted that, for services received, there was no gross receipts tax shown on the invoice. La Promesa is not exempt from applicable taxes on services. The taxes are to be added as a separate item with the grand total clearly shown. The invoice was not in compliance with the contract.

For 1 of 17 items tested, the auditor noted that the total tax of \$1,742.97 was for gross receipts tax on an invoice for goods. La Promesa, as a state-chartered charter school, is not required to pay sales tax on goods purchased.

**Criteria.** Executed Professional Services Contracts, Section 7-9-54 (A) NMSA 1978, which states receipts from selling tangible personal property to ... agency, department or instrumentality thereof may be deducted from gross receipts. The deduction provided by this subsection does not apply to ... (4) that portion of the receipts from performing a “service” that reflects the value of tangible personal property utilized or produced in performance of such service.

**Effect.** The impact to the school has the potential to be significant. The procurement process is not being adhered to, and the lack of internal control over monitoring is not mitigating the potential issue of over- or under-paying the vendor the proper amount due.

### **Area of Concern #3—Reimbursements to Administrative Staff**

**A) Confirm that all document support (invoice, purchase order, purchase requisition) is attached to the check copy. Confirm that the administrative reimbursement support documentation is provided. Recalculate invoices, including extensions and totals.**

For 17 out of 19 items tested, the auditor noted that no purchase order was provided by LPCC for testing. The auditor noted that the procurement process appeared to be circumvented for the transactions reviewed. There was no sign-off on the documentation by the chief procurement officer approving the purchase. Also with the purchase order, the budget check process was circumvented so that staff and management were not able to determine if funds were available prior to the expenditure. The payment processing to vendors appears to have been completed without proper documentation.

For 2 out of 19 items tested, no documentation was provided by La Promesa. It appears there was a lack of internal controls regarding document management. The auditors were unable to determine the procurement procedures and determine if there was proper recording of the transactions.

For 8 out of 19 items tested, the auditor noted that no purchase requisitions were provided by LPCC for review of those transactions. The auditor noted that the procurement process appeared to be circumvented for the transactions that were reviewed. Without the purchase requisition, the purpose of the expenditure and the expected account coding were excluded, and staff and management could not determine the required procurement process to initiate purchasing. Therefore, the process was circumvented. The processing of payment to vendors appears to have been completed without proper documentation.

For 3 out of 19 items tested, the auditor noted the documentation was incomplete. The sales receipts provided did not support the amount reimbursed to the employee.

- Receipts totaled \$1,060.55. However, the amount of the reimbursement was \$1,237.60. The principal appears to have been overpaid by \$177.05.
- Receipts totaled \$1,365.38. However, the reimbursement was \$1,320.00. One of the receipts, for \$45.14, was not included in the reimbursement. The principal appears to have been underpaid by \$.24. The auditor presumed that there was a miscalculation of the required reimbursement. Additionally, gross receipts tax was included on three of six receipts for the reimbursement.
- Receipts did not total the amount reimbursed to the executive director. The attached receipts total \$307.47. However, the reimbursement was \$292.25. The executive director appears to have been underpaid by \$15.22. The process of payment to vendors appears to have been completed without proper supporting documentation.

For 2 out of 19 items tested, the auditor was unable to review the invoice for the transaction, since it was not provided. An email of the Payment Reminder Notice was provided to the PED as support for the transaction. Payment from emails is not a sound accounting practice. The auditor noted that the processing of payment to the vendors appears to have been completed without proper attention to the detail of the supporting documentation.

For 1 out of 19 items tested, the auditor noted that the reimbursement request included a receipt from May 2015, the prior year. The handwritten note on the receipt indicated that it was for "Construction Materials". Receipt was not submitted timely. The prior year documentation was not noted by La Promesa staff or by an external business manager. The auditor noted that the processing of payment to the vendors appears to have been completed without proper attention to the detail of the supporting documentation.

For 2 out of the 19 items tested, the auditor noted that the reimbursement request does not agree with the amount included in the purchase requisition. The amount submitted was paid to the executive director who was overpaid \$10.55 and \$3.50 respectively.

For 16 out of 19 items tested, the auditor noted that no evidence for reimbursement was provided from administration staff. The auditor was unable to verify that the original transaction was paid by the employee prior to the reimbursement request being submitted.

For 1 out of the 19 items tested, the auditor noted that no invoice or sales receipt was provided by LPCC for review of the transaction. The auditor was unable to verify the transaction with the invoice or sales receipts, since it was not provided.

**Criteria.** Per LPCC purchasing policies and procedures, the business manager will review the vendor invoice for mathematical accuracy; compare terms, quantities, and prices to the purchase order, packing list, and purchase requisition; and initial the original invoice to indicate evidence of such review.

**Effect.** The impact to La Promesa is over-expenditure of fund budgets as well as improper recording of expenditures—which could lead to over- or under-statement of fund activity.

**B) Verify that the purchase requisition is submitted to the business office and submitted to a budget check, and the business manager will assign a purchase order (a duly authorized document per PSAB 13), signed by the chief procurement officer.**

For 7 out of 19 items tested, the purchase requisition was approved by the executive director. However, it did not appear that it was submitted to the business manager for a budget check and purchase order generation. Nor was it signed and approved by the acting chief procurement officer.

For 1 out of 19 items tested, a minimally completed purchase requisition for reimbursement to the executive director had a description of items purchased "Reim Supplies," did not assign an account code to charge, and was not approved. Additionally, the purchase requisition was dated after the purchases were made.

For 2 out of the 19 items tested, no documentation was provided by La Promesa. It appears that there was a lack of internal controls regarding document management. The auditors were unable to determine the procedures for procurement and if there was proper recording of the transactions.

For 8 out of the 19 items tested, the auditor noted that no purchase requisition was provided by LPCC. Without the purchase requisition, the purpose of the expenditure and the expected account coding was excluded, and staff and management could not determine the required procurement process to initiate purchasing. The processing of payment to vendors appears to have been completed without proper documentation.

For 2 out of the 19 items tested, the auditor was unable to determine when the executive director signed approval of the purchase requisition. The purchase order was signed; however, the document was not dated.

**Criteria.** According to the LPCC Purchasing Policies and Procedures, the purchase requisition must be submitted to the business office for review. PSAB 13 requires that all purchase transactions are executed through issuance of duly authorized school district purchase order. Per Section 13-1-95.2 NMSA 1978, only the chief procurement officer may issue purchase orders and authorize small purchases pursuant to the procurement code.

**Effect.** The impact to La Promesa is over-expenditure of fund budgets as well as improper recording of expenditures—which could lead to over- or under-statement of fund activity.

### **C) Not Used**

**D) Verify that the receiver initialed and dated the packing list, invoice, or sales receipt prior to submitting to the business office, per LPCC Policy and Procedures and PSAB 13.**

For 17 out of the 19 items tested, the auditor was unable to verify either the receiver's initials or date, even with the invoice or sales receipt provided. This was due to not receiving the notation.

For 2 out of the 19 items tested, no documentation was provided by La Promesa. It appears that there is a lack of internal controls regarding document management. The auditors were unable to determine the procedures for procurement and if there were proper recording of the transactions.

**Criteria.** According to La Promesa Policy and Procedures, the receiver must compare the quantities received to the quantities recorded on the packing list. Once this information is verified, the receiver must initial and date the packing list and submit it to the business office where it will be compared and attached to the open purchase order and original requisition and filed in the *Pending Invoice* file until receipt of the invoice. According to PSAB 13, upon verifying and recording the receipt of all the items or services ordered, the receiving document shall be signed by authorized personnel and processed for payment, according to procedures established by the school district or by the charter school board's local procedures.

**Effect.** The potential for inappropriate expenditures and unallowable costs are a risk to the charter school. Items could be purchased without the knowledge of the chief procurement officer as well as initiating procurement that is not in compliance with regulatory policy.

**E) Per PSAB13, verify document support that includes the initials of the business manager, as a notation for the approval of the transaction and as evidence of comparing terms, quantities, and prices to the purchase order and to establish that the transaction is certified as received by school staff, as required by the Procurement Code.**

For 17 out of the 19 items tested, the auditor noted that there were no initials, nor approval to pay notation, nor certification of receipt, nor purchase order numbers noted on the invoice.

For 2 out of the 19 items tested, no documentation was provided by La Promesa. It appears there is a lack of internal controls regarding document management. The auditors were unable to determine the procurement procedures and determine if there was proper recording of the transactions.

**Criteria.** La Promesa Policy and Procedures require that when invoices are received, the date is stamped by the business office. The business manager will review the vendor invoice for mathematical accuracy; compare terms, quantities and prices to the purchase order, packing list and purchase requisition; and initial the original invoice to indicate evidence of such review. Per PSAB 13, upon verifying and recording the receipt of all the items or services ordered, the receiving document shall be signed by authorized personnel and processed for payment, according to procedures established by the school district or the charter school board's local procedures. Per the Procurement Code, Section 13-1-158.A NMSA 1978, no warrant, check or other negotiable instrument shall be issued in payment for any purchase of services, construction, or items of tangible personal property unless the using agency certifies that the services, construction, or items of tangible personal property have been received and meet specifications.

**Effect.** The potential for inappropriate expenditures, unallowable costs, and fraud are a risk to La Promesa. Items could be purchased and received, which could obligate the school and require reimbursement to staff that is not in compliance with school policy.

**F) Trace the account code utilized on the purchase requisition to ensure it agrees with PED's Chart of Accounts.**

For 5 out of 19 items tested, the auditor noted that no account code was included on the purchase requisition. Also, the purchase requisition did not appear to be submitted to the business office for approval. The purchase requisitions appeared to be completed after the purchasing occurred and reimbursements had been made to the executive director.

For 8 out of the 19 items tested, the auditor noted that no purchase requisition was provided by LPCC for review of the transaction. The auditors were unable to verify with the purchase requisition, since it had not been provided.

For 2 out of the 19 items tested, no documentation was provided by La Promesa. It appears that there is a lack of internal controls regarding document management. The auditors were unable to determine the procedures for procurement and determine if there was proper recording of the transactions.

**Criteria.** PED's PSAB 3 establishes a complete fund accounting system, including the recording of assets, liabilities, fund balance, revenues, and expenditures, which is implemented and designed to meet key objectives of the accounting process.

**Effect.** The impact to La Promesa is over-expenditure of fund budgets, as well as improper recording of expenditures—which could lead to the over- or under-statement of fund activity.

**G) Trace the account code utilized on the purchase order to ensure it was executed in the financial management system (APTA Fund) and that it agrees with the general ledger.**

For 13 out of the 19 items tested, no purchase order was provided by LPCC for review of the transactions.

For 2 out of the 19 items tested, no documentation was provided by La Promesa. It appears that there is a lack of internal controls regarding document management. The auditors were unable to determine the procedures for procurement and determine if there was proper recording of the transactions.

