



STATE OF NEW MEXICO SANTA FE PUBLIC SCHOOLS

**Financial Statements and
Supplementary Information**

June 30, 2021

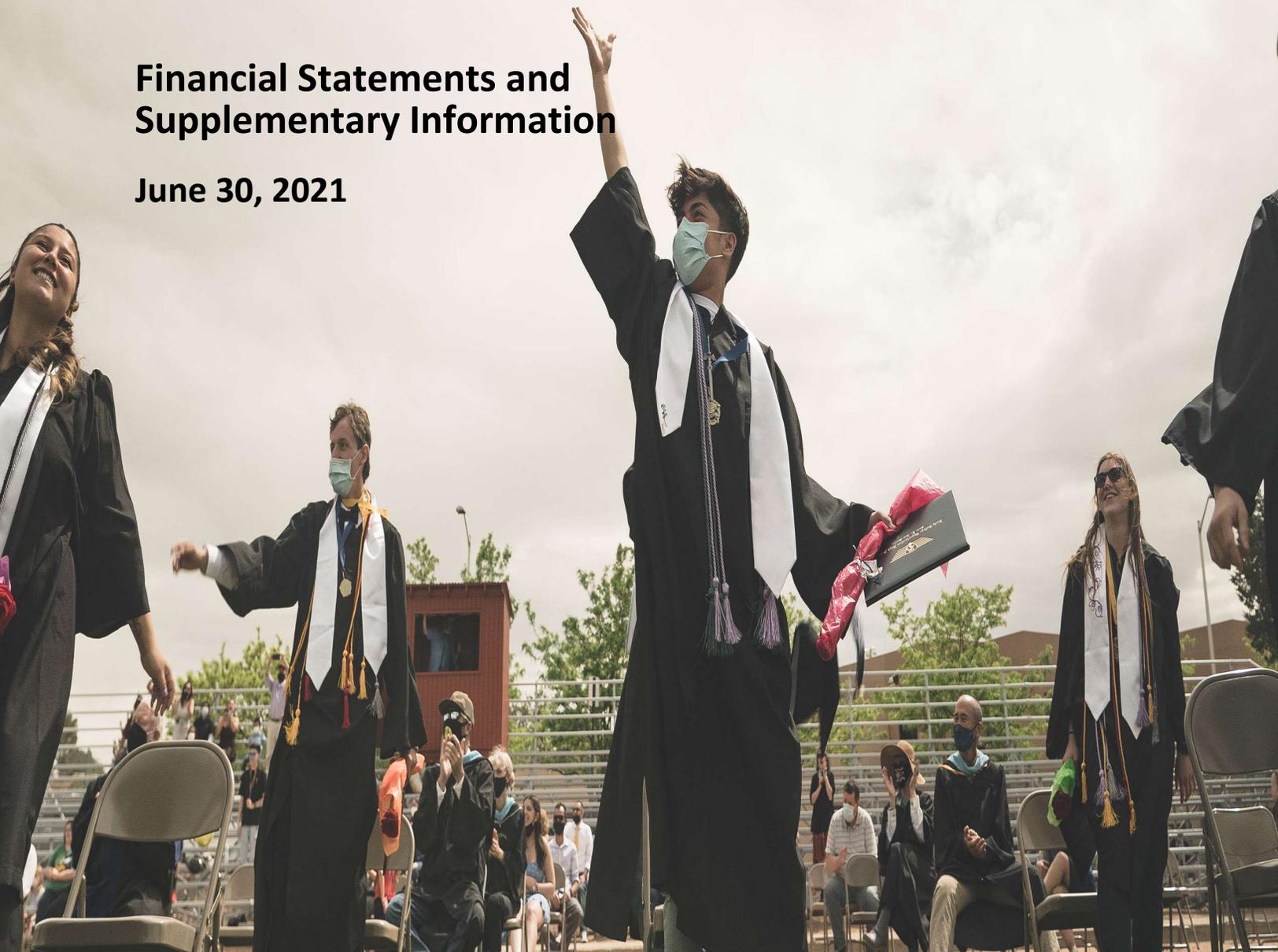


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**STATE OF NEW MEXICO
SANTA FE PUBLIC SCHOOLS
OFFICIAL ROSTER
JUNE 30, 2021**

Name	Title
<u>Board of Education</u>	
Kate Noble	President
Rudy Garcia	Vice President
Sarah Boses	Secretary
Carmen Gonzales	Member
Lorraine Price	Member
<u>School Officials</u>	
Hilario "Larry" Chavez	Superintendent
Robert Martinez	Chief Financial Officer





