

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Statement of Net Position  
June 30, 2016

**ASSETS AND DEFERRED OUTFLOWS**

**Current Assets:**

Cash and Cash Equivalents	\$ 82,843
Receivables	
Due from Other Governments	91,609
Deposits	10,000
<b>Total Current Assets</b>	<u>184,452</u>

**Noncurrent Assets:**

Capital Assets	
Furniture, Fixtures, and Equipment	23,261
Less: Accumulated Depreciation	<u>(16,557)</u>
<b>Total Noncurrent Assets</b>	<u>6,704</u>
<b>Total Assets</b>	<u>191,156</u>

<b>Deferred Outflows - Pension Related</b>	<u>190,385</u>
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**LIABILITIES AND DEFERRED INFLOWS**

**Current Liabilities:**

Accounts Payable	69,930
Accrued Liabilities	90,205
<b>Total Current Liabilities</b>	<u>160,135</u>

**Noncurrent Liabilities:**

Net Pension Liability	1,412,692
<b>Total Noncurrent Liabilities</b>	<u>1,412,692</u>
<b>Total Liabilities</b>	<u>1,572,827</u>

<b>Deferred Inflows - Pension Related</b>	<u>35,596</u>
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**NET POSITION**

Investment in Capital Assets	6,704
Restricted	21,266
Unrestricted (Deficit)	<u>(1,254,852)</u>
<b>Total Net Position</b>	<u>\$ (1,226,882)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Statement of Activities  
For The Year Ended June 30, 2016

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	\$ 951,100	-	127,156	-	(823,944)
Support Services:					
Students	100,753	-	-	-	(100,753)
Instruction	33,094	-	-	-	(33,094)
General Administration	87,166	-	-	-	(87,166)
School Administration	198,745	-	-	-	(198,745)
Central Services	97,268	-	-	-	(97,268)
Operation & Maintenance of Plant	122,264	-	-	-	(122,264)
Facilities Materials, Supplies & Other Services	161,975	-	-	161,975	-
<b>Total Governmental Activities</b>	<b>\$ 1,752,365</b>	<b>-</b>	<b>127,156</b>	<b>161,975</b>	<b>(1,463,234)</b>
<b>General Revenues:</b>					
State Equalization Guarantee					\$ 1,412,605
Total General Revenues					<u>1,412,605</u>
<b>Change in Net Position</b>					(50,629)
Net Position (deficit), Beginning					<u>(1,176,253)</u>
Net position (deficit), Ending					<u>\$ (1,226,882)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Balance Sheets - Governmental Funds  
June 30, 2016

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 63,510	19,333	-	-
Accounts Receivable				
Due from Government	-	-	25,433	8,906
Due from Other Funds	83,702	-	-	-
Deposits	10,000	-	-	-
<b>Total Assets</b>	<u>\$ 157,212</u>	<u>19,333</u>	<u>25,433</u>	<u>8,906</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 61,863	\$ 8,067	-	-
Accrued Expenditures	82,298	-	1,895	288
Due to Other Funds	-	-	23,538	8,618
<b>Total Liabilities</b>	<u>144,161</u>	<u>8,067</u>	<u>25,433</u>	<u>8,906</u>
<b>Fund Balances</b>				
Fund Balance:				
Nonspendable:				
Deposits	10,000	-	-	-
Restricted for:				
Instruction	-	11,266	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	3,051	-	-	-
<b>Total Fund Balance</b>	<u>13,051</u>	<u>11,266</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 157,212</u>	<u>19,333</u>	<u>25,433</u>	<u>8,906</u>

The accompanying notes are an integral part of these financial statements

<b>Teacher Principal Training 24154</b>	<b>Literacy for Children 27107</b>	<b>Reads to Leads 27114</b>	<b>Public School Capital Outlay 31200</b>	<b>Total</b>
-	-	-	-	82,843
-	3,333	13,443	40,494	91,609
-	-	-	-	83,702
-	-	-	-	10,000
<u>-</u>	<u>3,333</u>	<u>13,443</u>	<u>40,494</u>	<u>268,154</u>
-	-	-	-	69,930
-	-	5,724	-	90,205
-	3,333	7,719	40,494	83,702
<u>-</u>	<u>3,333</u>	<u>13,443</u>	<u>40,494</u>	<u>243,837</u>
-	-	-	-	10,000
-	-	-	-	11,266
-	-	-	-	3,051
-	-	-	-	24,317
<u>-</u>	<u>3,333</u>	<u>13,443</u>	<u>40,494</u>	<u>268,154</u>