For 1 out of 19 items tested, the auditor noted that the expenditure account code did not support the transaction submitted. The items included on the purchase requisition were not "Other Charges" under "Purchased Services." The auditor notes that the items purchased appeared to be supplies for the operation of the charter school, which appear to be coded under "56118."

**Criteria.** According to 6.20.2.8 NMAC, all school districts shall account for financial transactions and develop and maintain their budgets in accordance with the Public School Code, Generally Accepted Accounting Principles (GAAP), and department procedures for public school accounting and budgeting.

**Effect.** The impact to La Promesa is over-expenditure of fund budgets as well as improper recording of expenditures—which could lead to over- or under-statement of fund activity.

**H) Trace from purchase requisition to the invoice or sales receipt for the quantity and type of item purchased.**

For 5 out of the 19 items tested, the auditor was unable to trace the quantity and type of item purchased, tracking from the purchase requisition to the invoice or sales receipt.

For 2 out of 19 items tested, no documentation was provided by La Promesa. It appears there is a lack of internal controls regarding document management. The auditors were unable to determine the procurement procedures and determine if there was proper recording of the transactions.

For 8 out of 19 items tested, no purchase requisition was provided by LPCC for review of transaction. The auditors were unable to verify with the purchase requisition, since it was not provided.

For 1 out of 19 items tested, the auditor noted that the support to the invoice did not include price per item with the extensions. The auditor was unable to trace the attached inventory list support to the total that was charged on the invoice.

**Criteria.** La Promesa Policy and Procedures states that invoices will be received and date stamped by the business office. The business manager will review the vendor invoice for mathematical accuracy; compare terms, quantities and prices to the purchase order, packing list and purchase requisition; and initial the original invoice to indicate evidence of such review. Per PSAB 13, upon verifying and recording the receipt of all the items or services ordered, the receiving document shall be signed by authorized personnel and processed for payment according to procedures established by the school district or the charter school education board's local procedures. Per the Procurement Code, Section 13-1-158.A NMSA 1978, no warrant, check or other negotiable instrument shall be issued in payment for any purchase of services, construction, or items of tangible personal property unless the using agency certifies that the services, construction, or items of tangible personal property have been received and meet specifications.

**Effect.** The impact to La Promesa is over-expenditure of fund budgets as well as improper recording of expenditures—which could lead to over- or under-statement of fund activity.

**I) Verify compliance with gross receipts tax statutes for the purchase/procurement by LPCC.**

For 2 out of 19 items tested, no documentation was provided by La Promesa. It appears that there is a lack of internal controls regarding document management. The auditors were unable to determine the procedures for procurement and determine if there was proper recording of the transactions.

For 7 out of 19 items tested, the auditor noted gross receipts tax on invoice or sales receipt. La Promesa, as a state-chartered charter school, is not required to pay sales tax on goods received. LPCC has been remitting gross receipts tax when it is not statutorily required.

For 1 out of 19 items tested, the auditor was unable to review the invoice for the transaction, since it was not provided. An email of a Payment Reminder Notice was provided to the PED auditor as support of transaction.

**Criteria.** Section 7-9-54 (A) NMSA 1978 states that receipts from selling tangible personal property to ... agency, department, or instrumentality thereof may be deducted from gross receipts. The deduction provided by this subsection does not apply to ... (4) that portion of the receipts from performing a “service” that reflects the value of tangible personal property utilized or produced in performance of such service.

**Effect.** The impact to La Promesa is over-expenditure of fund budgets as well as improper recording of expenditures—which could lead to over- or under-statement of fund activity.

**Area of Concern #4—Allocation of Charges**

The auditor noted in the 2015–2016 Parent/Student Handbook, the statement “...we also have a beautiful site at 5201 Central NW that is dedicated to servicing children from birth to first grade.” Per the 2015–2016 school calendar, July 9, 2015 is the first day of school for kindergarten through the 3<sup>rd</sup> grade. The handbook also includes a Parent’s Signature Form, which shows both school addresses. The auditor is unable to trace expenditures for the K–3 Plus Program for the two individual locations. If a vendor was working at both locations, the invoices did not provide a breakdown of work between the two sites.

**Area of Concern #5—Policy and Procedures for La Promesa**

The auditor noted that all of the policies that were provided upon request were listed in Date Adopted: Pending Governing Council (GC) Approval. The policies provided were for Activity Funds, Cash Receipts, Textbook Policy, Time Clock Policy, Travel—Per Diem and Mileage, and Purchasing. With the documentation that was provided, the auditor was unable to determine if the policies had been approved by La Promesa’s governing council and had not been updated. To the auditor, it appeared that the policies had not been approved. The Policy and Procedures for Purchasing is not current due to the statutory changes made regarding the chief procurement officer and two pages of the five-page document appears to be in draft form.



Per PSAB 2, each (charter school) is responsible for establishing and maintaining an internal control structure, including policies and procedures. Each is also responsible for ensuring that the (charter school) complies with laws and regulations to state and federal programs, (Section 22-1-1 NMSA 1978; 6.20.2.11 NMAC). Management is responsible for developing detailed policies, procedures, and practices and insuring that they are an integral part of the (charter school)'s operations.

#### **Area of Concern #6—Professional Services Contracts Dr. A.A.**

The professional services contract for Dr. A. A. states, in the scope, “to provide services to K–2 grades.” The PO 2016-014 description is “K-Plus Coaching”, and the invoice states “K & 1<sup>st</sup> Grade coaching on learning centers.” The documentation is not consistent. Also, there appears to be management consultation provided for teachers and no evidence of providing educational content to students. The address of record on the contract is the Central address, and no other location for services is noted. Based on the fact that the K–3 Plus is run out of two locations, it appears that there should be distinct clarification as to the requirements at both locations. It is unclear as to how two locations were staffed and how the K–3 Plus Program was administered based on the billing provided.

#### **Area of Concern #7—Professional Services Contracts M.A.**

The professional services contract for M. A. states in the scope “to provide services to K–2 grades.” The PO 2016-013 description is “K-Plus Coaching”, and the invoice states “K–3 Coaching for 1<sup>st</sup> and 2<sup>nd</sup> grades.” The documentation is not consistent. Also, there appears to be management consultation provided for teachers and no evidence of providing educational content to students. The address of record on the contract is the Central address, and no other location for services is noted. Based on the fact that the K–3 Plus is handled out of two locations, it appears that there would be distinct clarification as to the requirements at both locations. It is unclear how the two locations were staffed and the K–3 Plus Program administered based on the billing provided.

Check number 00006 for \$1,800, dated 08/06/2016, is out of sequence. In addition, the invoice submitted to La Promesa is a different format than the other two invoices that were submitted for reimbursement—on 7/17/2015, check number 6145 for \$2,000.00 and on 8/14/2015, check number 6269 for \$2,614.00. It appears that an invoice from Dr. A.A was altered/modified with M.A.'s information and was submitted for reimbursement.

#### **Area of Concern #8—Professional Services Contracts Dr. A.A. and M.A**

The auditor noted that the scope of work for the contract for instructional coaching support services appears vague and does not specify the actual work to be performed on the two professional service contracts provided. Each contract also states that the work order shall include, as a minimum, the specific deliverables, maximum level of effort, and required dates of completion for each task assigned. No such documentation was provided. Also, the auditor

noted that each contract states “tax rates will be added to invoice as a separate item with a clear grand total.” Per Purchase Order #2016-013 and #2016-014, no gross receipts tax was noted. The deduction of gross receipts tax does not apply to “services.”

Included in the testwork, the auditor was unable to determine the scope of the work—goods or services. The purchase order provided was to a vendor that has an active Professional Services Contract. The expenditure code was for “Instruction Materials and Supplies” for the amount of \$1,800. By the description, it was not clear what was actually purchased. However, the description line of the invoice states “Program Development, Classroom Support.” The purchase order description line indicates “Support Classrooms.” The auditor was unable to determine if the expenditure met the K-3 Plus Program guidelines.

### **Area of Concern #9—Procurement Violation**

The assistant business manager has signed as the La Promesa procurement representative. The executive director has signed as the La Promesa representative. It is unclear by what authority the assistant business manager can sign a document such as a professional services contract. The chief purchasing officer is required to sign approval of procurement matters. It is noted by the auditor that the executive director appears to the acting chief purchasing officer. On or after July 1, 2015, it became a statutory requirement, 13-1-95.2 NMSA 1978, that only the certified chief procurement officer may do the following: make determinations pursuant to the Procurement Code, issue purchase orders and authorize small purchases to the Procurement Code, and approve procurements pursuant to the Procurement Code.

### **Area of Concern #10 – Procurement Violation**

The auditors reviewed the requirements for chief procurement officers’ reporting requirements, training, and certification at Section 13-1-95.2 NMSA 1978. Per the General Services Department (GSD) website, La Promesa’s previous business manager is listed three times, each time with the registration date of 12/30/13.

Per section A—On or before January 1, 2014 and every time a chief procurement officer is hired, each state agency shall provide the state purchasing agent with the name of the state agency’s chief procurement officer and information identifying the state agency’s central purchasing office. For the last two years, La Promesa has not been in compliance with the statutory reporting requirement.

Per section B—On or before January 1, 2015, the state purchasing agent shall establish a certification program for the chief procurement officers that include initial certification and recertification every two years for all chief procurement officers. It is unclear when the executive director began as the acting chief procurement officer. The executive director is not listed on the GSD website in an official capacity. Auditors were not able to determine if the executive director had completed the required certification training program. La Promesa has not been, and currently is not, in compliance with the statutory training and certification requirement.

Per section C—Only certified chief procurement officers, on or after July 1, 2015, may do the following: make determinations pursuant to the Procurement Code, issue purchase orders and authorize small purchases to the Procurement Code, and approve procurement pursuant to the Procurement Code. La Promesa has not been, and currently is not, in compliance with the Procurement Code. Of 28 K-3 Plus transactions tested, 19 have the purchase order signed by the executive director, acting chief procurement officer. None of the transactions that were tested included signed purchase orders for the purchases made for the administration reimbursements.

### **Area of Concern #11—Circumvention of the Procurement Code by La Promesa**

Per review of the expenditures, the auditor noted 19 out of 44 items tested (approximately 43 percent) were made prior to the purchase requisition or purchase order being executed. It appears the procurement process is circumvented by the management, staff, and external business manager due to the fact that management and staff are purchasing goods and requesting reimbursement without the procurement process being followed. The external business manager is not providing proper guidance or internal control to the school in the documentation requirements regarding purchasing. Many tested items show the purchasing date before the purchase order was executed.

The auditor did not receive purchase orders for 19 tested items for reimbursement to management. It appears that the management purchases goods/services and submits receipts for reimbursement with minimal support documentation. The procurement is not processed through normal procurement methods at La Promesa. Per Section (B), La Promesa does not demonstrate the existence of the emergency condition; therefore, the documentation does not support a serious need for services, construction, or items of tangible personal property that would warrant circumventing the mandated procurement process. The potential impact for the school not adhering to statutory and regulatory procurement requirements using public monies is significant, and there is a potential for material misstatement to the financial statements. Miscoding inappropriate expenditures and unallowable costs are a risk to the charter school. There is a lack of internal control. Control procedures should include the segregation of responsibilities, sound accounting practices, independent performance checks, and proper valuation. Another impact to La Promesa is over-expenditure of fund budgets as well as improper recording of expenditures, which could lead to over- or under-statement of fund activity.