SFPS

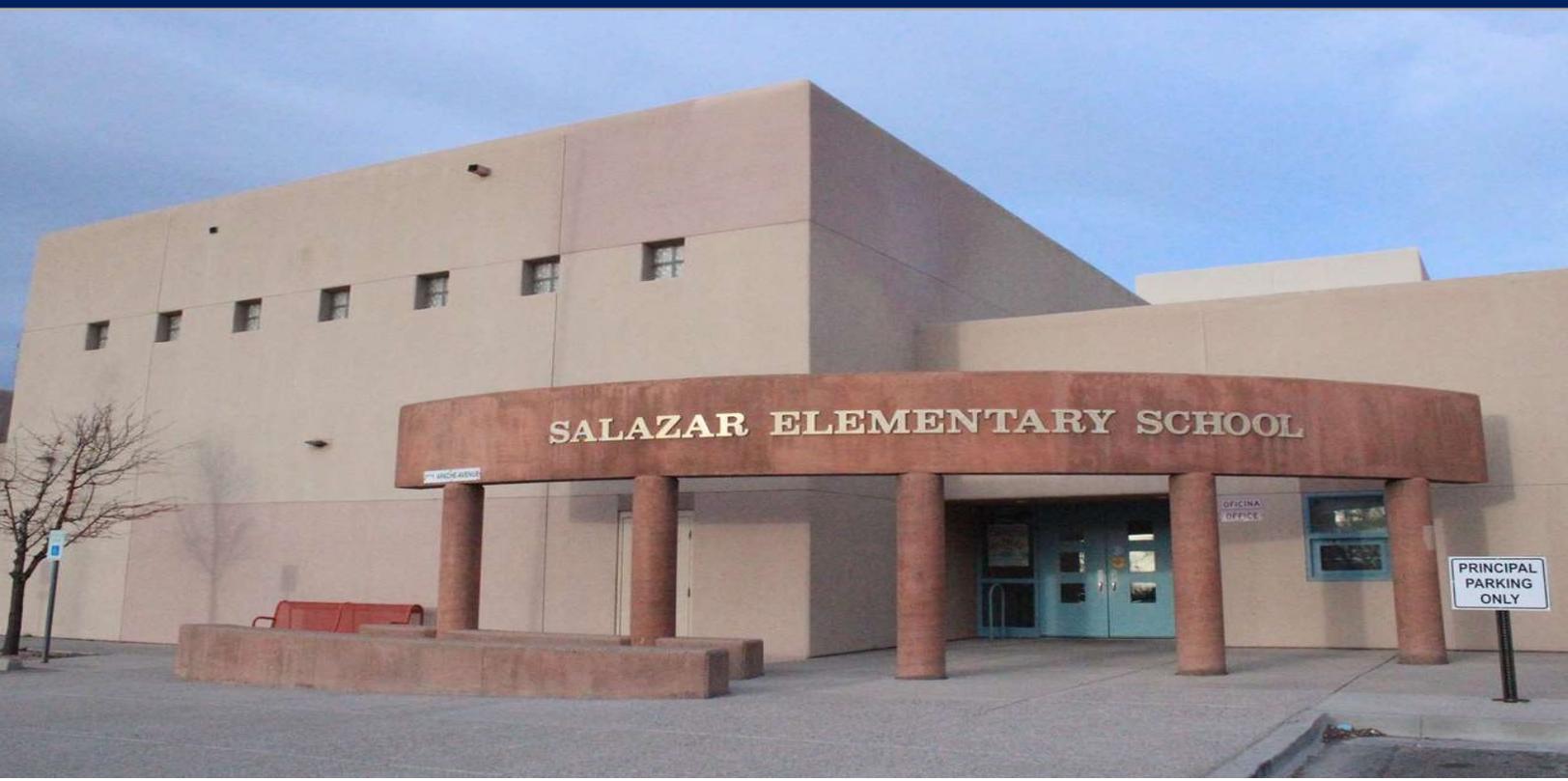
Santa Fe Public Schools
Striving for Excellence



JAG JARAMILLO
ACCOUNTING
GROUP
CREATING CLARITY FROM COMPLEXITY

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT





INDEPENDENT AUDITOR'S REPORT

The Board of Education
Santa Fe Public Schools
Santa Fe, New Mexico

and

Mr. Brian Colón, Esq.
New Mexico State Auditor
Santa Fe, New Mexico

REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue fund of the Santa Fe Public Schools (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents. We have also audited the financial statements of the governmental activities of the discretely presented component unit, presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining financial statements as of and for the year ended June 30, 2021, as listed in the Table of Contents. We have also audited each major fund, the aggregate remaining fund information, and the respective budgetary comparisons of the following discretely presented component unit: The Academy for Technology and the Classics, presented as supplementary information, as defined by the Government Accounting Standards Board, in accompanying combining and individual nonmajor fund financial statements as listed in the Table of Contents as of and for the year ended June 30, 2021.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

OPINIONS

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the District as of June 30, 2021, and the respective changes in financial position, and the respective budgetary comparisons for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund, and the aggregate remaining fund information and the respective budgetary comparisons of the component unit (The Academy for Technology and the Classics) as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

OTHER MATTERS

Required Supplementary Information

Management has omitted the *Management's Discussion and Analysis* that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for the placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America requires the Schedule of the District's Proportionate Share of the Net Pension Liability, Schedule of the District's Pension Contributions, Schedule of the District's Proportionate Share of the Net OPEB Liability, and Schedule of the District's Retiree Health Care Contributions on pages 52 - 55, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

