

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Statement of Net Position
 June 30, 2014

ASSETS

Current Assets:

Cash and Cash Equivalents	\$	343,338
Receivables		
Due from Other Governments		48,566
Total Current Assets		<u>391,904</u>
Total Assets		<u>391,904</u>

LIABILITIES

Current Liabilities

Accounts Payable		4,990
Accrued Liabilities		252,382
Total Current Liabilities		<u>257,372</u>
Total Liabilities		<u>257,372</u>

NET POSITION

Restricted		25,723
Unrestricted		108,809
Total Net Position	\$	<u><u>134,532</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Statement of Activities
For the Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 2,073,213	-	237,305	-	(1,835,908)
Support Services					
Students	276,046	-	-	-	(276,046)
Instruction	15,484	-	-	-	(15,484)
General Administration	32,925	-	-	-	(32,925)
School Administration	159,902	-	-	-	(159,902)
Central Services	89,944	-	-	-	(89,944)
Operation & Maintenance of Plant	129,057	-	-	-	(129,057)
Total Governmental Activities	\$ 2,776,571	-	237,305	-	(2,539,266)
General Revenues:					
State Equalization Guarantee					<u>\$ 2,673,798</u>
Total General Revenues					<u>2,673,798</u>
Change in Net Position					134,532
Net Position, Beginning					<u>-</u>
Net Position, Ending					<u>\$ 134,532</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Balance Sheets - Governmental Funds
June 30, 2014

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Total
ASSETS							
Cash and Cash Equivalents	\$ 317,615	25,723	-	-	-	-	343,338
Accounts Receivable							
Due from Government	-	-	2,552	33,841	1,012	11,161	48,566
Due from Other Funds	48,259	-	-	-	-	-	48,259
Total Assets	\$ 365,874	25,723	2,552	33,841	1,012	11,161	440,163
LIABILITIES AND FUND BALANCES							
<i>Liabilities:</i>							
Accounts Payable	\$ 4,683	-	-	-	-	307	4,990
Accrued Expenditures	252,382	-	-	-	-	-	252,382
Due to Other Funds	-	-	2,552	33,841	1,012	10,854	48,259
Total Liabilities	257,065	-	2,552	33,841	1,012	11,161	305,631
<i>Fund Balances</i>							
Fund Balance:							
Restricted for:							
Instruction	-	25,723	-	-	-	-	25,723
Unassigned	108,809	-	-	-	-	-	108,809
Total Fund Balances	108,809	25,723	-	-	-	-	134,532
Total Liabilities and Fund Balances	\$ 365,874	25,723	2,552	33,841	1,012	11,161	440,163

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Reconciliation of the Balance Sheets - Governmental Funds to the Statement of Net Position
June 30, 2014**

Fund Balances - Total Governmental Funds	\$ 134,532
Net Position-Total Governmental Activities	<u>\$ 134,532</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Total
Revenues:							
State Grant	\$ 2,673,798	28,524	-	-	-	-	2,702,322
Federal Grant	-	-	100,355	96,253	1,012	11,161	208,781
Total Revenues	<u>2,673,798</u>	<u>28,524</u>	<u>100,355</u>	<u>96,253</u>	<u>1,012</u>	<u>11,161</u>	<u>2,911,103</u>
Expenditures:							
Current:							
Instruction	1,941,889	2,801	63,148	57,904	1,012	6,459	2,073,213
Support Services:							
Students	200,490	-	37,207	38,349	-	-	276,046
Instruction	15,484	-	-	-	-	-	15,484
General Administration	32,925	-	-	-	-	-	32,925
School Administration	155,200	-	-	-	-	4,702	159,902
Central Services	89,944	-	-	-	-	-	89,944
Operation & Maintenance of Plant	129,057	-	-	-	-	-	129,057
Total Expenditures	<u>2,564,989</u>	<u>2,801</u>	<u>100,355</u>	<u>96,253</u>	<u>1,012</u>	<u>11,161</u>	<u>2,776,571</u>
<i>Excess of Revenues Over Expenditures</i>	<u>108,809</u>	<u>25,723</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>134,532</u>
Net Changes in Fund Balances	<u>108,809</u>	<u>25,723</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>134,532</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 108,809</u>	<u>25,723</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>134,532</u>

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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2014**