### **Area of Concern #12—Executive Director Reimbursements**

In addition to the exceptions noted above in the Area of Concern, additional concerns are noted by PED auditors related to reimbursements to the executive director.

Considering the review of the reimbursement to the executive director for \$292.25, per PSAB 1, districts and charter schools should use fund code 23000 to account for various activities that are, by nature, non-instructional but support the instructional process. The fund reflects fund-

raising activities that are managed by principals and staff that account for revenues and expenditures in accordance with administrative procedures approved by the board of education or governing councils. The object code used is “53711”—Other Charges, under Other Purchased Services. The auditor was unable to determine the best object code to use, since the items purchased appeared to be a direct benefit to those in attendance. It appeared to be a potential conflict with the Anti-Donation Clause of the NM Constitution. The auditor noted that the entire reimbursement to the executive director was for a “staff Luncheon Meeting.” The receipts appear to be for the food supplies of a “Thanksgiving” or “Holiday” meal, purchased on 11/23/15. The purchase included turkey, potatoes, stuffing, vegetables, salad, and soda. It was not indicated who prepared the meal. The auditor noted that the quantity of food purchased was significant. The account code used did not support the expenditure. The expenditure was charged to Instruction/Other Purchased Services/Other Charges. The account code, 23000 Fund—General Ledger, does not support the actual expenditure or the reimbursement to the executive director.

A reimbursement to the executive director for \$921.84 included an invoice from Clean Carpet Care (provided to the PED via OBMS), dated July 31, 2015. It identified the customer as Adeline Maestas at 2213 Cordova, Albuquerque, [NM 87105]. The vendor noted that 16 vents were cleaned for \$320.00 plus tax. When received by the PED, the invoice was submitted as support to a reimbursement request for the K–3 Plus Program. When PED staff followed up on the questionable reimbursement, La Promesa responded that “These [items] were submitted simply for back up so you could tie payment amount because in reimbursement there were different funds used not paid in same check, not just K-Plus.” On the invoice, clearly written over the original address, the name La Promesa CS, 5201 Central SW, Albuquerque, NM 87105 was penned by the Clean Carpet Care staff. The same ink was used to check off the cleaning of carpets in five rooms as was used in the alteration of the address. While the auditor noted that the school is actually located in the northwest quadrant, the altered address indicated that the school was located in the southwest quadrant. No documentation has been provided by La Promesa that shows that the work documented on the invoice was completed at the school. Additionally, the vendor has confirmed that his company completed work at the 2213 Cordova SW location.

The auditor considers the modification to the invoice to be an attempt to utilize public monies for personal purpose. Per Section 22-8-42 NMSA 1978, any person falsifying any record...or knowingly using money budgeted ... for public school use or for any other purposes ... is guilty of a petty misdemeanor and shall, in addition to all other civil or criminal penalties, forfeit his office or employment. The auditor inquired of the vendor and performed a public records search for the address shown on the invoice. The owner was shown to be the executive director of La Promesa. It is also noted that any person who knowingly violates any provision of the Procurement Code is subject to a civil penalty of not more than \$1,000, per Section 13-1-196 Civil Penalty.

### **Area of Concern #13— Principal Reimbursement**

**Principal Reimbursement**—\$1,320.00 concerns. The auditor noted that two invoices were submitted for reimbursement by the principal from the company, “Solutions Unlimited.” Both

invoices state, "Make all checks payable to Solutions Unlimited." However, the reimbursement was made to the principal, not the vendor, "Solutions Unlimited." No documentation was provided to indicate that payment was made by the principal to the company to warrant the reimbursement. One invoice was for \$1,320 in library books. The attached inventory sheet is a list of 83 titles. The auditor was unable to identify books purchased by ISBN or UPC number. The total dollar amount due is handwritten at the bottom of the list—\$1,320 INV. The auditor was unable to obtain third-party evidence of the purchase, due to the fact that the company could not be found online, and the telephone number provided appeared to be a cell phone number and was not answered when called.

The auditor reviewed the Office of the Secretary of State's Business Services Division's website with the query for "Solutions." The auditor noted that two identified companies do not match the business named. By the agent detail, it appears that neither of the two companies listed is the company noted on the two invoices. Therefore, the company shown on the invoice(s) is not found on the NM Secretary of State's website and is considered not registered.

The second invoice was for Christmas Concert Brochures (500 @ \$1.45) for \$725.00. The auditor noted that there was no proof or template of the brochure to provide support as to the expenditure. The reimbursement was made to the principal. No documentation was provided to show that payment was made by the principal to the company to warrant reimbursement to the principal. The management, staff, and external business manager's attention to detail and their execution over the completed accounting tasks appears to be a significant risk for mis-recording of expenditures, over- and under- reporting of expenditures for state and federal funds, and possible fraud.

The address of record on invoice for the vendor, "Solutions Unlimited," is 8 Glory Lane, Estancia, NM. The location is noted as a rural residence. The auditor did an internet search for the vendor at this address and found no search results that were for the business. One website shows a vendor with the same business name; however, the address for this business is the same address as another vendor, Dr. A. A. The address is "1610 Los Alamos SW, Albuquerque, NM 87104." The phone number for this business is also the same one as listed on an invoice to La Promesa from Dr. A.A.

**Principal Reimbursement**—\$1,635.00 concerns. There is an unnumbered invoice totaling \$1,635 for fencing material, which shows *paid* on 11/8 to an individual. The simple invoice shows the individual's name, a PO Box address, and a social security number. There is one line item "Materials for Fence" for \$1,635. There is no detailed list of items purchased that was provided to auditors. The invoice was signed by the individual with the handwritten notation showing "pd 11/8." La Promesa check #6592 was made payable to the principal on 11/9 for invoice #20009. The auditor was unable to determine who completed the fence work with the material s purchased or where the fence work was completed. There was no documentation provided to auditors in support of the payment to the vendor by the principal warranting reimbursement to the principal. Due to the lack of providing the auditor a purchase requisition, purchase order, and line item detail, the accuracy of the account code 11000-2600-57332-0000-528001-0000-000 cannot be determined. The management, staff, and external business manager's attention to detail and execution over the accounting tasks completed appears to be a

significant risk for mis-recording of expenditures, over- and under- reporting of expenditures for state and federal funds, and possible fraud.

**Principal Reimbursement**—\$1,237.60 concerns. Supporting receipts do not total the amount reimbursed to the principal. The attached receipts total \$1,671.24. However, the amount of the reimbursement was \$1,237.60, via check #6822. The difference is \$566.36. Included in the receipts was a duplicate invoice for \$377.85, which was not included in the auditor's recalculation. Gross receipts tax was included on one of the five invoices included in the reimbursement. The receipts appear to include construction materials, teaching materials, supplies (which includes payment of duplicate invoices), and library cards. It is unclear to the auditor as to why such procurement is occurring for these goods outside of the La Promesa purchasing process; the date of purchase is New Year's Eve 2015, which is during the charter's holiday break. The management, staff, and external business manager's attention to detail and execution over the completed accounting tasks appears to be a significant risk for mis-recording of expenditures, over- and under- reporting of expenditures for state and federal funds, and possible fraud.

Additionally, it was noted that in the receipts provided was a duplicate copy of invoice for \$377.85. This was not included in the recalculation of the reimbursement request by the auditor. PSAB 13 states that General Controls shall demonstrate that internal controls are in place. One of the General Controls defined is that duplicate copies of invoices are to be destroyed to prevent duplicate payments. The management, staff, and external business manager's attention to detail and execution over the completed accounting tasks appears to be a significant risk for the mis-recording of expenditures, over- and under- reporting of expenditures for state and federal funds, and possible fraud.

**Principal Reimbursement**—1,320.00 concerns. The auditor noted that in the modification to one of the invoices included in the reimbursement, the date box appears to have been altered using white out. It is unclear as to who made the modification. Additionally, the "paid" check date appears modified. The modified date box does not coincide with other invoices and dates from the same vendor that is included in this reimbursement packet. It appears that the two invoices for Silva Screen Print have been modified; therefore, is not in compliance with Statute Section 22-8-42(D) NMSA 1978. 6.20.2.23 NMAC states that any person falsifying any record required to be kept (books of record)...is guilty of a petty misdemeanor and shall, in addition to all other civil or criminal penalties, forfeit his office or employment. The management, staff, and external business manager's attention to detail and execution over the completed accounting tasks appears to be a significant risk for mis-recording of expenditures, over- and under- reporting of expenditures for state and federal funds, and possible fraud.

**Principal Reimbursement**— \$1,234.00 concerns. Principal reimbursement check, #6472 for \$1,234, was processed on Sunday, 10/11/15. It appears that the processing was done when no other administrative or accounting staff was present. This occurrence appears to be a significant lack of internal control over the payment process. In addition, there was no supporting documentation provided.

### **Area of Concern #14— Business Manager**

In review of all the documents submitted to the PED audit, there is a concern about the handling of public monies at La Promesa. Per 6.20.2.8 NMAC, business officials, serving in a capacity of a supervisor/ director/ manager of accounting and/or bookkeeping, as mentioned in 6.63.12.8 NMAC—responsible for the preparation and presentation of all financial documentation and budget maintenance— will meet the competency requirements enumerated in 6.63.12.9 NMAC. The transactions reviewed by the PED were only a small segment of the total number of transactions executed by the charter school. Review of the expenditures for the K–3 Plus Program and reimbursements for the administration demonstrates a significant concern over adequate monitoring, as well as reporting and recording of public monies. Management is responsible for the preparation and fair presentation of the financial statements (government-wide, fund, and agency). It is not evidenced by the documentation submitted to PED auditors that the design, implementation, and maintenance of the charter school’s internal controls relevant to the preparation and fair presentation of the financial statements, by management and the business manager, would be free from material misstatements.

### **Area of Concern #15— K–3 Plus Program Advertising**

The invoice packet for radio advertising through Radio Lobo from 7/24 to 7/31/15 is labeled “K–3 Enrollment.” The 30-second radio spots aired from the 12<sup>th</sup> day to the 19<sup>th</sup> day of the program. It is unclear why the advertising was purchased for the time frame. Also, the auditor noted that the 2015–2016 school calendar shows that the first day of school is July 9 for kindergarten through third grade students. No distinction is noted for the existence of a K–3 Plus Program at La Promesa. The auditors question the authority and propriety of such expenditures. PSAB 1, page 36, the *Public Benefit and Purpose* criterion requires expenditures to contribute to an agency achieving its constitutional, statutory, or contractual mission. This can be done in two ways, by: 1) serving a public purpose and 2) providing a public benefit. Translation of the Spanish language advertising states that “there are new programs at La Promesa for K–3. Call if wanting more information.” It is unclear what benefit was received by La Promesa when the charter school included the K–3 Program by default in the scheduling of the school year and purchased advertising for airing during the latter half of the program.

