

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Statement of Net Position
June 30, 2015

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 1,688,895
Receivables	
Due from Other Governments	250,594
Due from Agency Funds	70
Prepaid Expenditures	13,298
Total Current Assets	<u>1,952,857</u>

Noncurrent Assets:

Capital Assets	
Land and Land Improvements	3,172,430
Building and Improvements	5,770,204
Furniture, Fixtures, and Equipment	34,782
Less: Accumulated Depreciation	<u>(295,061)</u>
Total Noncurrent Assets	8,682,355
Website	<u>894</u>
Total Assets	<u>10,636,106</u>

Deferred outflows - pension related 490,588

LIABILITIES

Current Liabilities:

Accounts Payable	19,238
Accrued Liabilities	327,424
Current Portion of Long-Term Debt	<u>160,000</u>
Total Current Liabilities	<u>506,662</u>

Noncurrent Liabilities:

Long-Term Debt	10,450,000
Net Pension Liability	<u>4,277,577</u>
Total Noncurrent Liabilities	<u>14,727,577</u>
Total Liabilities	<u>15,234,239</u>

Deferred inflows - pension related 452,588

NET POSITION

Investment in Capital Assets	(1,927,645)
Restricted	248,839
Unrestricted	<u>(2,881,327)</u>
Total Net Position	<u>\$ (4,560,133)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,730,593	40,455	159,097	-	(2,531,041)
Support Services:					
Students	218,163	-	-	-	(218,163)
Instruction	52,905	-	-	-	(52,905)
General Administration	49,458	-	-	-	(49,458)
School Administration	339,091	-	-	-	(339,091)
Central Services	170,896	-	-	-	(170,896)
Operation & Maintenance of Plant	619,042	-	-	-	(619,042)
Other Support Services	68,191	-	-	-	(68,191)
Student Transportation	277,439	-	281,147	-	3,708
Facilities Materials, Supplies & Other Services	1,413,197	-	-	597,874	(815,323)
Total Governmental Activities	\$ 5,938,975	40,455	440,244	597,874	(4,860,402)
General Revenues:					
					\$ 178,949
Property Taxes					\$ 178,949
State Equalization Guarantee					3,906,445
Interest income					126
Miscellaneous					863,926
Total General Revenues					<u>4,949,446</u>
Change in Net Position					<u>89,044</u>
					(446,783)
Net Position- Beginning					(446,783)
Resatement					<u>(4,202,394)</u>
Net Position- Beginning, restated					(4,649,177)
Net position, Ending					<u>\$ (4,560,133)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 229,501	86,855	68,091	-
Accounts Receivable				
Due from Governments	69,588	-	-	-
Due from Other Funds	122,473	-	-	-
Prepaid Expenditures	13,298	-	-	-
Total Assets	\$ 434,860	86,855	68,091	-
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 11,263	-	-	-
Accrued Expenditures	325,413	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	336,676	-	-	-
<i>Fund Balances</i>				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	13,298	-	-	-
Restricted for:				
Instruction	-	-	68,091	-
Student Transportation	-	86,855	-	-
Capital Improvements	-	-	-	-
Unassigned	84,886	-	-	-
Total Fund Balance	98,184	86,855	68,091	-
Total Liabilities and Fund Balances	\$ 434,860	86,855	68,091	-