Net Change in Fund Balances-Total Governmental Funds	\$ 134,532
Change in Net Position-Total Governmental Activities	<u>\$ 134,532</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2014

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	<u>\$ 21</u>
Total Assets	<u><u>\$ 21</u></u>
LIABILITIES	
Deposits Held for Others	<u>\$ 21</u>
Total Liabilities	<u><u>\$ 21</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2014

	<u>Balance July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2014</u>
ASSETS				
Cash in Bank	\$ -	21	-	21
Total Assets	<u>\$ -</u>	<u>21</u>	<u>-</u>	<u>21</u>
LIABILITIES				
Deposits Held for Others	\$ -	21	-	21
Total Liabilities	<u>\$ -</u>	<u>21</u>	<u>-</u>	<u>21</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Notes to the Financial Statements
June 30, 2014

NOTE 1. COMMITMENTS AND CONTINGENCIES

Leases

Facilities were leased under a short-term cancelable operating lease. Expenses for the year ended June 30, 2014 were \$56,265.

The following is a schedule of operating lease payments as of June 30, 2014:

Year Ending June 30:	
2015	\$ 53,295
2016	55,042
Total Operating Lease Payments	<u>\$ 108,337</u>

NOTE 2. OVERSPENT BUDGET LINE ITEMS

As stated in the finding 2014-006, the New Mexico Connections Academy had expended in excess of the budget.

IDEA-B Entitlement 24106

Instruction \$ 8,935

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State Grant	\$ 2,557,282	2,673,798	2,673,798	-
Total Revenues	<u>2,557,282</u>	<u>2,673,798</u>	<u>2,673,798</u>	<u>-</u>
Expenditures:				
Current:				
Instruction	2,130,548	1,992,056	1,941,680	50,376
Support Services:				
Students	-	219,661	196,255	23,406
Instruction	90,710	15,335	15,334	1
General Administration	35,000	37,172	32,925	4,247
School Administration	181,148	181,998	155,200	26,798
Central Services	55,600	95,482	89,944	5,538
Operation & Maintenance of Plant	64,276	132,094	128,967	3,127
Total Expenditures	<u>2,557,282</u>	<u>2,673,798</u>	<u>2,560,305</u>	<u>113,493</u>
<i>Excess of Revenues</i>				
<i>Over Expenditures</i>	-	-	113,493	113,493
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>113,493</u>	<u>113,493</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>113,493</u>	<u>113,493</u>
Reconciliation to GAAP Basis:				
Adjustments to Expenditures			(4,684)	
NET CHANGE IN FUND BALANCE			<u>\$ 108,809</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For the Year Ended June 30, 2014

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
State Grant	\$ 26,733	26,733	28,524	1,791
Total Revenues	<u>26,733</u>	<u>26,733</u>	<u>28,524</u>	<u>1,791</u>
Expenditures:				
Current:				
Instruction	26,733	26,733	2,801	23,932
Total Expenditures	<u>26,733</u>	<u>26,733</u>	<u>2,801</u>	<u>23,932</u>
<i>Excess of Revenues Over Expenditures</i>	-	-	25,723	25,723
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>25,723</u>	<u>25,723</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>25,723</u>	<u>25,723</u>
Reconciliation to GAAP Basis:				
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 25,723</u>	

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I - IASA 24101
 For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Grant	\$ -	105,355	97,803	(7,552)
Total Revenues	<u>-</u>	<u>105,355</u>	<u>97,803</u>	<u>(7,552)</u>
Expenditures:				
Current:				
Instruction	-	68,148	63,148	5,000
Support Services:				
Students	-	37,207	37,207	-
Total Expenditures	<u>-</u>	<u>105,355</u>	<u>100,355</u>	<u>5,000</u>
Deficiency of Revenues				
Under Expenditures	-	-	(2,552)	(2,552)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,552)</u>	<u>(2,552)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,552)</u>	<u>(2,552)</u>
Reconciliation to GAAP Basis:				
Adjustments to Revenues			2,552	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For the Year Ended June 30, 2014