### **Area of Concern #16—Reallocation of Expenses to K–3 Plus Program #28703**

The item tested is a journal entry. The supporting documentation for the journal entry contained three complete invoice packets for monthly janitorial services, Type to Learn Web renewal, and printer/copier lease charges. The auditor was unable to verify the account coding as accurate and appropriate for the expenditure submitted. It was noted that the journal entry for the invoice packet was coded to “11000”—Operational. The cost was transferred to the K–3 Plus Program. The approved journal entry was not provided to the auditors. None of the invoice packets show any receipt of goods/services notations or approval to pay the invoices, which is non-compliant with PSAB and the Procurement Code.

The first invoice packet includes copy of check #6202 for \$3,800.60, Invoice #68927 for \$3,800.60, and Purchase Order Number 2016-051. Per the check, Invoice #1 utilizes PO15-0367, rolled over from FY2015 for \$2,065.10. It is unclear what funds were used that rolled over into FY16. Per GAAP, all open purchase orders are to be closed as of June 30, at the end of the fiscal year. Therefore, no active purchase order was used for that portion of the transaction. The remaining amount of \$1,735.50, Invoice #2 utilizes PO 2016-051 in the amount of \$1,735.50. It appears that there is inadequate oversight of the handling of purchase orders. It is unclear as to how the monthly cleaning charges for June and July 2015 could be allocated to the K-3 Plus Program. The auditors noted no notation on the purchase order or invoice that implicitly or explicitly shows this to be a K-3 Plus Program expenditure. The lack of internal control over the accounting process appears to be a risk for misappropriation of assets and for fraud.

The second invoice packet includes a copy of check #6314 for \$99.95, Invoice #P109840 for \$99.95, and Purchase Order Number 2016-039. The expenditure meets the requirements of the K-3 Program. The account coding appears accurate and appropriate.

The third invoice packet includes a copy of check #6205 for \$ 1,644.22 and Invoice #5002261290 for \$5,278.66. The line item for Invoice #5002338045 is dated 8/6/15, while the check is dated 7/1/15 (the attached invoice is dated 6/20/15) and shows the description of payment as PO Number PO15-0386 rolled over from FY2015. It is unclear what funds were used that rolled over into FY16. The current period covered on the attached invoice is 6/17/15 to 7/16/15. Per GAAP, all open purchase orders are to be closed as of June 30 at the end of the fiscal year. Therefore, no active purchase order was used for that portion of the transaction. The amount of \$1,644.22 was handwritten on the invoice. There is no allocation calculation as to how the handwritten amount was determined. An incomplete copy of the invoice was provided to the auditor, and they were unable to verify the entire cost as shown on the invoice. The provided invoice page appears to be the Minimum Usage Payment and Black/White and Color Copy Overages. The customer name listed on the invoice is La Promesa Early Learning Center Foundation, Inc. The auditors noted no notation on the invoice that implicitly or explicitly showed this to be a K-3 Plus Program expenditure. The lack of internal control over the accounting process appears to be a risk for misappropriation of assets and for fraud.

### **Area of Concern #17—K-3 Plus Program Journal Entry Testwork**

The journal entry, transaction #28701 dated 10/20/2015, and Transaction Comment “Reallocate 26 days (of cafeteria worker) from fund 21000—Food Services to 27166—K-3 Plus Program.” The K-3 Plus Program at La Promesa ran for 25 days. The auditors noted that the explanation of the journal entry shows 26 reallocated days to be included in the reimbursement request from the school. No support to the journal entry was provided. It is not clear to the auditor as to how the amounts were calculated.

The journal entry, transaction #28702 dated 10/20/2015, and Transaction Comment “Reallocate 20 days of pay for (Executive Director) from fund 11000 – Operational to 27166—K-3 Plus Program.” The K-3 Plus Program at La Promesa was 25 days long. Auditors noted that the explanation of the journal entry showed 20 days to be reallocated, to be included in the



reimbursement request from the school. No support to the journal entry was provided. It is not clear to the auditor how the amounts were calculated. For the two items tested, the lack of internal control over the accounting process, attention to detail, and execution over the completed accounting tasks appear to be a risk for the mis-recording of expenditures and the over- and under- reporting of expenditures for state and federal funds.

### **Area of Concern #18—General Ledger Review**





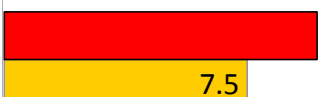
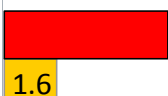
Per PSAB 4, Federal and State Grants, grants must have funds budgeted in the format provided in the grant application...the budget is accurately translated to the Financial Management System (FMS) format used to account for the grant. The LPCC uses APTAFund. It appears that the budget has not been properly set up in the FMS for adequate monitoring and oversight by LPCC management and those charged with governance. The K-3 Plus budget, as set up, is included in only a few line item categories for each function category; however, it appears that many actual expenditures are being coded to unbudgeted line items. The auditor noted that it would be extremely difficult to know the financial position of the K-3 Plus Program at any given time with the information provided by LPCC. The auditor also considered La Promesa's (charter school program manager) executive director, assistant business manager (daughter of the executive director), and the external contracted business manager's fiscal responsibilities over the K-3 Plus Program. In review of all of the documentation provided for the expenditures for the K-3 Plus Program, there is a severe lack of internal control over the accounting process. The management, staff, and the external business manager's attention to detail and execution over the accounting tasks completed appears to be a significant risk for the mis-recording of expenditures, the over- and under- reporting of expenditures, and for state and federal funds.

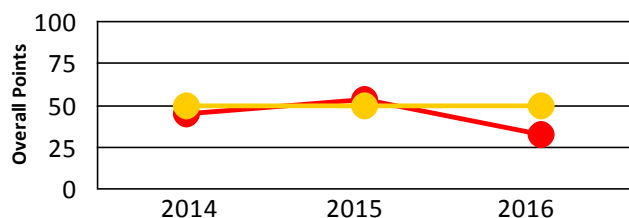
# La Promesa Early Learning Center Charter

District: State Charters

Grade Range: KN - 8 Code: 528001

This School ■  
Statewide C Benchmark ■

Current Standing		Grade	School Points	Possible Points
How did students perform in the most recent school year? What percent of students are on grade level? Did students improve more or less than expected?		F	6.41	40
School Growth		Grade	School Points	Possible Points
Did the school as a whole improve student performance more or less than expected?		F	2.16	10
Student Growth of Highest Performing Students		Grade	School Points	Possible Points
Are the highest performing students in math and reading improving more or less than expected? The highest performing students are in the top three quarters (75%) of past performance of their school.		F	2.99	20
Student Growth of Lowest Performing Students		Grade	School Points	Possible Points
Are the lowest performing students in math and reading improving more or less than expected? The lowest performing students are in the bottom quarter (25%) of past performance in their school.		F	6.40	20
Opportunity to Learn		Grade	School Points	Possible Points
Do parents and students believe their school is a good place to learn? Is student attendance high?		A	9.58	10
Bonus Points		Grade	School Points	Possible Points
Does the school earn additional credit for reducing truancy, promoting extracurricular activities, and engaging parents and students?			4.99	5



3-Year  
Average

43.3

**D**

Final School Grade

75.0 to < 100.0	A
60.0 to < 75.0	B
50.0 to < 60.0	C
37.5 to < 50.0	D
0.0 to < 37.5	F

Total  
Points

**32.53**

## Details of Each Grade Indicator

These next pages show the school's results divided into smaller groups to show how specific classes of students are doing. The information explains how a school compares to other schools and identifies groups within the school that are performing well or that need additional instructional support based on achievement. Points that the school earned on each of the indicators are provided in more detail and when summed will equal the totals on the first page summary.

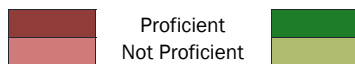
### Current Standing

Knowing how many students are proficient in a given year is a measure of the school's overall success. Single-year performance will vary with differing classes of students. Therefore, Current Standing uses up to 3 years of data to provide a more accurate picture of the school's achievement. Current Standing is augmented with Value-Added Modeling (VAM) by capturing the school's size, student mobility, and prior student performance. Details of VAM can be found in the PED's School Grading Technical Guide at <http://webapp2.ped.state.nm.us/SchoolData/SchoolGrading.aspx>.

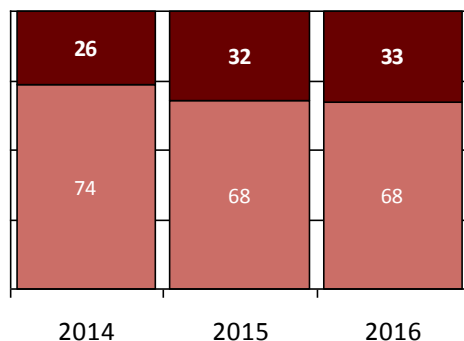
	All Students	Gender		Race / Ethnicity					Economically Disadvantaged	Students with Disabilities	English Language Learners
		F	M	White	Afr Amer	Hisp	Asian	Am Indian			
<b>Reading</b>											
Proficient and Advanced (%)	32.5	31.7	33.3	-	-	32.4	-	-	32.5	7.9	36.1
Proficient and Advanced (Pts)	3.25										
Value-Added Model (Pts)	1.22										
<b>Math</b>											
Proficient and Advanced (%)	10.2	11.8	8.6	-	-	10.4	-	-	10.2	3.3	12.4
Proficient and Advanced (Pts)	1.02										
Value-Added Model (Pts)	0.93										

### 3-Year Summary

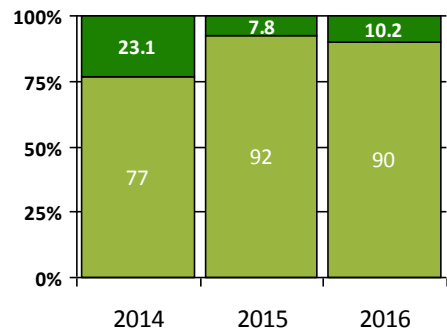
Performance is considered on grade level when students score either Proficient or Advanced.



Reading (%)



Math (%)



## School Growth

School growth compares the students enrolled in the current year to the same students from prior years. Unlike Current Standing, School Growth accounts for improvement of all students, not just those reaching proficiency.

Growth in proficiency is calculated with Value-Added Modeling (VAM), which accounts for the school's size, student mobility, and prior student performance. Details of VAM can be found in the PED's School Grading Technical Guide at <http://webapp2.ped.state.nm.us/SchoolData/SchoolGrading.aspx>.

	<i>Reading</i>	<i>Math</i>
Value-Added Score	-0.630	-0.970
Points Earned	1.32	0.84

School growth is expressed as a score that can be both negative and positive. When it is positive, the school performed better than was expected relative to its peers with the same size, mobility, and prior student performance.