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	USHHS/CDC School Health 24186	2012 SB-66 Student Library 27107	Technology for Education 27117	GO Bonds Instructional Materials 27171
-	-	-	-	-	-
2,784	5,083	4,822	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,784</u>	<u>5,083</u>	<u>4,822</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
1,371	-	-	-	-	-
<u>1,413</u>	<u>5,083</u>	<u>4,822</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,784</u>	<u>5,083</u>	<u>4,822</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,784</u>	<u>5,083</u>	<u>4,822</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Next Generation Assessments 27185	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Foundation	Total
ASSETS					
Cash and Cash Equivalents	\$ -	-	23,363	1,281,085	1,688,895
Accounts Receivable					
Due from Government	-	111,085	57,232	-	250,594
Due from Other Funds	-	-	-	-	122,473
Prepaid Expenditures	-	-	-	-	13,298
Total Assets	<u>\$ -</u>	<u>111,085</u>	<u>80,595</u>	<u>1,281,085</u>	<u>2,075,260</u>
LIABILITIES AND FUND BALANCES					
<i>Liabilities:</i>					
Accounts Payable	\$ -	-	-	7,975	19,238
Accrued Expenditures	-	-	-	640	327,424
Due to Other Funds	-	111,085	-	-	122,403
Total Liabilities	<u>-</u>	<u>111,085</u>	<u>-</u>	<u>8,615</u>	<u>469,065</u>
<i>Fund Balances</i>					
Fund Balance:					
Nonspendable:					
Prepaid Expenditures	-	-	-	-	13,298
Restricted for:					
Instruction	-	-	-	-	68,091
Student Transportation	-	-	-	-	86,855
Capital Improvements	-	-	80,595	-	80,595
Unassigned	-	-	-	1,272,470	1,357,356
Total Fund Balance	<u>-</u>	<u>-</u>	<u>80,595</u>	<u>1,272,470</u>	<u>1,606,195</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>111,085</u>	<u>80,595</u>	<u>1,281,085</u>	<u>2,075,260</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balances - Total Governmental Funds **\$ 1,606,195**

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

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

Other Assets	894	
Capital Assets	8,977,416	
Accumulated Depreciation	<u>(295,061)</u>	8,683,249

Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		490,588
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Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Long-Term Debt	(10,610,000)	
Net Pension Liability	<u>(4,277,577)</u>	(14,887,577)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		<u>(452,588)</u>
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Net Position-Total Governmental Activities **\$ (4,560,133)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	3,906,445	281,147	47,241	-
Federal Grant	-	-	-	-
Charges for Services	40,455	-	-	-
Miscellaneous Income	69,659	-	-	-
Total Revenues	<u>4,016,559</u>	<u>281,147</u>	<u>47,241</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	2,608,189	-	43,795	-
Support Services:				
Students	207,165	-	-	-
Instruction	49,363	-	-	-
General Administration	29,909	-	-	-
School Administration	301,343	-	-	-
Central Services	169,560	-	-	-
Operation & Maintenance of Plant	609,569	-	-	-
Student Transportation	-	277,439	-	-
Other Support Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Debt service				
Interest	-	-	-	-
Total Expenditures	<u>3,975,098</u>	<u>277,439</u>	<u>43,795</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>41,461</u>	<u>3,708</u>	<u>3,446</u>	<u>-</u>
Net Changes in Fund Balances	<u>41,461</u>	<u>3,708</u>	<u>3,446</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>56,723</u>	<u>83,147</u>	<u>64,645</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 98,184</u>	<u>86,855</u>	<u>68,091</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	USHHS/CDC School Health 24186	2012 SB-66 Student Library 27107	Technology for Education 27117	GO Bonds Instructional Materials 27171
-	-	-	-	-	-
-	-	-	3,542	-	-
91,897	11,595	4,822	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>91,897</u>	<u>11,595</u>	<u>4,822</u>	<u>3,542</u>	<u>-</u>	<u>-</u>
32,538	11,595	4,822	-	281	-
9,609	-	-	-	-	-
-	-	-	3,542	-	-
-	-	-	-	-	-
33,800	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>75,947</u>	<u>11,595</u>	<u>4,822</u>	<u>3,542</u>	<u>281</u>	<u>-</u>
15,950	-	-	-	(281)	-
15,950	-	-	-	(281)	-
(15,950)	-	-	-	281	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Next Generation Assessments 27185	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Foundation	Total
REVENUES					
Property Taxes	\$ -	-	178,949	-	178,949
State Grant	-	542,291	55,583	-	4,836,249
Federal Grant	-	-	-	-	108,314
Charges for Services	-	-	-	-	40,455
Miscellaneous Income	-	-	-	807,096	876,755
Total Revenues	-	542,291	234,532	807,096	6,040,722
EXPENDITURES					
Current:					
Instruction	-	-	-	-	2,701,220
Support Services:					
Students	-	-	-	-	216,774
Instruction	-	-	-	-	52,905
General Administration	-	-	-	19,549	49,458
School Administration	-	-	-	-	335,143
Central Services	-	-	-	-	169,560
Operation & Maintenance of Plant	-	-	-	8,336	617,905
Student Transportation	-	-	-	-	277,439
Other Support Services Operations	-	-	-	68,191	68,191
Capital Outlay	-	444,340	179,360	-	623,700
Debt service					
Interest	-	-	-	640,375	640,375
Total Expenditures	-	444,340	179,360	736,451	5,752,670
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	97,951	55,172	70,645	288,052
Net Changes in Fund Balances	-	97,951	55,172	70,645	288,052
Fund Balances (Deficit) - Beginning of Year	-	(97,951)	25,423	1,201,825	1,318,143
Fund Balances - End of Year	\$ -	-	80,595	1,272,470	1,606,195