OTHER INFORMATION

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedules required by NMAC 2.2.2 (Schedule of Collateral Pledged by Depository for Public Funds, Schedule of Cash and Temporary Investment Accounts, and the Schedule of Cash Reconciliation), and other information, such as the Introductory Section and Corrective Action Plan, which are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, and the schedules required by NMAC 2.2.2 (Schedule of Collateral Pledged by Depository for Public Funds, Schedule of Cash and Temporary Investment Accounts, and the Schedule of Cash Reconciliation), are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, and the schedules required by NMAC 2.2.2 (Schedule of Collateral Pledged by Depository for Public Funds, Schedule of Cash and Temporary Investment Accounts, and the Schedule of Cash Reconciliation), are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Introductory Section and the Corrective Action Plan has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2021 on our consideration of the Santa Fe Public School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Santa Fe Public School's internal control over financial reporting and compliance.



Jaramillo Accounting Group LLC (JAG)
Albuquerque, New Mexico
November 15, 2021

Basic Financial Statements

STATEMENT OF NET POSITION JUNE 30, 2021

	Governmental Activities	
	Primary Government	Component Unit
ASSETS		
Current assets		
Cash and cash equivalents	\$ 15,745,165	\$ 1,191,376
Restricted cash	55,766,457	-
Investments	-	-
Receivables	11,544,773	194,795
Inventory	441,204	118,252
Prepaid expenses	-	-
Total current assets	83,497,599	1,504,423
Non-current assets		
Restricted investments	50,605,820	-
Capital assets, net of accumulated depreciation	368,866,518	11,212,043
Total non-current assets	419,472,338	11,212,043
Total assets	502,969,937	12,716,466
DEFERRED OUTFLOWS OF RESOURCES		
Related to pensions and OPEB	276,893,282	7,132,131
LIABILITIES		
Current liabilities		
Accounts payable	2,115,997	4,490
Accrued liabilities	8,061,553	85,283
Accrued interest	3,603,855	-
Current portion of compensated absences	840,205	49,117
Current portion of long-term debt	33,562,803	123,506
Total current liabilities	48,184,413	262,396
Non-current liabilities		
Bond premiums, net of amortization	13,217,518	-
Net pension liability	547,213,477	13,592,332
Net OPEB liability	75,057,160	1,822,326
Long-term portion of compensated absences	879,511	-
Long-term portion of debt	181,962,826	3,204,433
Total non-current liabilities	818,330,492	18,619,091
Total liabilities	866,514,905	18,881,487
DEFERRED INFLOWS OF RESOURCES		
Related to pensions and OPEB	29,677,544	741,966
NET POSITION		
Net investment in capital assets	140,123,371	7,884,104
Restricted for		
Debt service	51,209,628	-
Capital projects	62,471,199	954,187
Other	5,790,866	52,161
Unrestricted (deficit)	(375,924,294)	(8,665,308)
Total net position (deficit)	\$ (116,329,230)	\$ 225,144

See Accompanying Notes.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net	Component Unit
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	(Expenses) Revenues and Changes in Net Position	
Primary Government						
Governmental activities						
Instruction	\$ 204,814,041	\$ 584,917	\$ 17,041,067	\$ -	\$ (187,188,057)	
Support services						
Students	17,930,254	44,262	4,170,039	-	(13,715,953)	
Instruction	5,506,001	-	1,521,235	-	(3,984,766)	
General administration	3,550,820	-	630,258	-	(2,920,562)	
School administration	7,873,927	-	121,724	-	(7,752,203)	
Other	309,227	-	-	-	(309,227)	
Central services	3,441,744	-	194,629	-	(3,247,115)	
Operation & maintenance of plant	31,626,756	-	17,436	925,246	(30,684,074)	
Student transportation	6,848,449	-	3,839,283	-	(3,009,166)	
Food services operation	4,438,768	14,435	1,999,928	-	(2,424,405)	
Community services operations	82,452	-	-	-	(82,452)	
Facilities, materials, and other	18,719,729	-	-	-	(18,719,729)	
Interest/amortization and bond cost on long-term debt	6,071,545	-	-	-	(6,071,545)	
Total governmental activities	\$ 311,213,713	\$ 643,614	\$ 29,535,599	\$ 925,246	\$ (280,109,254)	
Component Unit:	\$ 8,088,394	\$ 5,538	\$ 199,005	\$ 236,543		\$ (7,641,730)

General Revenues

Property taxes		
Levied for general purposes	1,543,140	584,835
Levied for debt service	41,016,950	-
Levied for capital projects	20,501,563	-
State Equalization Guarantee revenue	106,262,794	3,114,607
Unrestricted investment earnings	226,644	-
Transfer of capital assets	-	-
Miscellaneous	1,780,235	597,262
Total general revenues	171,331,326	4,296,704

Changes in net position

	(108,777,928)	(3,345,026)
Net position, beginning (deficit)	(8,795,428)	3,699,090
Restatement	1,244,126	(128,920)
Net position - beginning (deficit), as restated	(7,551,302)	3,570,170
Net position - ending (deficit)	\$ (116,329,230)	\$ 225,144

See Accompanying Notes.

**BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2021**

	General Fund			
	General 11000	Pupil Transportation 13000	Instructional Materials 14000	Title I IASA 24101
ASSETS				
Current assets				
Cash and cash equivalents	\$ 9,754,365	\$ 476,316	\$ 27,848	\$ -
Investments	500,000	-	-	-
Accounts receivable				
Taxes	122,341	-	-	-
Due from other governments	-	-	-	473,222
Interfund receivable	10,245,728	7,137	-	-
Other receivables	-	-	-	-
Inventory	-	441,204	-	-
Total current assets	\$ 20,622,434	\$ 924,657	\$ 27,848	\$ 473,222
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 271,667	\$ 30,394	\$ -	\$ 20
Cash overdraft	-	-	-	-
Due to other governments	-	-	-	-
Accrued expenses	6,998,793	173,146	-	147,865
Unspent grant revenue	-	-	-	-
Interfund payables	10,295,545	91,797	-	558,153
Total current liabilities	17,566,005	295,337	-	706,038
DEFERRED INFLOWS OF RESOURCES				
Property taxes	61,323	-	-	-
FUND BALANCES				
Nonspendable	-	441,204	-	-
Restricted for transportation	-	188,116	-	-
Restricted for instructional materials	-	-	27,848	-
Restricted for debt service	-	-	-	-
Restricted by grantor	-	-	-	-
Restricted for capital projects	-	-	-	-
Unassigned	2,995,106	-	-	(232,816)
Total fund balances	2,995,106	629,320	27,848	(232,816)
Total liabilities, deferred inflows and fund balances	\$ 20,622,434	\$ 924,657	\$ 27,848	\$ 473,222

See Accompanying Notes.

BALANCE SHEET – GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2021

	Bond Building 31100	SB-9 Local 31701	Capital Improvements Educ. Tech. 31900	Debt Service 41000
ASSETS				
Current assets				
Cash and cash equivalents	\$ 4,930,441	\$ 14,104,131	\$ 42,039	\$ 35,702,055
Investments	10,000,000	-	23,368,440	1,694,250
Accounts receivable				
Taxes	-	678,235	-	1,632,926
Due from other governments	-	-	-	-
Interfund receivable	10,297,881	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Total current assets	<u>\$ 25,228,322</u>	<u>\$ 14,782,366</u>	<u>\$ 23,410,479</u>	<u>\$ 39,029,231</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 764,507	\$ 610,467	\$ 3,843	\$ -
Cash overdraft	-	-	-	-
Due to other governments	-	-	-	-
Accrued expenses	-	-	58,941	-
Unspent grant revenue	-	-	-	-
Interfund payables	-	7,000,000	-	598
Total current liabilities	<u>764,507</u>	<u>7,610,467</u>	<u>62,784</u>	<u>598</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	339,963	-	818,500
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for transportation	-	-	-	-
Restricted for instructional materials	-	-	-	-
Restricted for debt service	-	-	-	38,210,133
Restricted by grantor	-	-	-	-
Restricted for capital projects	24,463,815	6,831,936	23,347,695	-
Unassigned	-	-	-	-
Total fund balances	<u>24,463,815</u>	<u>6,831,936</u>	<u>23,347,695</u>	<u>38,210,133</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 25,228,322</u>	<u>\$ 14,782,366</u>	<u>\$ 23,410,479</u>	<u>\$ 39,029,231</u>

See Accompanying Notes.

BALANCE SHEET – GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2021

	Educ Tech Debt 43000	Other Governmental Funds	Total Governmental Funds
ASSETS			
Current assets			
Cash and cash equivalents	\$ 682,132	\$ 5,792,295	\$ 71,511,622
Investments	12,043,130	3,000,000	50,605,820
Accounts receivable			-
Taxes	552,547	501,673	3,487,722
Due from other governments	-	7,583,829	8,057,051
Interfund receivable	-	7,125,518	27,676,264
Other receivables	-	-	-
Inventory	-	-	441,204
Total current assets	<u>\$ 13,277,809</u>	<u>\$ 24,003,315</u>	<u>\$ 161,779,683</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
LIABILITIES			
Current liabilities			
Accounts payable	\$ 1,351	\$ 433,748	\$ 2,115,997
Cash overdraft	-	-	-
Due to other governments	-	-	-
Accrued expenses	-	682,808	8,061,553
Unspent grant revenue	-	-	-
Interfund payables	-	9,730,171	27,676,264
Total current liabilities	<u>1,351</u>	<u>10,846,727</u>	<u>37,853,814</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes	<u>276,963</u>	<u>251,462</u>	<u>1,748,211</u>
FUND BALANCES			
Nonspendable	-	-	441,204
Restricted for transportation	-	-	188,116
Restricted for instructional materials	-	-	27,848
Restricted for debt service	12,999,495	-	51,209,628
Restricted by grantor	-	5,574,902	5,574,902
Restricted for capital projects	-	7,827,753	62,471,199
Unassigned	-	(497,529)	2,264,761
Total fund balances	<u>12,999,495</u>	<u>12,905,126</u>	<u>122,177,658</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 13,277,809</u>	<u>\$ 24,003,315</u>	<u>\$ 161,779,683</u>

See Accompanying Notes.

**RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2021**

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

Fund balances - total governmental funds	\$ 122,177,658
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	368,866,518
Deferred outflow of resources related to pensions and OPEB	276,893,282
Deferred inflow of resources related to pensions and OPEB	(29,677,544)

Other assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:

Property taxes	1,748,211
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Original issue discounts and premiums are not financial resources and, therefore, are not reported in the funds:

Bond issuance premiums, net of accumulated amortization	(13,217,518)
Accrued interest	(3,603,855)

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Net pension and OPEB liability	(622,270,637)
Accrued compensated absences	(1,719,716)
Long-term debt	<u>(215,525,629)</u>

Net Position (Deficit) - Total Governmental Activities **\$ (116,329,230)**

See Accompanying Notes.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	General Fund			
	General	Pupil	Instructional	Title I IASA
	11000	Transportation 13000	Materials 14000	24101
REVENUES				
Property taxes	\$ 1,549,365	\$ -	\$ -	\$ -
State grants	106,416,031	3,812,554	-	-
Federal grants	582,252	-	-	2,963,076
Charges for services	584,917	-	-	-
Miscellaneous	1,210,375	26,734	-	-
Interest	3,436	-	-	-
Total revenues	110,346,376	3,839,288	-	2,963,076
EXPENDITURES				
Current				
Instruction	73,793,874	-	-	2,217,709
Support services				
Students	12,832,109	-	-	131,884
Instruction	3,058,640	-	-	689,404
General administration	1,947,057	-	-	96,995
School administration	7,607,936	-	-	3,510
Other support services	8,164	-	-	-
Central services	3,415,988	-	-	25,455
Operation & maintenance of plant	9,097,825	-	-	-
Student transportation	45	3,601,735	-	-
Food services operations	57,469	-	-	-
Community service	1,990	-	-	30,935
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	111,821,097	3,601,735	-	3,195,892
Excess (deficiency) of revenues over (under) expenditures	(1,474,721)	237,553	-	(232,816)
Other financing sources (uses)				
Bond issuance premiums	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Operating transfers	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balances	(1,474,721)	237,553	-	(232,816)
Net position, beginning (deficit)	4,469,827	391,767	27,848	-
Restatement	-	-	-	-
Net position, beginning, restated (deficit)	4,469,827	391,767	27,848	-
Fund balances, end of year	\$ 2,995,106	\$ 629,320	\$ 27,848	\$ (232,816)

See Accompanying Notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
(CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

	Bond Building 31100	SB-9 Local 31701	Capital Improvements Educ. Tech. 31900	Debt Service 41000
REVENUES				
Property taxes	\$ -	\$ 11,966,870	\$ -	\$ 30,307,484
State grants	-	15,180	-	208,433
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	2,379	66	16,569	-
Interest	36,120	5,894	11,713	12,621
Total revenues	38,499	11,988,010	28,282	30,528,538
EXPENDITURES				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	41,032	-
General administration	-	119,726	-	303,050
School administration	-	-	-	-
Other support services	-	-	-	-
Central services	-	-	-	301
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	4,854,070	9,103,149	7,560,321	-
Debt service				
Principal	-	-	-	22,450,949
Interest	-	-	-	7,775,576
Total expenditures	4,854,070	9,222,875	7,601,353	30,529,876
Excess (deficiency) of revenues over (under) expenditures	(4,815,571)	2,765,135	(7,573,071)	(1,338)
Other financing sources (uses)				
Bond issuance premiums	-	-	958,505	3,105,250
Proceeds from loans and bonds	15,000,000	-	22,000,000	-
Operating transfers	-	-	-	-
Total other financing sources (uses)	15,000,000	-	22,958,505	3,105,250
Net changes in fund balances	10,184,429	2,765,135	15,385,434	3,103,912
Net position, beginning (deficit)	14,279,386	4,066,801	7,962,261	35,106,221
Restatement	-	-	-	-
Net position, beginning, restated (deficit)	14,279,386	4,066,801	7,962,261	35,106,221
Fund balances, end of year	\$ 24,463,815	\$ 6,831,936	\$ 23,347,695	\$ 38,210,133

See Accompanying Notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
(CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2021