## Student Growth

Just like schools, individual student achievement is expected to improve over time. Student growth is shown as a value-added score (VAS) that accounts for all students in each group for up to 3 years. Student groups are further divided into highest and lowest performing subgroups. Every student's prior test scores are used to estimate how they should perform today.

- Above 0 means that the group, in general, scored higher than expected. This is an exciting finding when students are below the proficiency line, because they are closing the achievement gap and catching up to their higher-performing classmates.
- Near 0 means that the group scored about as expected compared to their academic peers. While some students may have performed better than anticipated (positive growth), they were balanced by students that did poorer (negative growth).
- Below 0 means that the group performed below expectations and students are losing ground when compared to their peers.

Details of student growth and value added scores are explained in PED's School Grading Technical Guide at <http://webapp2.ped.state.nm.us/SchoolData/SchoolGrading.aspx>. Note that separate analytic techniques are used for the school overall and for the subgroups.

	School Overall	Subgroup Analysis									
		Female	Male	White	African American	Hispanic	Asian	Am Indian	Econ Disadv	Students with Disabilities	English Language Learners
<i>Reading Growth</i>											
Highest 75% (VAS)	-0.95	-0.04	-0.06	0.44	-0.82	-0.05	-0.08	0.51	-0.05	-0.15	-0.06
Highest 75% (Pts)	1.70										
Lowest 25% (VAS)	-0.21	0.05	-0.06	0.14	-	-0.02	-	-	-0.01	-0.15	-0.02
Lowest 25% (Pts)	4.15										
<i>Math Growth</i>											
Highest 75% (VAS)	-1.13	-0.35	-0.23	-	0.04	-0.30	-	-1.34	-0.30	0.13	-0.29
Highest 75% (Pts)	1.29										
Lowest 25% (VAS)	-0.75	0.16	-0.33	-	-	-0.16	-	-	-0.16	-0.07	-0.12
Lowest 25% (Pts)	2.25										

## Opportunity to Learn (OTL)

The successful school invites students to be part of a thriving learning culture that uses proven teaching methods. A school's learning environment is reflected in a survey of classroom practices and in student attendance.

	All Students	Gender		Race / Ethnicity					Economically Disadvantaged	Students with Disabilities	English Language Learners
		F	M	White	Afr Amer	Hisp	Asian	Am Indian			
Attendance (Average)	94.0	94	94	96	96	94	98	90	94	94	94
Attendance (Points)	4.96										

Survey (Average)	41.6	Surveys consisted of 10 questions with answers from 0 (Never) to 5 (Always), yielding a maximum score of 50. A typical question includes "My teacher introduces a new topic by connecting to things I already know." Schools that scored higher demonstrated better classroom teaching practices.
Survey (Points)	4.62	
Count of Surveys (N)	451	

### Bonus Points

While most schools provide a sampling of athletics, club participation opportunities, and parent meetings, a few schools stand out among the rest. These schools are recognized for their extraordinary dedication to keeping students invested in school and their efforts in empowering parents to engage actively in their child's education.

- ☒ Student and Parent Engagement
 ☐ Truancy Improvement
- ☐ Extracurricular Activities
 ☒ Other

### Participation

Schools must include all of their enrolled students in the annual statewide assessment. If the percentage of students is less than 95%, the school's letter grade is reduced by one grade. Supplemental Accountability Model (SAM) schools and small schools with fewer than 100 students receive special consideration.

Reading (%) 100

Math (%) 100

## Supplemental Information

### Similar Schools

While statewide comparisons are helpful, schools may want to see how they rank next to their peers that have similar students and settings. The figures below show how this school contrasts with other schools in the state that are most like it in student characteristics.

Schools are grouped into categories that have similar proportions of English language learners (ELL), students with disabilities (SWD), ethnicities, economically disadvantaged (ED), and mobile students. Different schools are in each category set. A composite score incorporates all categories into a general measure of at-risk students. Higher ranking schools had more points in that indicator.

Ranks High  
 Ranks Mid  
 Ranks Low

### School Rank

	ELL		SWD		Ethnicity		ED		Mobility		Composite	
Students (% Tested)	71.4		9.9		98.4		100.0		33.4			
	Rank	Total	Rank	Total	Rank	Total	Rank	Total	Rank	Total	Rank	Total
Current Standing	44	( 45 )	44	( 46 )	43	( 45 )	104	( 110 )	46	( 46 )	41	( 45 )
School Growth	40	( 45 )	40	( 46 )	41	( 45 )	92	( 110 )	43	( 46 )	36	( 45 )
Student Growth, Highest 75%	42	( 45 )	46	( 46 )	44	( 45 )	107	( 110 )	46	( 46 )	43	( 45 )
Student Growth, Lowest 25%	36	( 45 )	39	( 46 )	41	( 45 )	91	( 110 )	42	( 46 )	32	( 45 )
Opportunity to Learn	26	( 45 )	27	( 46 )	27	( 45 )	73	( 110 )	24	( 46 )	27	( 45 )

## School History

Student performance over time can demonstrate the success of interventions and school reform. Students who score proficient or higher are considered to be performing at grade level. For a more detailed history, see the PED website:  
<http://www.ped.state.nm.us/AssessmentAccountability/AcademicGrowth/NMSBA.html>.

		All Students	Gender		Race / Ethnicity					Economically Disadvantaged	Students with Disabilities	English Language Learners
			F	M	White	Afr Amer	Hisp	Asian	Am Indian			
<i>Reading Proficiency</i>	2016 (%)	32.5	31.7	33.3	-	-	32.4	-	-	32.5	7.9	36.1
	2015 (%)	32.4	36.2	27.9	<2.0		32.5		25.0	32.1	2.5	15.9
	2014 (%)	26.2	28.8	22.6	-	-	26.7	-	-	26.2	3.8	19.1
<i>Math Proficiency</i>	2016 (%)	10.2	11.8	8.6	-	-	10.4	-	-	10.2	3.3	12.4
	2015 (%)	7.8	10.2	5.1			8.0		<2.0	7.8	<2.0	6.7
	2014 (%)	23.1	22.5	23.8	-	-	23.5	-	-	23.1	<2.0	12.4

## End Notes



- 1 The Statewide C grade was established in the first year of A-F School Grading as the midpoint of all schools. It was fixed in 2011 as the framework for all future letter grades and is not recalculated each year.
- 2 For high schools that do not have members of 4-year, 5-year, or 6-year graduation cohorts, the scale is abbreviated, and letter grades are adjusted to account for the school's remaining non-cohort indicators or non-cohort years.
- 3 A dash is substituted where a school has too few students (N<10) to meet confidentiality requirements for reporting.
- 4 Feeder schools are schools that do not have students in tested grades 3-11.
- 5 Schools that administered tests on computers received bonus credit based on the number of students participating.













**Note for Families:** If your child is enrolled in a school that has earned two "F" grades in the last four years, New Mexico state law allows you to transfer your child to a school with a higher school grade. Please call (505) 827-6909 to learn more. For information about other schools in your community and their grading history, please see the school grading web page at <http://aae.ped.state.nm.us/>.

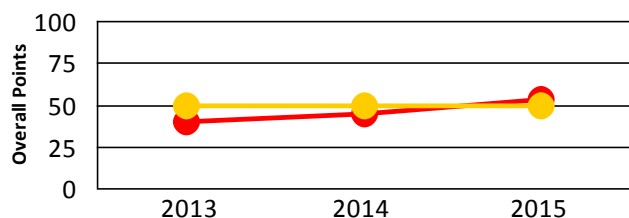
# La Promesa Early Learning Center Charter

District: State Charters

Grade Range: KN - 08 Code: 528001

This School   
Statewide C Benchmark 

		Grade	School Points	Possible Points
<b>Current Standing</b> How did students perform in the most recent school year? Students are tested on how well they met targets for their grade level.	  21.3	D	15.60	40
<b>School Growth</b> In the past 3 years, did the school as a whole increase performance? For example, did a schoolwide reading program advance reading scores over the prior years?	  5.8	D	3.94	10
<b>Student Growth of Highest Performing Students</b> How well did the school help individual students improve? The highest performing students are those whose prior scores placed them in the top three quarters (75%) of their school. Individual student growth over the past 3 years is compared to the state benchmark.	  7.2	B	8.94	20
<b>Student Growth of Lowest Performing Students</b> How well did the school help individual students improve? The lowest performing students are those whose prior scores placed them in the bottom quarter (25%) of their school. Individual student growth over the past 3 years is compared to the state benchmark.	  15.3	F	10.59	20
<b>Opportunity to Learn</b> Does the school foster an environment that facilitates learning? Are teachers using recognized instructional methods, and do students want to come to school?	  7.5	A	9.52	10
<b>Bonus Points</b> Does the school show exceptional aptitude for involving students and parents in education, reducing truancy, and promoting extracurricular activities?	  1.6		4.39	5



3-Year  
Average

45.7

D

Final School Grade

75.0 to < 100.0	A
60.0 to < 75.0	B
50.0 to < 60.0	C
37.5 to < 50.0	D
0.0 to < 37.5	F

Total  
Points

52.98

## Details of Each Grade Indicator

These next pages show the school's results divided into smaller groups to show how specific classes of students are doing. The information explains how a school compares to other schools, and identifies groups within the school that are performing well or that need additional instructional support based on achievement. Points that the school earned on each of the indicators are provided in more detail, and when summed will arrive at the totals on the first page summary.

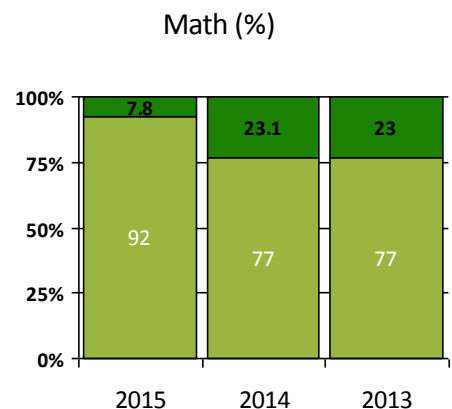
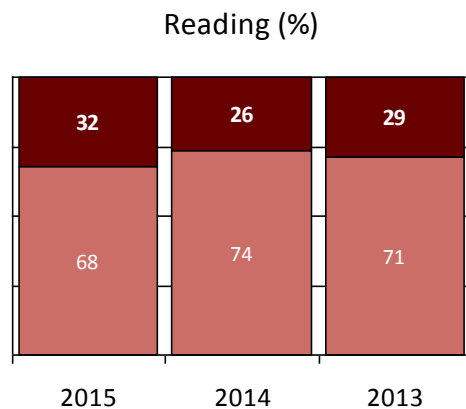
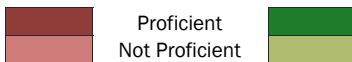
### Current Standing

Knowing how many students are proficient in a given year is a measure of the school's overall success. Single-year performance will vary with differing classes of students. Therefore, Current Standing uses up to 3 years of data to provide a more accurate picture of the school's achievement. Current Standing is augmented with Value Added Modeling (VAM) by capturing the school's size, student mobility, and prior student performance. Details of VAM can be found in the PED's School Grading Technical Guide at: <http://webapp2.ped.state.nm.us/SchoolData/SchoolGrading.aspx>.