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 288,052**

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

Change in net pension liability (37,183)

Expenditures to purchase or build capital assets, pay for interest on
 debt, and amortization on long term assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Loss on Disposal of Assets Held for Sale	(12,703)	
Depreciation Expense	<u>(149,122)</u>	
		<u>(161,825)</u>

Change in Net Position-Total Governmental Activities **\$ 89,044**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2015

	<u>Funds</u>
ASSETS	
Cash in Bank	\$ -
Total Assets	<u>\$ -</u>
LIABILITIES	
Deposits Held for Others	\$ (70)
Due to Governmental Funds	70
Total Liabilities	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 16,657	37,821	(54,478)	-
Total Assets	<u>\$ 16,657</u>	<u>37,821</u>	<u>(54,478)</u>	<u>-</u>
LIABILITIES				
Deposits Held for Others	\$ 16,657	37,751	(54,478)	(70)
Due to Governmental Funds	-	70	-	70
Total Liabilities	<u>\$ 16,657</u>	<u>37,821</u>	<u>(54,478)</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Notes to the Financial Statements
 June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Furniture, Fixtures and Equipment	5-10 years
Land and Land Improvements	15 years
Buildings and Improvements	5-40 years

Capital assets for CCPS are recorded in the Statement of Net Position.

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

NOTE 2. RECEIVABLES

Receivables as of June 30, 2015 are as follows:

Due from Other Governments:		
Operational	\$	69,588
IDEA-B Entitlement		2,784
Teacher Principal Training		5,083
USHHS / CDC School Health		4,822
Public School Capital Outlay		111,085
SB-9 Capital Improvements		<u>57,232</u>
Total Due from Other Governments	\$	<u>250,594</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Notes to the Financial Statements
June 30, 2015

NOTE 3. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2015 follows:

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets not being</i>				
<i>Depreciated:</i>				
Land	\$ 3,167,743	-	-	3,167,743
Land Improvements	4,687	-	-	4,687
<i>Total</i>	<u>3,172,430</u>	-	-	<u>3,172,430</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	34,782	-	-	34,782
Building and Improvements	5,770,204	-	-	5,770,204
<i>Total</i>	<u>5,804,986</u>	-	-	<u>5,804,986</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(4,305)	(4,197)	-	(8,502)
Building and improvements	(141,634)	(144,925)	-	(286,559)
<i>Total</i>	<u>(145,939)</u>	<u>(149,122)</u>	-	<u>(295,061)</u>
Capital Assets, Net	<u>\$ 8,831,477</u>	<u>(149,122)</u>	-	<u>8,682,355</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Facilities, Materials, Supplies & Other Services	<u>\$ 149,122</u>
Total	<u>\$ 149,122</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Notes to the Financial Statements
June 30, 2015

