

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Statement of Net Position
 June 30, 2016

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,385,846
Receivables	
Due from Other Governments	80,954
Total Current Assets	<u>1,466,800</u>
Total Assets	<u>1,466,800</u>

Deferred Outflows - Pension Related	<u>2,089,869</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	872,377
Accrued Liabilities	314,829
Total Current Liabilities	<u>1,187,206</u>

Noncurrent Liabilities:

Net Pension Liability	3,021,645
Total Noncurrent Liabilities	<u>3,021,645</u>
Total Liabilities	<u>4,208,851</u>

Deferred Inflows - Pension Related	<u>69,620</u>
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NET POSITION

Unrestricted (Deficit)	<u>(721,802)</u>
Total Net Position	<u><u>\$ (721,802)</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Statement of Activities
For The Year Ended June 30, 2016

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net (Expenses) Revenues and Changes in Net Position</u>
	<u>Expenses</u>	<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental activities:					
Instruction	\$ 7,030,594	-	444,791	-	(6,585,803)
Support Services:					
Students	594,202	-	-	-	(594,202)
Instruction	94,784	-	-	-	(94,784)
General Administration	15,619	-	-	-	(15,619)
School Administration	541,484	-	-	-	(541,484)
Central Services	69,460	-	-	-	(69,460)
Operation & Maintenance of Plant	136,263	-	-	-	(136,263)
Other Support Services	3,685	-	-	-	(3,685)
Total Governmental Activities	\$ 8,486,091	-	444,791	-	(8,041,300)
General Revenues:					
State Equalization Guarantee					\$ 7,381,529
Miscellaneous					725
Total General Revenues					<u>7,382,254</u>
Change in Net Position					<u>(659,046)</u>
Net Position, (Deficit) Beginning					<u>(62,756)</u>
Net Position, (Deficit) Ending					<u>\$ (721,802)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Balance Sheets - Governmental Funds
June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 1,385,846	-	-	-
Accounts Receivable				
Due from Government	-	-	20,050	48,792
Due from Other Funds	80,954	-	-	-
Total Assets	\$ 1,466,800	-	20,050	48,792
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 872,377	-	-	-
Accrued Expenditures	314,829	-	-	-
Due to Other Funds	-	-	20,050	48,792
Total Liabilities	1,187,206	-	20,050	48,792
<i>Fund Balances</i>				
Fund Balance:				
Unassigned	279,594	-	-	-
Total Fund Balance	279,594	-	-	-
<i>Total Liabilities and Fund Balances</i>	\$ 1,466,800	-	20,050	48,792

IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Total
-	-	1,385,846
-	12,112	80,954
-	-	80,954
-	12,112	1,547,754
-	-	872,377
-	-	314,829
-	12,112	80,954
-	12,112	1,268,160
-	-	279,594
-	-	279,594
-	12,112	1,547,754

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2016

Fund Balance - Total Governmental Funds	\$ 279,594
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.	2,089,869
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The net pension liability is not due and payable in the current period, and therefore is not reported in the funds.	(3,021,645)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	(69,620)
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Net Position-Total Governmental Activities	<u>\$ (721,802)</u>
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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, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Local & County Grant	\$ 2,027	35,110	-	-
State Grant	7,381,529	43,810	-	-
Federal Grant	-	-	180,875	144,716
Miscellaneous Income	725	-	-	-
Total Revenues	<u>7,384,281</u>	<u>78,920</u>	<u>180,875</u>	<u>144,716</u>
EXPENDITURES				
Current:				
Instruction	6,253,114	80,634	159,639	74,871
Support Services:				
Students	324,915	-	25,876	69,845
Instruction	94,784	-	-	-
General Administration	15,619	-	-	-
School Administration	418,746	-	-	-
Central Services	69,460	-	-	-
Operation & Maintenance of Plant	136,263	-	-	-
Other Support Services Operations	3,685	-	-	-
Total Expenditures	<u>7,316,586</u>	<u>80,634</u>	<u>185,515</u>	<u>144,716</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>67,695</u>	<u>(1,714)</u>	<u>(4,640)</u>	<u>-</u>
Net Changes in Fund Balances	<u>67,695</u>	<u>(1,714)</u>	<u>(4,640)</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>211,899</u>	<u>1,714</u>	<u>4,640</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 279,594</u>	<u>-</u>	<u>-</u>	<u>-</u>

IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Total
-	-	37,137
-	-	7,425,339
-	38,253	363,844
-	-	725
-	38,253	7,827,045
-	20,161	6,588,419
-	-	420,636
-	-	94,784
-	-	15,619
-	18,092	436,838
-	-	69,460
-	-	136,263
-	-	3,685
-	38,253	7,765,704
-	-	61,341
-	-	61,341
-	-	218,253
-	-	279,594

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016**

Net Change in Fund Balance-Total Governmental Funds	\$ 61,341
Changes in deferred outflows resources - pension related, deferred inflows of resources - pension related and the net pension liability.	<u>(720,387)</u>
Change in Net Position-Total Governmental Activities	<u>\$ (659,046)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2016

	<u>Funds</u>
ASSETS	
Cash in Bank	<u>\$ 554</u>
Total Assets	<u><u>\$ 554</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 554</u>
Total Liabilities	<u><u>\$ 554</u></u>

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, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash in Bank	\$ 391	163	-	554
Total Assets	<u>\$ 391</u>	<u>163</u>	<u>-</u>	<u>554</u>
LIABILITIES				
Deposits Held for Others	\$ 391	163	-	554
Total Liabilities	<u>\$ 391</u>	<u>163</u>	<u>-</u>	<u>554</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, 2016

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. The New Mexico Connections Academy’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The New Mexico Connections Academy 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. The New Mexico Connections Academy utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows

Furniture and Equipment	5 years
Buildings and Improvement	40 years

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

NOTE 2. COMMITMENTS AND LIABILITIES

The New Mexico Connections Academy leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$55,014. The New Mexico Connections Academy’s minimum future payments on this lease are as follows:

Year Ending June 30,			
	2017	\$	61,884
	2018		10,315
Total Minimum Lease Payments		\$	72,199

NOTE 3. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

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

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

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.

Contributions. The contribution requirements of defined benefit plan members and AIMS 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, 2015 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 AIMS were \$261,195 for the year ended June 30, 2016.

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, 2015. At June 30, 2016, NMCA reported a liability of \$3,021,645 for its proportionate share of the net pension liability. AIMS' 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, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, NMCAs' proportion was 0.04665% percent, which was an increase of 0.01851% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, NMCA recognized pension expense of \$720,387. At the June 30, 2016, NMCA reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Notes to the Financial Statements
June 30, 2016

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	56,018
Changes in assumptions	103,930	-
Net difference between projected and actual earnings on pension plan investments	-	13,602
Changes in proportion and differences between the employer's contributions and proportionate share of contributions	1,724,744	-
NMCA contributions subsequent to measurement date	<u>261,195</u>	<u>-</u>
Ending balance	<u>\$ 2,089,869</u>	<u>69,620</u>

\$261,195 reported as deferred outflows of resources related to pensions resulting from NMCA contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. 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:

2017	\$ 745,783
2018	692,808
2019	278,491
2020	<u>41,968</u>
Total	<u>\$ 1,759,050</u>

Sensitivity of New Mexico Connections Academy 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 2015. 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.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Notes to the Financial Statements
June 30, 2016

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
NMCA proportionate share of the net pension liability	\$ 4,065,825	3,021,645	2,144,425

Payables to the pension plan. NMCA did not accrue any payable for the pension plan at June 30, 2016. All 10-month teach contracts for the school year are paid by fiscal year end.