	All Students	Gender		Race / Ethnicity					Economically Disadvantaged	Students with Disabilities	English Language Learners
		F	M	White	Afr Amer	Hisp	Asian	Am Indian			
<b>Reading</b>											
Proficient and Advanced (%)	32.4	36.2	27.9	<2.0		32.5		25.0	32.1	2.5	15.9
Proficient and Advanced (Pts)	2.43										
Value Added Model (Pts)	7.47										
<b>Math</b>											
Proficient and Advanced (%)	7.8	10.2	5.1			8.0		<2.0	7.8	<2.0	6.7
Proficient and Advanced (Pts)	0.59										
Value Added Model (Pts)	5.11										

### 3-Year Summary

Performance is considered on grade level when students score either Proficient or Advanced.





## School Growth

School growth compares the students enrolled in the current year to the same students from prior years. Unlike Current Standing, School Growth accounts for improvement of all students, not just those reaching proficient.

Growth in proficiency is calculated with Value Added Modeling (VAM), which accounts for the school's size, student mobility, and prior student performance. Details of VAM can be found in the PED's School Grading Technical Guide at <http://webapp2.ped.state.nm.us/SchoolData/SchoolGrading.aspx>

	<i>Reading</i>	<i>Math</i>
Value Added Score	-0.095	-0.454
Points Earned	2.31	1.62

School growth is expressed as a score that can be both negative and positive. When it is positive the school performed better than was expected relative to its peers with the same size, mobility, and prior student performance.

## Student Growth

Just like schools, individual student achievement is expected to improve over time. Student growth is shown as a value added score (VAS) that accounts for all students in each group for up to 3 years. Student groups are further divided into highest and lowest performing subgroups. Every student's prior test scores are used to estimate how they should perform today.

- Above 0 means that the group, in general, scored higher than expected. This is an exciting finding when students are below the proficiency line, because they are closing the achievement gap and catching up to their higher-performing classmates.
- Near 0 means that the group scored about as expected compared to their academic peers. While some students may have performed better than anticipated (positive growth), they were equally balanced by students that did poorer (negative growth).
- Below 0 means that the group performed below expectations and students are losing ground when compared to their peers.

Details of student growth and value added scores are explained in PED's School Grading Technical Guide at

<http://webapp2.ped.state.nm.us/SchoolData/SchoolGrading.aspx>. Note that separate analytic techniques are used for the school overall and for the subgroups.

	School Overall	Subgroup Analysis									
		Female	Male	White	African American	Hispanic	Asian	Am Indian	Econ Disadv	Students with Disabilities	English Language Learners
Reading Growth											
Highest 75% (VAS)	0.08	-0.20	-0.20	-0.03	-	-0.19	-	-0.77	-0.20	-0.15	-0.31
Highest 75% (Pts)	5.33										
Lowest 25% (VAS)	-0.05	-0.04	0.15	-	-	0.11	-	-0.99	0.09	-0.12	0.00
Lowest 25% (Pts)	4.78										
Math Growth											
Highest 75% (VAS)	-0.35	0.00	-0.06	-	-	0.00	-	-1.26	-0.03	-0.13	-0.37
Highest 75% (Pts)	3.61										
Lowest 25% (VAS)	0.20	0.30	0.51	-	-	0.40	-	-	0.40	0.70	0.39
Lowest 25% (Pts)	5.81										

## Opportunity to Learn (OTL)

The successful school invites students to be part of a thriving learning culture that uses proven teaching methods. A school's learning environment is reflected in a survey of classroom practices and in student attendance.

	All Students	Gender		Race / Ethnicity					Economically Disadvantaged	Students with Disabilities	English Language Learners
		F	M	White	Afr Amer	Hisp	Asian	Am Indian			
Attendance (Average)	93.8	93.8	93.8	-	-	93.9	-	-	93.8	92.7	93.9
Attendance (Points)	4.94										
Survey (Average)	41.2	Surveys consisted of ten questions with answers from 0 (Never) to 5 (Always), yielding a maximum score of 50. A typical question includes "My teacher introduces a new lesson by reminding us of things we already know." Schools that scored higher demonstrated better classroom teaching practices.									<i>Reading</i> 41.2
Survey (Points)	4.6										<i>Math</i> 39.9
Count of Surveys (N)	158										<i>General</i> 42.2

## Bonus Points

While most schools provide a sampling of athletics, club participation opportunities, and parent meetings, a few schools stand out among the rest. These schools are recognized for their extraordinary dedication to keeping students invested in school and their efforts in empowering parents to engage actively in their child's education. Bonus points indicate those schools that have gone above and beyond the others.

- ☒ Student Engagement
- ☒ Parental Engagement
- ☐ Extracurricular Activities
- ☐ Truancy Improvement
- ☒ Other

## Participation

Schools must include all of their enrolled students in the annual statewide assessment. If the percentage of students is less than 95%, the school's letter grade is reduced by one grade. Supplemental Accountability Model (SAM) schools and small schools with fewer than 100 students receive special consideration.

Reading (%) 100

Math (%) 100

# Supplemental Information

## Similar Schools

While statewide comparisons are helpful, schools may want to see how they rank next to their peers that have similar students and settings. The figures below show how this school contrasts with other schools in the state that are most like it in student characteristics.

Schools are grouped into categories that have similar proportions of English language learners (ELL), students with disabilities (SWD), ethnicities, economically disadvantaged (ED), and mobile students. Different schools are in each category set. A composite score incorporates all categories into a general measure of at-risk students. Higher ranking schools had more points in that indicator.

	School Rank											
	ELL			SWD			Ethnicity			ED		
	Rank	Total		Rank	Total		Rank	Total		Rank	Total	
Students (% Tested)	27.7			15.5			99.4			99.8		
Current Standing	15 ( 46 )			24 ( 45 )			16 ( 45 )			11 ( 36 )		
School Growth	19 ( 46 )			30 ( 45 )			23 ( 45 )			15 ( 36 )		
Student Growth, Highest 75%	19 ( 46 )			26 ( 45 )			21 ( 45 )			30 ( 36 )		
Student Growth, Lowest 25%	14 ( 46 )			18 ( 45 )			17 ( 45 )			6 ( 36 )		
Opportunity to Learn	14 ( 46 )			16 ( 46 )			21 ( 45 )			8 ( 36 )		

## School Growth Targets

Customized targets, called School Growth Targets (SGTs), guide a school's path toward proficiency. These goals increase every year and challenge schools to identify student groups that might be struggling to keep up with their peers.

		Target	All Students	Gender		Race / Ethnicity					Economically Disadvantaged	Students with Disabilities	English Language Learners
				F	M	White	Afr Amer	Hisp	Asian	Am Indian			
<b>Growth Lowest 25% (Q1)</b>	Reading	.0038	N	N	Y	.	.	Y	.	N	Y	N	Y
	Math	-.0334	Y	Y	Y	.	.	Y	.	.	Y	Y	Y
<b>Growth Highest 75% (Q3)</b>	Reading	-.0481	Y	N	N	Y	.	N	.	N	N	N	N
	Math	-.0613	N	Y	N	.	.	Y	.	N	Y	N	N
<b>Proficiency</b>	Reading	33.3%	N	Y	N	N		N		N	N	N	N
	Math	17.6%	N	N	N			N		N	N	N	N
<b>Graduation</b>	4-Year Cohort	75.6%											

## School History

Student performance over time can demonstrate the success of interventions and school reform. Students who score proficient or higher are considered to be performing at grade level. For a more detailed history, see the NMPED website: <http://www.ped.state.nm.us/AssessmentAccountability/AcademicGrowth/NMSBA.html>.

			Gender		Race / Ethnicity							
			F	M	White	Afr Amer	Hisp	Asian	Am Indian	Economically Disadvantaged	Students with Disabilities	English Language Learners
Reading Proficiency	2015 (%)	32.4	36.2	27.9	<2.0		32.5		25.0	32.1	2.5	15.9
	2014 (%)	26.2	28.8	22.6			26.7			26.2	3.8	19.1
	2013 (%)	28.8	26.6	31.7			29.3			28.8		23.2
Math Proficiency	2015 (%)	7.8	10.2	5.1			8.0		<2.0	7.8	<2.0	6.7
	2014 (%)	23.1	22.5	23.8			23.5			23.1		12.4
	2013 (%)	23.0	20.3	26.7			23.3			23.0		20.0

## Student Promotion

Students who are prepared and progress to a higher grade each year (matriculate) indicate that the school is successfully moving students toward graduation. However, if the school's achievement in Reading and Math is subpar and yet most students are being promoted, the school may be inattentive to a student's need to repeat grade-level instruction before moving on.

Percent of students scoring Beginning Step (lowest) in the prior year that moved to a higher grade	All Students	Gender		Race / Ethnicity					Economically Disadvantaged	Students with Disabilities	English Language Learners
		F	M	White	Afr Amer	Hispanic	Asian	Am Indian			
Grade 3 to Grade 4 (%)	92.3	-	-	-	-	>98.0	-	-	92.3	-	-
Grade 5 to Grade 6 (%)	>98.0	-	-	-	-	>98.0	-	-	>98.0	-	-
Grade 8 to Grade 9 (%)											



## End Notes













- 1 The Statewide C grade was established in the first year of A-F School Grading as the midpoint of all schools. It was fixed in 2011 as the framework for all future letter grades and is not recalculated each year.
- 2 For high schools that do not have members of 4-year, 5-year, or 6-year graduation cohorts, the scale is abbreviated, and letter grades are adjusted to account for the school's remaining non-cohort indicators or non-cohort years.
- 3 A dash is substituted where a school has too few students (N<10) to meet confidentiality requirements for reporting.
- 4 Feeder schools are schools that do not have students in tested grades 3-11.
- 5 During the 2013-2014 and 2014-15 school years, schools across New Mexico conducted assessments on computers. To recognize these efforts, schools that offered the SBA on computers received bonus credit based on the number of students participating.