NOTE 4. COMMITMENTS AND LIABILITIES

Revenue Bonds are secured by pledges of certain revenues and assets. On December 1, 2012, Cottonwood Classical Preparatory School, pursuant to a lease purchase agreement with Cottonwood Classical Foundation, Inc. and indenture of trust, issued its Educational Facility Revenue Bonds Series 2012A in the aggregate principal amount of \$10,250,000 and \$360,000 Taxable Educational Facility Revenue Bonds Series 2012B. Bond proceeds were used to acquire and renovate a 47,161 square foot charter school facility that will house classrooms from sixth through twelfth grade. CCPS pledges, transfers, and grants a security interest in and assigns to Wells Fargo Bank, N.A. to secure the payment of lease payments in accordance with the terms and provisions of the lease, all funds, monies, grants, or other distributions received by the School from the State of New Mexico with respect to Equalization Guarantee funding, State Leasing or account established by CCPS, but specifically excluding State funding under the Charter School Act which is specifically dedicated to the payment of expenses of the Charter School which do not include payment of amounts due under the Lease and all such operating expenses of CCPS required under State or federal laws to provide required educational program expenditures.

The total bond payable as of June 30, 2015 is as follows:

Series 2012A Education Facility Revenue Bond; Interest rate 5.25% due in quarterly installments; Maturing December 1, 2022	\$ 1,200,000
Series 2012A Education Facility Revenue Bond; Interest rate 6.00% due in quarterly installments; Maturing December 1, 2032	3,220,000
Series 2012A Education Facility Revenue Bond; Interest rate 6.25% due in quarterly installments; Maturing December 1, 2042	5,830,000
Series 2012B Taxable Education Facility Revenue Bond; Interest rate 5.5% due in quarterly installments; Maturing December 1, 2017	<u>360,000</u>
Total Bond Payable	<u>\$ 10,610,000</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Notes to the Financial Statements
June 30, 2015

NOTE 4. COMMITMENTS AND LIABILITIES (Continued)

The aggregate amounts of principal maturities and interest of bonds payable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 160,000	640,375	800,375
2017	170,000	631,575	801,575
2018	180,000	622,225	802,225
2019	190,000	612,700	802,700
2020	200,000	602,725	802,725
2021-2025	1,165,000	2,843,525	4,008,525
2026-2030	1,545,000	2,461,475	4,006,475
2031-2035	2,070,000	1,938,088	4,008,088
2036-2040	2,795,000	1,212,187	4,007,187
2041-2043	2,135,000	272,188	2,407,188
Total	<u>\$ 10,610,000</u>	<u>11,837,063</u>	<u>22,447,063</u>

NOTE 5. DEFICIT FUND BALANCE

There were no funds that had a deficit fund balance at June 30, 2015.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

As stated in the finding 2015-004, CCPS had expended in excess of the budget.

Student Transportation Fund

Student Transportation 13000 \$ (42,535)

NOTE 7. RELATED PARTY TRANSACTIONS

Cottonwood Classical Preparatory School has created a Foundation which donates various funds to the school and entered revenue bonds to construct a building for the school. The Foundation is considered a component unit of the School and is presented as a blended component unit.

The Director of Operations' son is employed at the school.