**STATE OF NEW MEXICO**  
**PUBLIC EDUCATION DEPARTMENT**  
**Sage Montessori Charter School**  
**Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position**  
**June 30, 2016**

**Fund Balance - Total Governmental Funds** **\$ 24,317**

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

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

Capital Assets	23,261	
Accumulated Depreciation	<u>(16,557)</u>	
		6,704

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		190,385
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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.		(35,596)
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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.		<u>(1,412,692)</u>
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<b>Net Position-Total Governmental Activities</b>		<b><u><u>\$ (1,226,882)</u></u></b>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Statement of Revenues, Expenditures, and Changes In Fund Balances  
Governmental Funds  
For The Year Ended June 30, 2016

	<b>Operational 11000</b>	<b>Instructional Materials 14000</b>	<b>Title I IASA 24101</b>	<b>IDEA-B Entitlement 24106</b>
<b>REVENUES</b>				
State Grant	\$ 1,412,605	15,076	-	-
Federal Grant	-	-	25,433	38,989
<b>Total Revenues</b>	<u>1,412,605</u>	<u>15,076</u>	<u>25,433</u>	<u>38,989</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	802,523	10,647	25,433	31,210
Support Services:				
Students	92,974	-	-	7,779
Instruction	29,761	-	-	-
General Administration	87,166	-	-	-
School Administration	198,745	-	-	-
Central Services	97,268	-	-	-
Operation & Maintenance of Plant	117,605	-	-	-
Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	<u>1,426,042</u>	<u>10,647</u>	<u>25,433</u>	<u>38,989</u>
<b>Net Changes in Fund Balances</b>	<u>(13,437)</u>	<u>4,429</u>	<u>-</u>	<u>-</u>
<b>Fund Balances - Beginning of Year</b>	<u>26,488</u>	<u>6,837</u>	<u>-</u>	<u>-</u>
<b>Fund Balances - End of Year</b>	<u>\$ 13,051</u>	<u>11,266</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

<b>Teacher Principal Training 24154</b>	<b>Literacy for Children @ Risk PED 27107</b>	<b>Reads to Leads 27114</b>	<b>Public School Capital Outlay 31200</b>	<b>Total</b>
-	3,333	44,325	161,975	1,637,314
-	-	-	-	64,422
-	3,333	44,325	161,975	1,701,736
-	-	44,325	-	914,138
-	-	-	-	100,753
-	3,333	-	-	33,094
-	-	-	-	87,166
-	-	-	-	198,745
-	-	-	-	97,268
-	-	-	-	117,605
-	-	-	161,975	161,975
-	3,333	44,325	161,975	1,710,744
-	-	-	-	(9,008)
-	-	-	-	33,325
-	-	-	-	24,317

**STATE OF NEW MEXICO**  
**PUBLIC EDUCATION DEPARTMENT**  
**Sage Montessori Charter School**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2016**

**Net Change in Fund Balances-Total Governmental Funds** **\$ (9,008)**

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

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

Depreciation Expense (4,659)

Changes in deferred outflows of resources-pension related,  
 deferred inflows of resources-pension related, and the net  
 pension liability

(36,962)

**Change in Net Position-Total Governmental Activities**

**\$ (50,629)**

The accompanying notes are an integral part of these financial statements



STATE OF NEW MEXICO  
 PUBLIC EDUCATION DEPARTMENT  
 Sage Montessori Charter School  
 Statement of Fiduciary Assets and Liabilities- Agency Funds  
 June 30, 2016

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash in Bank	\$ 25,977
<b>Total Assets</b>	<u>\$ 25,977</u>
<b>LIABILITIES</b>	
Deposits Held for Others	\$ 25,977
<b>Total Liabilities</b>	<u>\$ 25,977</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Schedule of Changes in Assets and Liabilities - Agency Funds  
For The Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
<b>ASSETS</b>				
Cash in Bank	\$ 13,851	23,268	(11,142)	25,977
<b>Total Assets</b>	<u>\$ 13,851</u>	<u>23,268</u>	<u>(11,142)</u>	<u>25,977</u>
<b>LIABILITIES</b>				
Deposits Held for Others	\$ 13,851	23,268	(11,142)	25,977
<b>Total Liabilities</b>	<u>\$ 13,851</u>	<u>23,268</u>	<u>(11,142)</u>	<u>25,977</u>

The accompanying notes are an integral part of these financial statements

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

Furniture, Fixtures and Equipment	5 years
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Capital assets for Sage Montessori Charter School are recorded in the Statement of Net Position.