	Educ Tech Debt 43000	Other Governmental Funds	Total Governmental Funds
REVENUES			
Property taxes	\$ 10,841,744	\$ 8,655,422	\$ 63,320,885
State grants	-	4,056,238	114,508,436
Federal grants	-	17,821,904	21,367,232
Charges for services	-	906,665	1,491,582
Miscellaneous	-	524,112	1,780,235
Interest	6,311	150,549	226,644
Total revenues	<u>10,848,055</u>	<u>32,114,890</u>	<u>202,695,014</u>
EXPENDITURES			
Current			
Instruction	-	6,975,284	82,986,867
Support services			
Students	-	4,966,261	17,930,254
Instruction	-	1,716,925	5,506,001
General administration	108,389	973,702	3,548,919
School administration	-	262,481	7,873,927
Other support services	-	301,063	309,227
Central services	-	-	3,441,744
Operation & maintenance of plant	-	211,330	9,309,155
Student transportation	-	2,630,007	6,231,787
Food services operations	-	4,321,003	4,378,472
Community service	-	49,527	82,452
Capital outlay	-	10,073,945	31,591,485
Debt service			
Principal	9,650,000	-	32,100,949
Interest	1,117,571	-	8,893,147
Total expenditures	<u>10,875,960</u>	<u>32,481,528</u>	<u>214,184,386</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(27,905)</u>	<u>(366,638)</u>	<u>(11,489,372)</u>
Other financing sources (uses)			
Bond issuance premiums	992,130	-	5,055,885
Proceeds from loans and bonds	-	-	37,000,000
Operating transfers	-	-	-
Total other financing sources (uses)	<u>992,130</u>	<u>-</u>	<u>42,055,885</u>
Net changes in fund balances	964,225	(366,638)	30,566,513
Net position, beginning (deficit)	12,035,270	12,027,638	90,367,019
Restatement	-	1,244,126	1,244,126
Net position, beginning, restated (deficit)	<u>12,035,270</u>	<u>13,271,764</u>	<u>91,611,145</u>
Fund balances, end of year	<u>\$ 12,999,495</u>	<u>\$ 12,905,126</u>	<u>\$ 122,177,658</u>

See Accompanying Notes.

**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, 2021**

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

Net changes in fund balances - total governmental funds	\$ 30,566,513
District pension and OPEB contributions	13,754,309
Additional GASB 68 and 75 pension and OPEB income	(132,516,709)
Increase in accrued compensated absences	(149,257)
Decrease in unavailable revenue related to property tax receivable	(259,232)

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 outlays exceed depreciation for the period.

Depreciation expense	(25,911,974)
Capital expenditures recorded in capital outlays	12,871,756

The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. In addition, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Proceeds of long-term debt	(37,000,000)
Bond premium upon issuance	(5,055,885)
Bond premium amortization	2,731,162
Decrease in accrued interest payable	90,440
Principal payments on debt	<u>32,100,949</u>

Changes in Net Position - Total Governmental Activities **\$ (108,777,928)**

See Accompanying Notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND (11000)

FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ 1,559,467	\$ 1,559,467	\$ 1,609,044	\$ 49,577
State grants	114,702,792	106,368,411	106,416,031	47,620
Federal grants	384,000	384,000	582,252	198,252
Charges for services	282,000	282,000	584,917	302,917
Miscellaneous	2,237,000	2,237,000	1,234,326	(1,002,674)
Interest	132,987	132,987	3,436	(129,551)
Total revenues	119,298,246	110,963,865	110,430,006	(533,859)
EXPENDITURES				
Current				
Instruction	81,573,251	75,038,040	73,785,488	1,252,552
Support services				
Students	14,992,453	14,391,114	12,825,269	1,565,845
Instruction	3,649,620	3,453,667	3,057,602	396,065
General administration	2,424,578	2,412,133	1,934,825	477,308
School administration	7,583,588	7,440,743	7,608,122	(167,379)
Central services	2,926,837	2,926,837	3,375,564	(448,727)
Operation & maintenance of plant	10,090,191	9,376,133	9,254,571	121,562
Student transportation	1,875	1,875	45	1,830
Other support services	325,654	325,654	8,164	317,490
Food services operations	-	-	57,469	(57,469)
Community services	-	-	1,990	(1,990)
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	123,568,047	115,366,196	111,909,109	3,457,087
Excess (deficiency) of revenues over (under) expenditures	(4,269,801)	(4,402,331)	(1,479,103)	2,923,228
Other financing sources				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	(4,269,801)	(4,402,331)	(1,479,103)	2,923,228
Fund balances - beginning of year	(26,521,241)	(27,734,644)	13,034,632	40,769,276
Fund balances - end of year	\$ (30,791,042)	\$ (32,136,975)	11,555,529	\$ 43,692,504
Reconciliation to GAAP Basis				
Adjustments to revenues			\$ (83,630)	
Adjustments to expenditures			88,012	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (1,474,721)	

See Accompanying Notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
PUPIL TRANSPORTATION FUND (13000)
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	4,022,083	3,811,620	3,812,554	934
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	25,639	26,734	1,095
Interest	-	-	-	-
Total revenues	4,022,083	3,837,259	3,839,288	2,029
EXPENDITURES				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	4,022,083	3,837,259	3,620,778	216,481
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	4,022,083	3,837,259	3,620,778	216,481
Excess (deficiency) of revenues over (under) expenditures	-	-	218,510	218,510
Other financing sources				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	-	-	218,510	218,510
Fund balances - beginning of year	-	(73)	144	217
Fund balances - end of year	\$ -	\$ (73)	218,654	\$ 218,727
Reconciliation to GAAP Basis				
Adjustments to revenues			\$ -	
Adjustments to expenditures			19,043	
Excess (deficiency) of revenues and other sources over expenditures (GAAP Basis)			\$ 237,553	