The Business Manager of the school is also the CEO of the Vigil Group.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

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

Contributions. The contribution requirements of defined benefit plan members and Cottonwood Classical Preparatory School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Cottonwood Classical Preparatory School were \$318,674 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Cottonwood Classical Preparatory School reported a liability of \$4,277,577 for its proportionate share of the net pension liability. Cottonwood Classical Preparatory School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Cottonwood Classical Preparatory School's proportion was 0.07497% percent, which was an increase of 0.00369% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Cottonwood Classical Preparatory School recognized pension expense of \$355,857. At the June 30, 2015, Cottonwood Classical Preparatory School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Notes to the Financial Statements
June 30, 2015

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	63,723
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	388,865
Changes in proportion and differences between Cottonwood Classical Preparatory School contributions and proportionate share of contributions	171,914	-
Cottonwood Classical Preparatory School contributions subsequent to the measurement date	<u>318,674</u>	<u>-</u>
Total	<u>\$ 490,588</u>	<u>452,588</u>

\$318,674 reported as deferred outflows of resources related to pensions resulting from Cottonwood Classical Preparatory School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30

2016	\$ 59,646
2017	59,646
2018	64,154
2019	<u>97,228</u>
Total	<u>\$ 280,674</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Notes to the Financial Statements
June 30, 2015

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Sensitivity of Cottonwood Classical Preparatory School's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2014. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Cottonwood Classical Preparatory School's proportionate share of the net pension liability	<u>\$ 5,820,140</u>	<u>4,277,577</u>	<u>2,989,227</u>

Payables to the pension plan. Cottonwood Classical Preparatory School accrued \$80,524 in ERB benefits at June 30, 2015 for teachers with ten month contracts.

NOTE 9. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, Net Position at June 30, 2014 was restated in the amount of \$(4,202,394).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	2.66%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 4,278	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 2,067	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2015