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

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Notes to the Financial Statements  
June 30, 2016

**NOTE 2. CAPITAL ASSETS**

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 23,261	-	-	23,261
<i>Total</i>	<u>23,261</u>	<u>-</u>	<u>-</u>	<u>23,261</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(11,898)	(4,659)	-	(16,557)
<i>Total</i>	<u>(11,898)</u>	<u>(4,659)</u>	<u>-</u>	<u>(16,557)</u>
Capital Assets, Net	<u>\$ 11,363</u>	<u>(4,659)</u>	<u>-</u>	<u>6,704</u>

Depreciation expense for the year ended June 30, 2016 was expensed to the following function:

Operations and Maintenance of Plant	\$ 4,659
<b>Total</b>	<u>\$ 4,659</u>

**NOTE 3. COMMITMENTS AND LIABILITIES**

Sage Montessori Charter School leases equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$168,141. Sage Montessori Charter School's minimum future payments on these leases are as follows:

<b>Year Ending June 30:</b>	
2017	\$ 250,000
<b>Total</b>	<u>\$ 250,000</u>

**NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)**

In December 2014, Sage Montessori Charter School ceased making payments on one of its building leases and subsequently vacated the property. The School paid the November 2014 lease payment however the payment was placed into a trust. The lease spanned from August 1, 2012 through June 30, 2017, and provided for annual rents of \$233,036 in fiscal year 2015, \$239,984 in fiscal year 2016, and \$246,932 in fiscal year 2017. In May 2015, the property manager's attorney sent the School a letter stating all rent payments due from November 1, 2014 through present remain outstanding. As of the date of the letter, May 12, 2015, the School was in default of rent payments in the amount of \$135,938. Another demand letter was sent on July 24, 2015 stating \$176,558 is still due. If the School is liable, the damages awarded likely would be rent the School owes under the lease from November 1, 2014 through the date of any judgment or the end of the lease, whichever is earlier, plus late charges and maintenance charges. The School does not intend on paying the amount demanded and has retained legal counsel to advise the School on this matter. The School has not recorded a liability related to this issue.

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

**NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD**

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

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

**Contributions.** The contribution requirements of defined benefit plan members and Sage Montessori Charter 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, 2015, employers contributed 13.90% 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 10.70% of their gross annual salary. For fiscal year ended June 30, 2016, employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 continued to contribute 10.70% of their gross annual salary. Contributions to the pension plan from Sage Montessori Charter School were \$87,759 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, 2015 using generally accepted actuarial principles.

At June 30, 2016, Sage Montessori Charter School reported a liability of \$1,412,692 for its proportionate share of the net pension liability. Sage Montessori Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, Sage Montessori Charter School's proportion was 0.02181%, which was an increase of 0.00116% from its proportion measured as of June 30, 2014. For the year ended June 30, 2016, Sage Montessori Charter School recognized pension expense of \$124,746.

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Notes to the Financial Statements  
June 30, 2016

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

At June 30, 2016, Sage Montessori Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	(26,190)
Changes in assumptions	48,590	-
Net difference between projected and actual earnings on pension plan investments	-	(6,359)
Changes in proportion	54,036	(3,047)
Fiscal year 2016 employer contributions	<u>87,759</u>	<u>-</u>
Total	<u>\$ 190,385</u>	<u>(35,596)</u>

\$87,759 reported as deferred outflows of resources related to pensions resulting from Sage Montessori Charter School 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	\$ (13,604)
2018	(14,570)
2019	(19,235)
2020	<u>(19,621)</u>
Total	<u>\$ (67,030)</u>

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Notes to the Financial Statements  
June 30, 2016

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

**Sensitivity of Sage Montessori Charter 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 2015. In particular, the table presents Sage Montessori Charter School’ 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.

	<b>1% Decrease (6.75%)</b>	<b>Current Discount Rate (7.75%)</b>	<b>1% Increase (8.75%)</b>
The School’s proportionate share of the net pension liability	<u>\$ 1,900,871</u>	<u>1,412,692</u>	<u>1,002,570</u>

**Payables to the pension plan.** At June 30, 2016, Sage Montessori Charter School owed \$19,047 to ERB for fiscal year 2016 contributions.



STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
SAGE MONTESSORI CHARTER SCHOOL  
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
June 30, 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)	0.02%	0.02%	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)	\$ 1,178	1,413	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 569	595	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.96%	237.23%	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  
PUBLIC EDUCATION DEPARTMENT  
SAGE MONTESSORI CHARTER SCHOOL  
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	\$ 98	88	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	86	88	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ 12	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
2014	\$ 129	5		\$ 34	\$ 34	\$ 34	\$ 27	-					
2015	\$ (67)	5			(14)	(14)	(19)	(20)	-				
2016	-	5				-	-	-	-	-			
2017	-	5					-	-	-	-	-		
2018	-	5						-	-	-	-	-	
2019	-	5							-	-	-	-	-
2020	-	5								-	-	-	-
2021	-	5									-	-	-
2022	-	5										-	-
2023	-	5											-
	\$ 62			\$ 34	\$ 20	20	8	(20)	-	-	-	-	-

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Schedule of Budgetary Comparisons - Budgetary Basis  
Operational 11000  
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
<b>REVENUES</b>				
State Grant	\$ 1,400,433	1,412,606	1,412,605	(1)
<b>Total Revenues</b>	<u>1,400,433</u>	<u>1,412,606</u>	<u>1,412,605</u>	<u>(1)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	829,125	796,336	776,764	19,572
Support Services:				
Students	53,086	109,092	93,382	15,710
Instruction	32,780	28,857	25,561	3,296
General Administration	24,840	74,169	73,000	1,169
School Administration	215,004	203,341	198,935	4,406
Central Services	78,812	115,515	105,618	9,897
Operation & Maintenance of Plant	166,786	152,463	125,874	26,589
<b>Total Expenditures</b>	<u>1,400,433</u>	<u>1,479,773</u>	<u>1,399,134</u>	<u>80,639</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(67,167)	13,471	80,638
<b>Other Financing Sources (Uses):</b>				
Designated Cash	-	67,167	-	(67,167)
<b>Total Other Financing Sources (Uses):</b>	<u>-</u>	<u>67,167</u>	<u>-</u>	<u>(67,167)</u>
<b>Net Changes in Fund Balances</b>	<u>-</u>	<u>-</u>	<u>13,471</u>	<u>13,471</u>
<b>Cash or Fund Balances - Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>26,488</u>	<u>26,488</u>
<b>Cash or Fund Balances - End of Year</b>	<u>\$ -</u>	<u>-</u>	<u>39,959</u>	<u>39,959</u>
<b>Reconciliation to GAAP Basis:</b>				
<i>Net change in fund balance</i>			\$ 13,471	
Adjustments to Revenues			-	
Adjustments to Expenditures			(26,908)	
<b>NET CHANGE IN FUND BALANCE</b>			<u>\$ (13,437)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Schedule of Budgetary Comparisons - Budgetary Basis  
Instructional Materials 14000  
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
<b>REVENUES</b>				
State Grant	\$ 13,442	15,077	15,076	(1)
<b>Total Revenues</b>	<u>13,442</u>	<u>15,077</u>	<u>15,076</u>	<u>(1)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	13,442	21,914	2,580	19,334
<b>Total Expenditures</b>	<u>13,442</u>	<u>21,914</u>	<u>2,580</u>	<u>19,334</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(6,837)</u>	<u>12,496</u>	<u>19,333</u>
<b>Other Financing Sources (Uses):</b>				
Designated Cash	-	6,837	-	(6,837)
<b>Total Other Financing Sources (Uses):</b>	<u>-</u>	<u>6,837</u>	<u>-</u>	<u>(6,837)</u>
<b>Net Changes in Fund Balances</b>	<u>-</u>	<u>-</u>	<u>12,496</u>	<u>12,496</u>
<b>Cash or Fund Balances - Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>6,837</u>	<u>6,837</u>
<b>Cash or Fund Balances - End of Year</b>	<u>\$ -</u>	<u>-</u>	<u>19,333</u>	<u>19,333</u>
<b>Reconciliation to GAAP Basis:</b>				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 12,496	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(8,067)</u>	
<b>NET CHANGE IN FUND BALANCE</b>			<u>\$ 4,429</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Schedule of Budgetary Comparisons - Budgetary Basis  