# La Promesa Early Learning Center Charter

District: State Charter

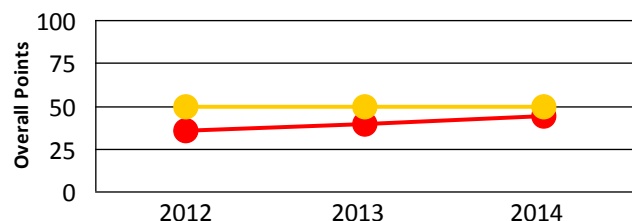
Grade Range: KN - 08 Code: 528001

This School   
Statewide C Benchmark 

		Grade	School Points	Possible Points
<b>Current Standing</b> How did students perform in the most recent school year? Students are tested on how well they met targets for their grade level.	  21.3	F	6.15	40
<b>School Growth</b> In the past 3 years did the school increase grade level performance? For example did this year's 3rd graders improve over last year's 3rd graders?	  5.8	A	9.01	10
<b>Student Growth of Highest Performing Students</b> How well did the school help individual students improve? The highest performing students are those whose prior scores placed them in the top three quarters (75%) of their school. Individual student growth over the past 3 years is compared to the state benchmark.	  7.2	D	4.11	20
<b>Student Growth of Lowest Performing Students</b> How well did the school help individual students improve? The lowest performing students are those whose prior scores placed them in the bottom quarter (25%) of their school. Individual student growth over the past 3 years is compared to the state benchmark.	  15.3	D	11.54	20
<b>Opportunity to Learn</b> Does the school foster an environment that facilitates learning? Are teachers using recognized instructional methods, and do students want to come to school?	  7.5	A	9.33	10
<b>Bonus Points</b> Does the school show exceptional aptitude for involving students and parents in education, reducing truancy, and promoting extracurricular activities?	  1.6		4.16	5

Total Points

44.30



3 Year Average

40.0

D

Final School Grade

75.0 to < 100.0	A
60.0 to < 75.0	B
50.0 to < 60.0	C
37.5 to < 50.0	D
0.0 to < 37.5	F

## Details of Each Grade Indicator

These next pages show the school's results divided into smaller groups to show how specific classes of students are doing. The information explains how a school compares to other schools, and identifies groups within the school that are performing well or that need additional instructional support based on achievement. Points that the school earned on each of the indicators are provided in more detail, and when summed will arrive at the totals on the first page summary.

### Current Standing

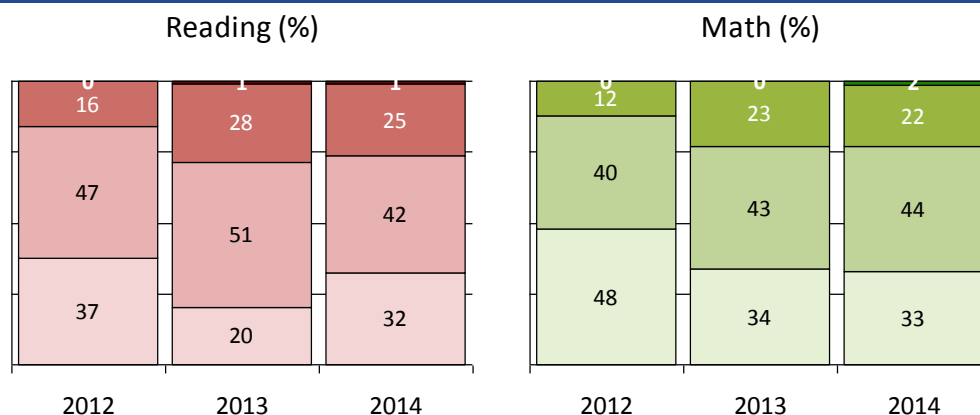
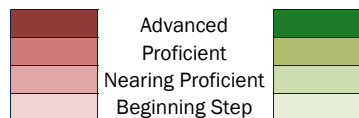
Knowing how many students are proficient in a given year is a measure of the school's overall success. Single-year performance will vary with differing classes of students. Therefore, Current Standing uses up to 3 years of data to provide a more accurate picture of the school's achievement.

Current Standing is augmented with Value Added Modeling (VAM) by capturing the school's size, student mobility, and prior student performance. Details of VAM can be found in the PED's School Grading Technical Manual at: <http://webapp2.ped.state.nm.us/SchoolData/SchoolGrading.aspx>.

	All Students	Gender		Race / Ethnicity					Economically Disadvantaged	Students with Disabilities	English Language Learners	Redesignated English Proficient
		F	M	White	Afr Amer	Hisp	Asian	Am Indian				
<b>Reading</b>												
Proficient and Advanced (%)	26.2	28.8	22.6	-	-	26.7	-	-	26.2	3.8	19.1	34.9
Proficient and Advanced (Pts)	3.27											
Value Added Model (Pts)	0.00											
<b>Math</b>												
Proficient and Advanced (%)	23.1	22.5	23.8	-	-	23.5	-	-	23.1	<2.0	12.4	37.3
Proficient and Advanced (Pts)	2.88											
Value Added Model (Pts)	0.00											

### 3 Year Summary

Performance is considered on grade level when students score either Proficient or Advanced.



## School Growth

School growth compares the students enrolled in the current year to students from prior years. While these are partly different sets of students, the school that is improving will do a better job each year of impacting their achievement. Unlike Current Standing, School Growth accounts for improvement of all students, not just those reaching proficient.

School Growth is augmented with Value Added Modeling (VAM) which accounts for the school's size, student mobility, and prior student performance. Details of VAM can be found in the PED's School Grading Technical Manual at: <http://webapp2.ped.state.nm.us/SchoolData/SchoolGrading.aspx>

Difference from  
Expected Growth (SS Points)  
  
Points Earned

### Reading

0.441

4.10

### Math

0.591

4.91

School Growth is shown in scaled score points, which range from 0 to 80 for both reading and math. A school that grows an average of +2 scaled score points a year shows that the school is generally improving their ability to increase student achievement.

## Student Growth

Just like schools, individual student achievement is expected to improve over time. Student growth is shown as the average change in scaled score (SS) points per year, and is averaged for all students in each group for up to 3 years. Student groups are further divided into highest and lowest performing subgroups.

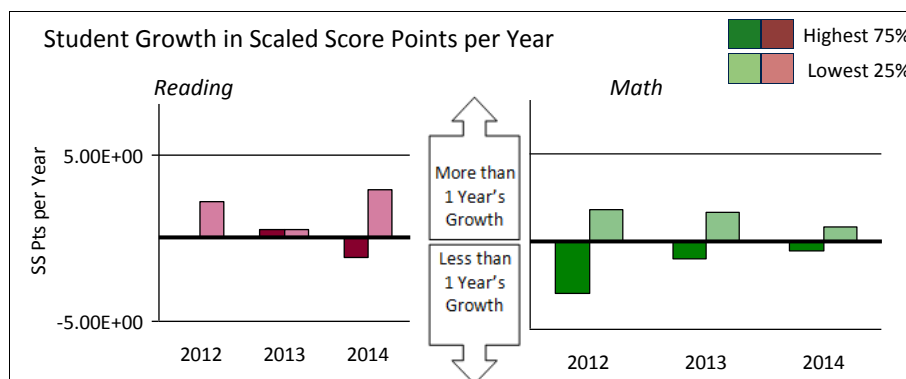
Scores on the assessment range from 0 to 80, and a score of 40 indicates that a student is proficient or on grade level. A student's prior test scores are used to estimate how the student should perform today. When growth is positive (+) students score better than expected in the current year:

- Above 0 means that the group, in general, scored higher than expected. This is an exciting finding, especially when students are below the proficiency line, because they are closing the achievement gap and catching up to their higher-performing classmates.
- Near 0 means that the group scored about as expected. While some students may have performed better than anticipated (positive growth), they were equally balanced by students that did poorer (negative growth).
- Below 0 means that the group performed below expectations and students are losing ground when compared to their peers.

Details of Student Growth and scaled scores are explained in the Technical Guide on the PED website:

<http://webapp2.ped.state.nm.us/SchoolData/SchoolGrading.aspx>

		Gender				Race / Ethnicity										Econ Disadv		Students with Disabilities		English Language Learners		Redesignated English Proficient	
		Female		Male		White		African American		Hispanic		Asian		Am Indian									
		Range	Range	Range	Range	Range	Range	Range	Range	Range	Range	Range	Range										
Reading Growth																							
Highest 75% (SS/Yr)	-1.2	-3.3	.9	-3.4	.9	-	-	-	-	-3.4	.9	-	-	-	-	-3.4	.9	-	-	-3.4	.8	-3.3	1.0
Highest 75% (Pts)	1.14																						
Lowest 25% (SS/Yr)	2.9	-.3	4.0	-.5	3.8	-	-	-	-	-.4	3.9	-	-	-	-	-.4	3.9	-.8	3.5	-.4	3.9	-	-
Lowest 25% (Pts)	8.32																						
Math Growth																							
Highest 75% (SS/Yr)	-.6	-2.6	1.5	-2.7	1.4	-	-	-	-	-2.6	1.5	-	-	-	-	-2.6	1.5	-3.3	.8	-2.9	1.3	-2.4	1.7
Highest 75% (Pts)	2.97																						
Lowest 25% (SS/Yr)	.8	-1.6	2.5	-1.9	2.3	-	-	-	-	-1.7	2.4	-	-	-	-	-1.7	2.4	-2.1	2.0	-1.9	2.2	-1.2	2.9
Lowest 25% (Pts)	3.22																						



### Remaining Gap Between Highest and Lowest Performing Students in 2014

#### Scaled Score Differences

Reading 13.0

Math 14.0

Growth for lower performing students must be sufficient to meaningfully close the achievement gap. Minimums required annually are:

Math +1.3 per year

Reading +1.7 per year

## Opportunity to Learn (OTL)

The successful school invites students to be part of a thriving learning culture that uses proven teaching methods. A school's learning environment is reflected in a survey of classroom practices (OTL Survey) and in student attendance.

	All Students	Gender		Race / Ethnicity					Economically Disadvant	Students with Disabilities	English Language Learners	Redesignated English Proficient
		F	M	White	Afr Amer	Hisp	Asian	Am Indian				
OTL Attendance (Student Average)	93.8	94.2	93.5	-	-	94.1	-	-	93.8	92.8	93.8	94.5
OTL Attendance (Points Earned)	4.94											
OTL Survey (Average Total Score)	41.5	42.0	40.8	-	-	41.5	-	-	41.5	38.8	40.0	43.0
OTL Survey (Points Earned)	4.39											

### OTL Survey Questions Reading

The answer to each question ranges from 0 (Never) to 5 (Always), with a midpoint score of 2.5. Schools that scored higher demonstrated better classroom teaching practices.