**STATE OF NEW MEXICO
NEW MEXICO CONNECTIONS ACADEMY
SCHEDULE OF THE SCHOOL'S PROPORATIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2016**

**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)	0.03%	0.05%	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)	\$ 1,606	3,022	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 776	1,274	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.96%	237.26%	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%	63.97%	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, 2015

STATE OF NEW MEXICO
NEW MEXICO CONNECTIONS ACADEMY
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2016

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	\$ 102	210	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	102	184	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	26	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (1,141)	5		\$ (410)	(410)	(357)	36	-						
2015	\$ 1,759	5			746	693	278	42	-					
2016	-	5				-	-	-	-					
2017	-	5					-	-	-					
2018	-	5						-	-					
2019	-	5							-					
2020	-	5												
2021	-	5												
2022	-	5												
2023	-	5												
	\$ 618			\$ (410)	336	336	314	42	-	-	-	-	-	-

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, 2016

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 7,325,986	7,383,454	7,381,529	(1,925)
Local & County Grant	-	1,925	2,027	102
Miscellaneous Income	-	-	725	725
Total Revenues	<u>7,325,986</u>	<u>7,385,379</u>	<u>7,384,281</u>	<u>(1,098)</u>
EXPENDITURES				
Current:				
Instruction	5,747,095	6,003,564	5,221,723	781,841
Support Services:				
Students	341,327	341,327	324,915	16,412
Instruction	150,000	150,000	94,784	55,216
General Administration	61,000	61,000	15,619	45,381
School Administration	503,490	503,490	418,746	84,744
Central Services	84,500	84,500	69,460	15,040
Operation & Maintenance of Plant	188,574	188,574	136,263	52,311
Other Support Services Operations	300,000	300,000	3,685	296,315
Total Expenditures	<u>7,375,986</u>	<u>7,632,455</u>	<u>6,285,195</u>	<u>1,347,260</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(50,000)</u>	<u>(247,076)</u>	<u>1,099,086</u>	<u>1,346,162</u>
Net Changes in Fund Balances	<u>(50,000)</u>	<u>(247,076)</u>	<u>1,099,086</u>	<u>1,346,162</u>
Cash or Fund Balances - Beginning of Year	<u>149,327</u>	<u>149,327</u>	<u>211,899</u>	<u>62,572</u>
Cash or Fund Balances - End of Year	<u>\$ 99,327</u>	<u>(97,749)</u>	<u>1,310,985</u>	<u>1,408,734</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,099,086	
Adjustments to Expenditures			(1,031,391)	
NET CHANGE IN FUND BALANCE			<u>\$ 67,695</u>	

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, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	35,110	35,110	-
State Grant	43,810	43,810	43,810	-
Total Revenues	43,810	78,920	78,920	-
EXPENDITURES				
Current:				
Instruction	43,810	80,711	80,557	154
Total Expenditures	43,810	80,711	80,557	154
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(1,791)	(1,637)	154
Net Changes in Fund Balances	-	(1,791)	(1,637)	154
Cash or Fund Balances - Beginning of Year	1,791	1,791	1,791	-
Cash or Fund Balances - End of Year	\$ 1,791	-	154	154
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,637)	
Adjustments to Expenditures			(77)	
NET CHANGE IN FUND BALANCE			\$ (1,714)	

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, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 176,557	185,515	180,875	(4,640)
Total Revenues	176,557	185,515	180,875	(4,640)
EXPENDITURES				
Current:				
Instruction	164,544	159,639	57,775	101,864
Support Services:				
Students	12,013	25,876	25,876	-
Total Expenditures	176,557	185,515	83,651	101,864
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	97,224	97,224
Net Changes in Fund Balances	-	-	97,224	97,224
Cash or Fund Balances - Beginning of Year	81,814	81,814	81,814	-
Cash or Fund Balances - End of Year	\$ 81,814	81,814	179,038	97,224
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 97,224	
Adjustments to Revenues			(101,864)	
NET CHANGE IN FUND BALANCE			\$ (4,640)	