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 272	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	272	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 281	5		\$ 60	60	64	97	-	-	-	-	-
2015	-	5			-	-	-	-	-	-	-	-
2016	-	5										
2017	-	5										
2018	-	5										
2019	-	5										
2020	-	5										
2021	-	5										
2022	-	5										
2023	-	5										
	\$ 281			\$ 60	60	64	97	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,789,514	3,906,446	3,906,445	(1)
Charges for Services	-	31,350	40,455	9,105
Miscellaneous Income	-	69,892	71	(69,821)
Total Revenues	3,789,514	4,007,688	3,946,971	(60,717)
EXPENDITURES				
Current:				
Instruction	2,479,519	2,668,120	2,608,189	59,931
Support Services:				
Students	121,762	210,209	207,165	3,044
Instruction	32,250	50,085	49,363	722
General Administration	23,500	30,279	29,909	370
School Administration	288,024	303,978	301,343	2,635
Central Services	155,075	166,089	164,880	1,209
Operation & Maintenance of Plant	689,384	628,974	602,986	25,988
Total Expenditures	3,789,514	4,057,734	3,963,835	93,899
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(50,046)	(16,864)	33,182
Net Changes in Fund Balances	-	(50,046)	(16,864)	33,182
Cash or Fund Balances - Beginning of Year	-	-	43,425	43,425
Cash or Fund Balances - End of Year	\$ -	(50,046)	26,561	76,607
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (16,864)	
Adjustments to Revenues			69,588	
Adjustments to Expenditures			(11,263)	
NET CHANGE IN FUND BALANCE			\$ 41,461	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Student Transportation 13000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 234,904	234,904	281,147	46,243
Total Revenues	<u>234,904</u>	<u>234,904</u>	<u>281,147</u>	<u>46,243</u>
EXPENDITURES				
Current:				
Student Transportation	234,904	234,904	277,439	(42,535)
Total Expenditures	<u>234,904</u>	<u>234,904</u>	<u>277,439</u>	<u>(42,535)</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	3,708	3,708
Net Changes in Fund Balances	-	-	3,708	3,708
Cash or Fund Balances - Beginning of Year	-	-	83,147	83,147
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>86,855</u>	<u>86,855</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 3,708	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 3,708</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 31,394	47,241	47,241	-
Total Revenues	<u>31,394</u>	<u>47,241</u>	<u>47,241</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	78,583	94,430	43,795	50,635
Total Expenditures	<u>78,583</u>	<u>94,430</u>	<u>43,795</u>	<u>50,635</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(47,189)</u>	<u>(47,189)</u>	<u>3,446</u>	<u>50,635</u>
Net Changes in Fund Balances	<u>(47,189)</u>	<u>(47,189)</u>	<u>3,446</u>	<u>50,635</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>64,645</u>	<u>64,645</u>
Cash or Fund Balances - End of Year	<u>\$ (47,189)</u>	<u>(47,189)</u>	<u>68,091</u>	<u>115,280</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,446	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 3,446</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 7,155	7,226	-	(7,226)
Total Revenues	<u>7,155</u>	<u>7,226</u>	<u>-</u>	<u>(7,226)</u>
EXPENDITURES				
Current:				
Instruction	7,155	7,226	-	7,226
Total Expenditures	<u>7,155</u>	<u>7,226</u>	<u>-</u>	<u>7,226</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 75,947	75,947	102,648	26,701
Total Revenues	<u>75,947</u>	<u>75,947</u>	<u>102,648</u>	<u>26,701</u>
EXPENDITURES				
Current:				
Instruction	32,538	32,538	32,538	-
Support Services:				
Students	9,609	9,609	9,609	-
School Administration	33,800	33,800	33,800	-
Total Expenditures	<u>75,947</u>	<u>75,947</u>	<u>75,947</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	26,701	26,701
Net Changes in Fund Balances	-	-	26,701	26,701
Cash or Fund Balances - Beginning of Year	-	-	(29,485)	(29,485)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,784)</u>	<u>(2,784)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 26,701	
Adjustments to Revenues			(10,751)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 15,950</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 9,270	20,515	16,316	(4,199)
Total Revenues	<u>9,270</u>	<u>20,515</u>	<u>16,316</u>	<u>(4,199)</u>
EXPENDITURES				
Current:				
Instruction	9,270	20,515	11,595	8,920
Total Expenditures	<u>9,270</u>	<u>20,515</u>	<u>11,595</u>	<u>8,920</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	4,721	4,721
Net Changes in Fund Balances	-	-	4,721	4,721
Cash or Fund Balances - Beginning of Year	-	-	(9,804)	(9,804)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,083)</u>	<u>(5,083)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,721	
Adjustments to Revenues			(4,721)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
USHHS / CDC School Health 24186
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	5,000	-	(5,000)
Total Revenues	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
EXPENDITURES				
Current:				
Instruction	-	5,000	4,822	178
Total Expenditures	<u>-</u>	<u>5,000</u>	<u>4,822</u>	<u>178</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(4,822)	(4,822)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,822)</u>	<u>(4,822)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,822)</u>	<u>(4,822)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (4,822)	
Adjustments to Revenues			4,822	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
2012 SB-66 Student Library 27107
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,542	3,542	3,542	-
Total Revenues	3,542	3,542	3,542	-
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,542	3,542	3,542	-
Total Expenditures	3,542	3,542	3,542	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Technology for Education 27117
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
EXPENDITURES				
Current:				
Instruction	\$ -	-	281	(281)
Total Expenditures	-	-	281	(281)
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(281)	281
Net Changes in Fund Balances	-	-	(281)	281
Cash or Fund Balances - Beginning of Year	-	-	281	281
Cash or Fund Balances - End of Year	\$ -	-	-	562
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (281)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (281)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
GO Bonds Instructional Materials 27171
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	21,967	21,967
Total Revenues	-	-	21,967	21,967
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	21,967	21,967
Net Changes in Fund Balances	-	-	21,967	21,967
Cash or Fund Balances - Beginning of Year	-	-	(21,967)	(21,967)
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 21,967	
Adjustments to Revenues			(21,967)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Next Generation Assessments 27185
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	22,326	22,326
Total Revenues	-	-	22,326	22,326
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	22,326	22,326
Net Changes in Fund Balances	-	-	22,326	22,326
Cash or Fund Balances - Beginning of Year	-	-	(22,326)	(22,326)
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 22,326	
Adjustments to Revenues			(22,326)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	444,340	431,206	(13,134)
Total Revenues	<u>-</u>	<u>444,340</u>	<u>431,206</u>	<u>(13,134)</u>
EXPENDITURES				
Capital Outlay	-	444,340	444,340	-
Total Expenditures	<u>-</u>	<u>444,340</u>	<u>444,340</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(13,134)	(13,134)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(13,134)</u>	<u>(13,134)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(97,951)</u>	<u>(97,951)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(111,085)</u>	<u>(111,085)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (13,134)	
Adjustments to Revenues			111,085	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 97,951</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 180,038	180,038	176,264	(3,774)
State Grant	39,120	54,547	1,036	(53,511)
Total Revenues	219,158	234,585	177,300	(57,285)
EXPENDITURES				
Capital Outlay	219,158	260,008	179,360	80,648
Total Expenditures	219,158	260,008	179,360	80,648
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	(25,423)	(2,060)	23,363
Net Changes in Fund Balances	-	(25,423)	(2,060)	23,363
Cash or Fund Balances - Beginning of Year	-	-	25,423	25,423
Cash or Fund Balances - End of Year	\$ -	(25,423)	23,363	48,786
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (2,060)	
Adjustments to Revenues			57,232	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 55,172	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo	FNMA FNMS	3138W1HG5	2/1/2043	\$ 25,223
Wells Fargo	FNMA FNMS	3138X9A24	7/1/2043	113,720
				<u>\$ 138,943</u>