Title I IASA 24101  
For The Year Ended June 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
<b>REVENUES</b>				
Federal Grant	\$ 23,885	49,735	-	(49,735)
<b>Total Revenues</b>	<u>23,885</u>	<u>49,735</u>	<u>-</u>	<u>(49,735)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	23,885	49,735	25,433	24,302
<b>Total Expenditures</b>	<u>23,885</u>	<u>49,735</u>	<u>25,433</u>	<u>24,302</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(25,433)	(25,433)
<b>Net Changes in Fund Balances</b>	-	-	(25,433)	(25,433)
<b>Cash or Fund Balances - Beginning of Year</b>	-	-	-	-
<b>Cash or Fund Balances - End of Year</b>	<u>\$ -</u>	<u>-</u>	<u>(25,433)</u>	<u>(25,433)</u>
<b>Reconciliation to GAAP Basis:</b>				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (25,433)	
Adjustments to Revenues			25,433	
Adjustments to Expenditures			-	
<b>NET CHANGE IN FUND BALANCE</b>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
 PUBLIC EDUCATION DEPARTMENT  
 Sage Montessori Charter School  
 Schedule of Budgetary Comparisons - Budgetary Basis  
 IDEA-B Entitlement 24106  
 For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>REVENUES</b>				
Federal Grant	\$ 35,648	38,989	35,059	(3,930)
<b>Total Revenues</b>	<u>35,648</u>	<u>38,989</u>	<u>35,059</u>	<u>(3,930)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	30,648	31,211	31,211	-
Support Services:				
Students	5,000	7,778	7,778	-
<b>Total Expenditures</b>	<u>35,648</u>	<u>38,989</u>	<u>38,989</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,930)	(3,930)
<b>Net Changes in Fund Balances</b>	-	-	(3,930)	(3,930)
<b>Cash or Fund Balances - Beginning of Year</b>	-	-	-	-
<b>Cash or Fund Balances - End of Year</b>	<u>\$ -</u>	<u>-</u>	<u>(3,930)</u>	<u>(3,930)</u>
<b>Reconciliation to GAAP Basis:</b>				
<i>Net change in fund balance</i>			\$ (3,930)	
Adjustments to Revenues			3,930	
Adjustments to Expenditures			-	
<b>NET CHANGE IN FUND BALANCE</b>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Schedule of Budgetary Comparisons - Budgetary Basis  
Teacher Principal Training 24154  
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>REVENUES</b>				
Federal Grant	\$ 5,234	11,830	675	(11,155)
<b>Total Revenues</b>	<u>5,234</u>	<u>11,830</u>	<u>675</u>	<u>(11,155)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	5,234	11,830	-	11,830
<b>Total expenditures</b>	<u>5,234</u>	<u>11,830</u>	<u>-</u>	<u>11,830</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>675</u>	<u>675</u>
<b>Net changes in Fund Balances</b>	<u>-</u>	<u>-</u>	<u>675</u>	<u>675</u>
<b>Cash or Fund Balances - Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash or Fund Balances - End of Year</b>	<u>\$ -</u>	<u>-</u>	<u>675</u>	<u>675</u>
<b>Reconciliation to GAAP Basis:</b>				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 675	
Adjustments to Revenues			(675)	
Adjustments to Expenditures			<u>-</u>	
<b>NET CHANGE IN FUND BALANCE</b>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Schedule of Budgetary Comparisons - Budgetary Basis  
Literacy for Children @ Risk PED 27107  
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>REVENUES</b>				
State Grant	\$ 7,082	7,082	-	(7,082)
<b>Total Revenues</b>	<u>7,082</u>	<u>7,082</u>	<u>-</u>	<u>(7,082)</u>
<b>EXPENDITURES</b>				
Current:				
Support Services:				
Instruction	7,082	7,082	3,333	3,749
<b>Total Expenditures</b>	<u>7,082</u>	<u>7,082</u>	<u>3,333</u>	<u>3,749</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,333)	(3,333)
<b>Net Changes in Fund Balances</b>	<u>-</u>	<u>-</u>	<u>(3,333)</u>	<u>(3,333)</u>
<b>Cash or Fund Balances - Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash or Fund Balances - End of Year</b>	<u>\$ -</u>	<u>-</u>	<u>(3,333)</u>	<u>(3,333)</u>
<b>Reconciliation to GAAP Basis:</b>				
<i>Net change in fund balance</i>			\$ (3,333)	
Adjustments to Revenues			3,333	
Adjustments to Expenditures			-	
<b>NET CHANGE IN FUND BALANCE</b>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements



STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Schedule of Budgetary Comparisons - Budgetary Basis  
Reads to Leads 27114  
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>REVENUES</b>				
State Grant	\$ 50,000	50,000	30,882	(19,118)
<b>Total Revenues</b>	<u>50,000</u>	<u>50,000</u>	<u>30,882</u>	<u>(19,118)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	50,000	50,000	44,325	5,675
<b>Total Expenditures</b>	<u>50,000</u>	<u>50,000</u>	<u>44,325</u>	<u>5,675</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(13,443)	(13,443)
<b>Net Changes in Fund Balances</b>	-	-	(13,443)	(13,443)
<b>Cash or Fund Balances - Beginning of Year</b>	-	-	-	-
<b>Cash or Fund Balances - End of Year</b>	<u>\$ -</u>	<u>-</u>	<u>(13,443)</u>	<u>(13,443)</u>
<b>Reconciliation to GAAP Basis:</b>				
<i>Net change in fund balance</i>			\$ (13,443)	
Adjustments to Revenues			13,443	
Adjustments to Expenditures			-	
<b>NET CHANGE IN FUND BALANCE</b>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Schedule of Budgetary Comparisons - Budgetary Basis  
Public School Capital Outlay 31200  
For The Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>REVENUES</b>				
State Grant	\$ -	161,975	155,981	(5,994)
<b>Total Revenues</b>	<u>-</u>	<u>161,975</u>	<u>155,981</u>	<u>(5,994)</u>
<b>EXPENDITURES</b>				
Capital Outlay	-	161,975	161,975	-
<b>Total Expenditures</b>	<u>-</u>	<u>161,975</u>	<u>161,975</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(5,994)	(5,994)
<b>Net Changes in Fund Balances</b>	<u>-</u>	<u>-</u>	<u>(5,994)</u>	<u>(5,994)</u>
<b>Cash or Fund Balances - Beginning of Year</b>	-	-	-	-
<b>Cash or Fund Balances - End of Year</b>	<u>\$ -</u>	<u>-</u>	<u>(5,994)</u>	<u>(5,994)</u>
<b>Reconciliation to GAAP Basis:</b>				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,994)	
Adjustments to Revenues			5,994	
Adjustments to Expenditures			-	
<b>NET CHANGE IN FUND BALANCE</b>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
 PUBLIC EDUCATION DEPARTMENT  
 Sage Montessori Charter School  
 Schedule of Collateral Pledged by Depository for Public Funds  
 June 30, 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>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	148,387
Less: FDIC coverage:		<u>(148,387)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
<b>Balance Over Collateralized:</b>	<b>\$</b>	<b><u>-</u></b>
<b>Balance Uninsured and Uncollateralized at June 30, 2016:</b>	<b>\$</b>	<b><u>-</u></b>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
 PUBLIC EDUCATION DEPARTMENT  
 Sage Montessori Charter School  
 Schedule of Cash Accounts  
 June 30, 2016

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 148,387
<b><i>Total on Deposit</i></b>	148,387
Reconciling Items	<u>(39,567)</u>
Reconciled Balance June 30, 2016	<u>108,820</u>
Less Agency Funds	<u>(25,977)</u>
<b><i>Total Cash</i></b>	<u><u>\$ 82,843</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
Sage Montessori Charter School  
Cash Reconciliation  
June 30, 2016

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2015	\$ 92,913	6,837	13,851	-
Add:				
2015-16 revenues	<u>1,412,605</u>	<u>15,076</u>	<u>23,268</u>	<u>35,734</u>
<b>Total Cash Available</b>	1,505,518	21,913	37,119	35,734
Less:				
2015-16 expenditures	(1,399,134)	(2,580)	(11,142)	(64,422)
Receivables/Payables	(25,157)	-	-	(556)
Outstanding Loans	<u>(41,302)</u>	<u>-</u>	<u>-</u>	<u>29,244</u>
<b>Cash June 30, 2016</b>	<u>39,925</u>	<u>19,333</u>	<u>25,977</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>23,585</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash Per Books</b>	<u>63,510</u>	<u>19,333</u>	<u>25,977</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(50,459)</u>	<u>(8,067)</u>	<u>(25,977)</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 13,051</u>	<u>11,266</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

State Account 27000	Public School Capital Outlay 31200	Total
-	-	113,601
<u>30,882</u>	<u>155,981</u>	<u>1,673,546</u>
30,882	155,981	1,787,147
(47,658)	(161,975)	(1,686,911)
10,712	-	(15,001)
<u>6,064</u>	<u>5,994</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>85,235</u>
-	-	23,585
<u>-</u>	<u>-</u>	<u>108,820</u>
	Less - Agency Fund:	<u>(25,977)</u>
		<u>\$ 82,843</u>
-	-	(84,503)
<u>-</u>	<u>-</u>	<u>\$ 24,317</u>