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, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 127,329	144,716	103,512	(41,204)
Total Revenues	127,329	144,716	103,512	(41,204)
EXPENDITURES				
Current:				
Instruction	69,722	74,871	74,871	-
Support Services:				
Students	57,607	69,845	69,845	-
Total Expenditures	127,329	144,716	144,716	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(41,204)	(41,204)
Net Changes in Fund Balances	-	-	(41,204)	(41,204)
Cash or Fund Balances - Beginning of Year	149,327	149,327	149,327	-
Cash or Fund Balances - End of Year	\$ 149,327	149,327	108,123	(41,204)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (41,204)	
Adjustments to Revenues			41,204	
NET CHANGE IN FUND BALANCE			\$ -	

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, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	152	105	(47)
Total Revenues	<u>-</u>	<u>152</u>	<u>105</u>	<u>(47)</u>
EXPENDITURES				
Current:				
Support Services:				
Students			-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>152</u>	<u>105</u>	<u>(47)</u>
Other Financing Sources (Uses):				
Operating Transfers	-	-	-	-
Designated Cash	-	-	-	-
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>152</u>	<u>105</u>	<u>(47)</u>
Cash or Fund Balances - Beginning of Year	<u>105</u>	<u>105</u>	<u>105</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 105</u>	<u>257</u>	<u>210</u>	<u>(47)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 105	
Adjustments to Revenues			<u>(105)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 27,648	53,487	38,253	(15,234)
Total Revenues	<u>27,648</u>	<u>53,487</u>	<u>38,253</u>	<u>(15,234)</u>
EXPENDITURES				
Current:				
Instruction	13,824	28,824	21,535	7,289
Support Services:				
School Administration	13,824	24,663	18,092	6,571
Total expenditures	<u>27,648</u>	<u>53,487</u>	<u>39,627</u>	<u>13,860</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,374)</u>	<u>(1,374)</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,374)</u>	<u>(1,374)</u>
Cash or Fund Balances - Beginning of Year	<u>10,738</u>	<u>10,738</u>	<u>10,738</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 10,738</u>	<u>10,738</u>	<u>9,364</u>	<u>(1,374)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,374)	
Adjustments to Revenues			<u>1,374</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2016

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2016</u>
BNY MELLON	FNMA NFMS	3138AX4Z1	2/1/2042	\$ 1,035,080
				<u>\$ 1,035,080</u>
Total Cash per Schedule of Cash Accounts:				\$ 1,797,965
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				1,547,965
Collateral Requirement:				773,983
Pledged Collateral Held by Pledging Financial Institution:				<u>1,035,080</u>
Balance Over Collateralized:				<u>\$ 261,097</u>
Balance Uninsured and Uncollateralized at June 30, 2016:				<u>\$ 512,885</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Cash Accounts
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 1,797,965
Total on Deposit	1,797,965
Reconciling Items	<u>(411,565)</u>
Reconciled Balance June 30, 2016	<u>1,386,400</u>
Less Agency Funds	<u>(554)</u>
Total Cash	<u><u>\$ 1,385,846</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, 2016

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000	Total
Cash, June 30, 2015	\$ 272,109	1,791	391	-	274,291
Add:					
2015-16 revenues	7,361,173	78,920	163	287,530	7,727,786
Total Cash Available	7,633,282	80,711	554	287,530	8,002,077
Less:					
2015-16 Expenditures	(6,335,883)	(80,711)	-	(368,484)	(6,785,078)
Receivables/Payables	169,401	-	-	-	169,401
Outstanding Loans	(80,954)	-	-	80,954	-
Cash June 30, 2016	1,385,846	-	554	-	1,386,400
Fund Balance Reconciliations to GAAP Basis:					
Audit reclassifications to cash	-	-	-	-	-
Cash Per Books	1,385,846	-	554	-	1,386,400
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:					(554)
					<u>\$ 1,385,846</u>
Fund Balance Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	(1,106,252)	-	(554)	-	(1,106,806)
Fund Balance, Modified Accrual Basis	<u>\$ 279,594</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 279,594</u>