See Accompanying Notes.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
INSTRUCTIONAL MATERIALS FUND (14000)
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	-	-	-	-
Fund balances - beginning of year	(870,534)	(955,794)	(71,610)	884,184
Fund balances - end of year	\$ (870,534)	\$ (955,794)	(71,610)	\$ 884,184
Reconciliation to GAAP Basis				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources over expenditures (GAAP Basis)			\$ -	

See Accompanying Notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
TITLE I FUND (24101)

FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	3,502,311	3,651,905	2,628,791	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
	<u>3,502,311</u>	<u>3,651,905</u>	<u>2,628,791</u>	<u>-</u>
EXPENDITURES				
Current				
Instruction	2,243,363	2,555,642	2,217,709	337,933
Support services				
Students	760,145	154,867	131,884	22,983
Instruction	347,746	739,415	689,404	50,011
General administration	105,053	109,593	96,995	12,598
School administration	588	13,003	3,510	9,493
Central services	5,416	25,563	25,455	108
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	40,000	53,822	30,935	22,887
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>3,502,311</u>	<u>3,651,905</u>	<u>3,195,892</u>	<u>456,013</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(567,101)</u>	<u>456,013</u>
Other financing sources				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	-	-	(567,101)	456,013
Fund balances - beginning of year	-	-	928,386	617,911
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>361,285</u>	<u>\$ 1,073,924</u>
Reconciliation to GAAP Basis				
Adjustments to revenues			\$ 334,285	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources over expenditures (GAAP Basis)			<u>\$ (232,816)</u>	

See Accompanying Notes.

Notes to Financial Statements

JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Santa Fe Public School Board was created under the provision of Chapter 22, Article 5, Paragraph 4, New Mexico Statutes 1978 to provide public education for the children within the District. The School Board is authorized to establish policies and regulations for its own government consistent with the laws of the state of New Mexico and the regulations of the State Board of Education and the Legislative Finance Committee. The School Board is comprised of five members who are elected.

The School Board provides educational services to approximately 12,000 pupils. In conjunction with the regular educational programs, some of these schools offer special education. In addition, the School Board provides transportation and school food services for the students.

The financial statements of Santa Fe Public Schools (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of the District's accounting policies are described below.

A. Reporting Entity

In evaluating the District as a reporting entity, management has addressed all potential Component Unit for which the District may be financially accountable and, as such, should be included within the District's financial statements. The District (the primary government) is financially accountable if (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the District. Organizations for which the District is not financially accountable are also included when doing so is necessary in order to prevent the District's financial statements from being misleading. Discretely presented Component Unit are reported in separate columns in the government-wide financial statements. Based upon the application of these criteria, the following is a brief review of the potential Component Unit addressed in defining the government's reporting entity:

The Academy for Technology and the Classics is a Component Unit of the District, as defined by GASB Statement No. 14 and/or GASB Statement No. 39 and have a separate governing board. The Charter Schools do not issue separate financial statements. Charter schools operate under the Senate Bill 192, Chapter 281, Laws of 1999 and are responsible for maintaining separate accounting records, and are Component Units of the school districts they operate within. The Academy for Technology and the Classics operates its foundation as a Component Unit of the Charter School as defined by GASB Statements No. 14 and 39. See Note 17 for certain information on Charter School assets and liabilities.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities and changes in net position) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities,

which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

GASB No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB No. 65, *Items Previously Reported as Assets and Liabilities*, amend GASB No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis for State and Local Governments*, to incorporate deferred outflows of resources and deferred inflows of resources in the financial reporting model.

Deferred outflows of resources – a consumption of net position by the government that is applicable to a future reporting period. It has a positive effect on net position, similar to assets.

Deferred inflows of resources – an acquisition of net position by the government that is applicable to a future reporting period. It has a negative effect on net position, similar to liabilities.

Net position – the residual of the net effects of assets, deferred outflows of resources, liabilities, and deferred inflows of resources.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the fiduciary fund financial statement. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are billed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes

place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Ad valorem taxes (property taxes) and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary fund operating revenue, such as charges for service, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenue, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

Governmental funds are used to account for the District's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of long-term debt.

The District is required to present certain of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the General Fund and the subgroup operating funds noted below, as well as the following funds:

Governmental funds include:

The **General Fund (Fund 11000)** is the primary operating fund of the District and accounts for all financial resources, except those required to be accounted for in other funds. In addition to Fund 11000, the following funds are subgroups of the operating fund:

The **Pupil Transportation Fund (Fund 13000)** is used to account for the State Equalization received from the State Department of Education which is used to pay for the costs associated with transporting school age children.