Total Cash per Schedule of Cash Accounts (excluding Foundation):	\$ 427,587
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	177,587
Collateral Requirement:	88,794
Pledged Collateral Held by Pledging Financial Institution:	<u>138,943</u>
Balance Over Collateralized:	<u>\$ 50,149</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ 38,645</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 427,587
Checking - Foundation	1,281,085
<i>Total on Deposit</i>	1,708,672
Reconciling Items	(19,777)
Reconciled Balance June 30, 2015	1,688,895
Less Agency Funds	-
<i>Total Cash</i>	<u>\$ 1,688,895</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Cash Reconciliation
June 30, 2015

	Operational 11000	Student Transportation 13000	Instructional Materials 14000
Cash, June 30, 2014	\$ 43,425	83,147	64,645
Add:			
2014-15 revenues	<u>3,946,971</u>	<u>281,147</u>	<u>47,241</u>
Total cash available	3,990,396	364,294	111,886
Less:			
2014-15 expenditures	(3,963,835)	(277,439)	(43,795)
Receivables/Payables	325,413	-	-
Outstanding Loans	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>351,974</u>	<u>86,855</u>	<u>68,091</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>(122,473)</u>	-	-
Cash per Books	<u>229,501</u>	<u>86,855</u>	<u>68,091</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>(253,790)</u>	-	-
Fund Balance, Modified Accrual Basis	<u>\$ 98,184</u>	<u>86,855</u>	<u>68,091</u>

The accompanying notes are an integral part of these financial statements

Federal Flowthrough 24000	State Flowthrough 27000	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	Total
(39,289)	(44,012)	(97,951)	25,423	35,388
118,964	47,835	431,206	177,300	5,050,664
79,675	3,823	333,255	202,723	5,086,052
(92,364)	(3,823)	(444,340)	(179,360)	(5,004,956)
1,371	-	-	-	326,784
-	-	-	-	-
(11,318)	-	(111,085)	23,363	407,880
11,318	-	111,085	-	(70)
-	-	-	23,363	407,810
				Add: Foundation Cash per Balance Sheet - Governmental Funds
				Total Cash per Books
				\$ 1,688,895
11,318	-	111,085	57,232	(74,155)
-	-	-	80,595	333,725
				Add: Foundation Fund Balance per Balance Sheet - Governmental Funds
				Total Fund Balance, Modified Accrual Basis
				\$ 1,606,195