1. My teacher introduces a new topic by connecting to things I already know.	3.9	4.0	3.8	-	-	3.9	-	-	3.9	3.6	3.6	4.2
2. My teacher explains why what we are learning is important.	4.4	4.5	4.3	-	-	4.5	-	-	4.4	4.2	4.3	4.6
3. My teacher explains how learning a new topic is a foundation for other topics.	3.9	4.0	3.8	-	-	3.9	-	-	3.9	3.7	3.8	4.1
4. Every student gets a chance to answer questions.	4.0	4.1	3.8	-	-	4.0	-	-	4.0	3.3	3.9	4.1
5. My teacher wants me to explain my answers.	4.6	4.6	4.5	-	-	4.6	-	-	4.6	4.3	4.4	4.8
6. My teacher knows when I understand, and when I do not.	4.2	4.3	4.2	-	-	4.2	-	-	4.2	4.2	4.2	4.3
7. My teacher explains things in different ways so everyone can understand.	4.3	4.3	4.3	-	-	4.3	-	-	4.3	4.1	4.1	4.4
8. My teacher gives me helpful feedback on work I turn in.	3.8	3.9	3.7	-	-	3.9	-	-	3.8	3.5	3.6	4.1
9. My teacher checks our understanding.	4.3	4.3	4.3	-	-	4.3	-	-	4.3	4.3	4.2	4.4
10. My teacher takes the time to summarize what we learn each day.	3.9	4.0	3.8	-	-	3.9	-	-	3.9	3.6	3.9	4.0

### OTL Survey Questions Math

1. My teacher introduces a new topic by connecting to things I already know.	3.8	3.8	3.8	-	-	3.8	-	-	3.8	3.5	3.7	4.0
2. My teacher explains why what we are learning is important.	4.0	3.9	4.1	-	-	4.0	-	-	4.0	4.5	4.1	3.9
3. My teacher explains how learning a new topic is a foundation for other topics.	3.5	3.4	3.7	-	-	3.5	-	-	3.5	3.4	3.6	3.5
4. Every student gets a chance to answer questions.	3.8	3.7	3.9	-	-	3.8	-	-	3.8	3.6	4.1	3.8
5. My teacher wants me to explain my answers.	4.3	4.2	4.5	-	-	4.3	-	-	4.3	4.5	4.3	4.5
6. My teacher knows when I understand, and when I do not.	4.0	3.9	4.0	-	-	3.9	-	-	4.0	4.3	4.2	3.8
7. My teacher explains things in different ways so everyone can understand.	4.1	4.1	4.1	-	-	4.1	-	-	4.1	4.0	4.3	4.1
8. My teacher gives me helpful feedback on work I turn in.	3.0	2.9	3.2	-	-	3.0	-	-	3.0	2.8	3.2	2.9
9. My teacher checks our understanding.	3.8	3.6	3.9	-	-	3.8	-	-	3.8	3.6	3.8	3.9
10. My teacher takes the time to summarize what we learn each day.	3.8	3.8	3.8	-	-	3.8	-	-	3.8	2.7	3.2	3.4

Color Key:


4 or 5, Rated High  
2 or 3, Rated Mid  
0 or 1, Rated Low

## Bonus Points

While most schools provide a sampling of athletics, club participation opportunities, and parent meetings, a few schools stand out among the rest. These schools are recognized for their extraordinary dedication to keeping students invested in school, and their efforts in empowering parents to engage actively in their child's education. Bonus points indicate those schools that have gone above and beyond the others.

☐ Student Engagement ☐ Parental Engagement ☐ Extracurricular Activities ☒ Truancy Improvement

## Participation

Schools must include all of their enrolled students in the annual statewide assessment. If the percentage of the All Students group is less than 95%, the school's letter grade is reduced by one grade. Supplemental Accountability Schools (SAM) and small schools with fewer than 40 students receive special consideration.

	All Students	Gender		Race / Ethnicity					Economically Disadvantaged	Students with Disabilities	English Language Learners	Redesignated English Proficient
		F	M	White	Afr Amer	Hisp	Asian	Am Indian				
Reading (%)	>98.0	>98.0	>98.0	-	-	>98.0	-	-	>98.0	>98.0	>98.0	-
Math (%)	>98.0	>98.0	>98.0	-	-	>98.0	-	-	>98.0	>98.0	>98.0	-

## Supplemental Information

### Similar Schools

While statewide comparisons are helpful, schools may want to see how they rank next to their peers that have similar students and settings. The figures below show how this school contrasts with other schools in the state that are most like it in student characteristics.

Schools are grouped into categories that have similar proportions of English language learners (ELL), students with disabilities (SWD), ethnicities, economically disadvantaged (ED), and mobile students. Different schools are in each category set. A composite score incorporates all categories into a general measure of at-risk students. Higher ranking schools had more points in that indicator.

	School Rank											
	ELL		SWD		Ethnicity		ED		Mobility		Composite	
Students (% Tested)	46.0		13.3		99.5		100.0		8.0			
	Rank	Total	Rank	Total	Rank	Total	Rank	Total	Rank	Total	Rank	Total
Current Standing	31	( 46 )	44	( 45 )	33	( 46 )	104	( 124 )	42	( 46 )	40	( 46 )
School Growth	5	( 46 )	4	( 45 )	7	( 46 )	7	( 124 )	2	( 46 )	3	( 46 )
Student Growth, Highest 75%	14	( 46 )	13	( 45 )	21	( 46 )	32	( 124 )	16	( 46 )	16	( 46 )
Student Growth, Lowest 25%	37	( 46 )	34	( 45 )	30	( 46 )	95	( 124 )	17	( 46 )	34	( 46 )
Opportunity to Learn	7	( 46 )	14	( 45 )	13	( 46 )	36	( 124 )	12	( 46 )	19	( 46 )

### School History

Student performance over time can demonstrate the success of interventions and school reform. Scaled scores (SS) range from 0 to 80, and 40 is the threshold for proficiency (on grade level). For a more detailed history see the NMPED website: <http://www.ped.state.nm.us/AssessmentAccountability/AcademicGrowth/NMSBA.html>

		All Students	Gender		Race / Ethnicity					Economically Disadvantaged	Students with Disabilities	English Language Learners	Redesignated English Proficient
			F	M	White	Afr Amer	Hisp	Asian	Am Indian				
Reading	2014 (Avg SS)	33.7	34.5	32.5	-	-	33.8	-	-	33.7	23.0	30.3	37.3
	2013 (Avg SS)	34.2	35.2	32.9	-	-	34.3	-	-	34.2	17.5	32.7	38.2
	2012 (Avg SS)	30.5	29.7	31.4	-	-	30.1	-	-	29.8	17.2	27.7	38.2
Math	2014 (Avg SS)	32.3	32.5	31.9	-	-	32.4	-	-	32.3	21.7	28.6	36.5
	2013 (Avg SS)	32.9	32.3	33.6	-	-	32.8	-	-	32.9	23.7	31.7	36.0
	2012 (Avg SS)	26.9	24.4	29.9	-	-	26.5	-	-	26.7	17.9	25.1	32.1



## School Growth Targets

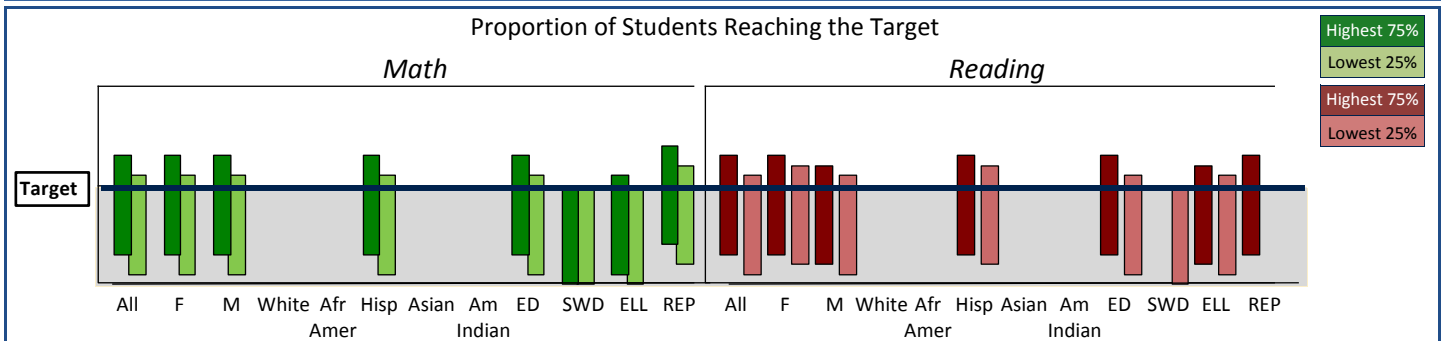
Customized targets, called School Growth Targets (SGTs), guide a school's path toward proficiency. These goals increase every year and challenge schools to identify student groups that might be struggling to keep up with their peers. Students who are not proficient but have made large enough gains to become proficient in the next 3 years are considered "on track" to proficiency and are included in the percentages below.

		All Students	Gender		Race / Ethnicity					Economically Disadvantaged	Students with Disabilities	English Language Learners	Redesignated English Proficient
			F	M	White	Afr Amer	Hisp	Asian	Am Indian				
<b>Reading</b>	Highest 75% (%)	25.9	29.1	21.3	-	-	26.2	-	-	25.9	-	21.6	29.1
<b>Target 61.0%</b>	Lowest 25% (%)	14.6	16.0	13.0	-	-	15.2	-	-	14.6	.0	13.2	-
<b>Math</b>	Highest 75% (%)	26.0	26.8	25.0	-	-	26.4	-	-	26.0	.0	14.5	38.9
<b>Target 55.0%</b>	Lowest 25% (%)	8.9	10.3	6.3	-	-	9.3	-	-	8.9	.0	3.7	18.2

## Graduation

For high schools graduation rates for the Cohort of 2013 are available on page 5.

**Target 73.7%**



## Student Promotion

Students that are prepared and progress to a higher grade each year (matriculate) indicate that the school is successfully moving students toward graduation. However, if the school's achievement in Reading and Math is subpar, and yet most students are being promoted, the school may be inattentive to a student's need to repeat grade-level instruction before moving on.

		All Students	Gender		Race / Ethnicity					Economically Disadvantaged	Students with Disabilities	English Language Learners	Redesignated English Proficient
			F	M	White	Afr Amer	Hisp	Asian	Am Indian				
Percent of students scoring Beginning Step (lowest) in the prior year that moved to a higher grade.													
Grade 3 to Grade 4 (%)	>98.0	-	-	-	-	-	>98.0	-	-	>98.0	-	-	-
Grade 5 to Grade 6 (%)	>98.0	-	-	-	-	-	>98.0	-	-	>98.0	-	-	-
Grade 8 to Grade 9 (%)	-	-	-	-	-	-	-	-	-	-	-	-	-

## End Notes

- 1 The Statewide C grade was established in the first year of school grading as the midpoint of all schools. It was fixed in 2011 as the framework for all future letter grades and is not recalculated each year.
- 2 Final letter grades are established at the 90th and 50th percentiles, which represent 75 and 50 points respectively. For high schools that do not have members of 4-year 5-year or 6-year graduation cohorts, the scale is abbreviated and letter grades are adjusted to account for the school's remaining non-cohort indicators or non-cohort years.
- 3 A dash is substituted where a school has too few students (N<10) to meet confidentiality requirements for reporting.
- 4 Feeder schools are schools that do not have students in tested grades 3-8, 10, or 11. These school are rated using the performance of their alumni.
- 5 Redesignated English Proficient are students that were once English Language Learners and have since become fluent. New Mexico began this reporting category in 2012 and some data systems have not yet caught up. These fields are marked with "N/A" (not yet available).
- 6 During the 2013-2014 school year, schools across New Mexico piloted assessments on computers. To recognize these efforts, schools that offered the SBA on computers received bonus credit based on the number of students participating.