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Federal Grant	\$ -	96,252	62,412	(33,840)
Total Revenues	<u>-</u>	<u>96,252</u>	<u>62,412</u>	<u>(33,840)</u>
Expenditures:				
Current:				
Instruction	-	48,969	57,904	(8,935)
Support Services:				
Students	-	47,283	38,349	8,934
Total Expenditures	<u>-</u>	<u>96,252</u>	<u>96,253</u>	<u>(1)</u>
Deficiency of Revenues				
Under Expenditures	-	-	(33,841)	(33,841)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(33,841)</u>	<u>(33,841)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(33,841)</u>	<u>(33,841)</u>
Reconciliation to GAAP Basis:				
Adjustments to Revenues			33,841	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For the Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Grant	\$ -	1,012	-	(1,012)
Total Revenues	<u>-</u>	<u>1,012</u>	<u>-</u>	<u>(1,012)</u>
Expenditures:				
Current:				
Instruction	-	1,012	1,012	-
Total Expenditures	<u>-</u>	<u>1,012</u>	<u>1,012</u>	<u>-</u>
Deficiency of Revenues Under Expenditures	<u>-</u>	<u>-</u>	<u>(1,012)</u>	<u>(1,012)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,012)</u>	<u>(1,012)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,012)</u>	<u>(1,012)</u>
Reconciliation to GAAP Basis:				
Adjustments to Revenues			<u>1,012</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For the Year Ended June 30, 2014

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Federal Grant	\$ -	18,477	-	(18,477)
Total Revenues	<u>-</u>	<u>18,477</u>	<u>-</u>	<u>(18,477)</u>
Expenditures:				
Current:				
Instruction	-	12,977	6,459	6,518
Support Services:				
School Administration	-	5,500	4,395	1,105
Total Expenditures	<u>-</u>	<u>18,477</u>	<u>10,854</u>	<u>7,623</u>
Deficiency of Revenues				
Under Expenditures	-	-	(10,854)	(10,854)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(10,854)</u>	<u>(10,854)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(10,854)</u>	<u>(10,854)</u>
Reconciliation to GAAP Basis:				
Adjustments to Revenues			11,161	
Adjustments to Expenditures			(307)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Collateral Pledged by Depository
 For Public Funds
 June 30, 2014

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30,2014</u>
N/A	N/A	N/A	N/A	\$ -
				\$ -

Total Cash per Schedule of Cash Accounts:	\$	529,827
Less: FDIC Coverage:		<u>(250,000)</u>
Uninsured Public Funds:		279,827
Collateral Requirement:		139,914
Pledged Collateral Held by Pledging Financial Institution:		-
Balance Under Collateralized:		<u>(139,914)</u>
Balance Uninsured and Uncollateralized at June 30, 2014:	\$	<u>279,827</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Cash Accounts
 June 30, 2014

<u>Bank Account Type</u>	<u>Wells Fargo Bank, N.A.</u>
Checking - Operational Account	\$ 529,827
Total on Deposit	529,827
Reconciling Items	<u>(186,468)</u>
Reconciled Balance June 30, 2014	<u>343,359</u>
Less: Agency Funds	<u>(21)</u>
Total Cash	<u><u>\$ 343,338</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Cash Reconciliation
June 30, 2014

	Operational 11000	Instructional Materials 14000	Federal Flowthrough Account 24000	Student Activity Fund 23000	Total
Cash, June 30, 2013	\$ -	-	-	-	-
Add:					
2013-14 revenues	<u>2,673,798</u>	<u>28,524</u>	<u>160,215</u>	<u>21</u>	<u>2,862,558</u>
Total Cash Available	2,673,798	28,524	160,215	21	2,862,558
Less:					
2013-14 Expenditures	(2,560,305)	(2,801)	(208,474)	-	(2,771,580)
Receivables/Payables	<u>252,381</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>252,381</u>
Cash June 30, 2014	<u>365,874</u>	<u>25,723</u>	<u>(48,259)</u>	<u>21</u>	<u>343,359</u>
Fund Balance Reconciliations to GAAP Basis:					
Audit Reclassifications to Cash	<u>(48,259)</u>	<u>-</u>	<u>48,259</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>317,615</u>	<u>25,723</u>	<u>-</u>	<u>21</u>	<u>343,359</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities - Agency Funds:					<u>(21)</u>
Balance Sheets - Governmental Funds:					<u>\$ 343,338</u>
Fund Balance Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	<u>(208,806)</u>	<u>-</u>	<u>-</u>	<u>(21)</u>	<u>(208,827)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 108,809</u>	<u>25,723</u>	<u>-</u>	<u>-</u>	<u>134,532</u>

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