The **Instructional Materials Fund (Fund 14000)** is used to account for the monies received from the State Department of Education for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

The Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Each nonmajor special revenue fund is presented following the notes to the financial statements.

The **Title I Fund (24101)** is used to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced-price lunches. Any school with a free and reduced-price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identifies a campus; educational need

determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

The Debt Service Funds account for the services of long-term debt not being financed by proprietary or non-expendable trust funds. The following fund is a major debt service fund:

The **Debt Service (Fund 41000)** is used to account for the accumulation of resources for, and the payment of, GO Bond principal and interest.

The **Education Technology Debt (43000)** is used to account for the accumulation of resources for, and the payment of, Educational Technology note principal and interest.

The Capital Projects Funds account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or non-expendable trust funds. The following fund is a major capital projects fund:

The **Bond Building Capital Projects Fund (Fund 31100)** is used to account for bond proceeds and any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District.

Capital Improvements SB-9 Local (31701) is used to account for erecting, remodeling, making additions to, and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof as identified by the local school board. Financing is provided by the State of New Mexico's State Equalization Matching and a special tax levy as authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

Each nonmajor capital project fund is presented following the notes to financial statements.

The Debt Service Fund is used to account for the accumulation of resources for the payment of long-term debt principal and interest.

The Fiduciary Funds account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or student organizations.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

Private-sector standards of accounting and financial reporting issued prior to November 30, 1989, generally are followed in both the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

Program revenues are categorized as (a) charges for services, which include revenues collected for cafeteria fees and lost books, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources such as Title I, IDEA-B, Charter Schools, and other State and Federal funding to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources such as bond building, SB-9 and special capital outlay funding to be used for capital

projects. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The District does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function, except for that portion of depreciation that is identified as unallocated on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Assets, Liabilities and Net Position or Equity

Cash and Temporary Investments: The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the District to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

Investments for the District are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables: Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. There is no allowance for doubtful account in the current year. The District receives monthly income from a tax levy in Santa Fe County. The funds are collected by the County Treasurer and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the Santa Fe County Treasurer in July 2021 and August 2021 is considered measurable and available and, accordingly, is recorded as revenue during the year ended June 30, 2021.

Certain Special Revenue funds are administered on a reimbursement method of funding; other funds are operated on a cash advance method of funding. The funds incurred the cost and submitted the necessary request for reimbursement or advance, respectively.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Instructional Materials: The New Mexico State Department of Education receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, 70% is restricted to the requisition of material listed in the State Board of Education 'State Adopted Instructional Material' list, while 30% of each allocation is available for purchases directly from vendors, for which the school district receives cash draw-downs, or transfer to the 70% account for requisition of material from the adopted list.

Inventory: Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the Special Revenue Funds consists of USDA commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed. The U.S.D.A. commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories and deferred revenue. Non-commodity inventories are equally offset by a fund balance reserve, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets. No unearned revenue was recorded for unused commodity inventory as of June 30, 2021. Inventories in the Transportation Fund consisted of related supplies.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000, per Section 12-6-10 NMSA 1978, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets (retroactive to 1979) is to be included as part of the governmental capital assets reported in the government-wide financial statements. However, infrastructure assets have not been included in the June 30, 2021 financial statements of Santa Fe Public Schools since the District did not own any infrastructure assets as of June 30, 2021. Information technology equipment, including software, is being capitalized and included in furniture and equipment as the District did not maintain internally-developed software. The District expenses the cost of library books when purchased. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2021.

Capital expenditures made on the District’s building construction projects by the New Mexico Public School Facilities Authority have been recorded as a revenue and expenditure in the fund financial statements and have been included as capital assets in the District’s government-wide financial statements.

Property, plant, and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Land Improvements	20 years
Buildings	20-50 years
Building Improvements	7-30 years
Equipment	5-20 years
Furniture & Fixtures	20 years
Vehicles	5-12 years

Unearned Revenues: The District recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as unearned revenues. Amounts receivable from the property taxes levied for the current year that are not considered to be “available” under the current financial resource’s measurement focus are reported as unearned revenues in the governmental fund financial statements.

Compensated Absences: The District permits administrative employees to accumulate a limited amount of earned but not used vacation, which will be paid if not used, upon termination from the District. Accumulated sick leave

benefits vest with each employee in accordance with the District policy. All vacation pay and applicable accumulated sick leave is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result from resignations and retirements.

Long-term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Educational Retirement Plan (ERP) and additions to/deductions from ERP's fiduciary net position have been determined on the same basis as they are reported by ERP. 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.

Post-employment Benefits Other Than Pensions (OPEB): For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Mexico Retiree Health Care Authority (NMRHCA) and additions to and deductions from NMRHCA's fiduciary net position have been determined on the same basis as they are reported by NMRHCA. For this purpose, NMRHCA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position or Fund Equity: Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

In the government-wide financial statements, fund equity is classified as net position and is displayed in three components:

Net investment in capital assets: Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position: Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position are restricted for "debt service or capital projects."

Unrestricted Net Position: All other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The District's policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

In the governmental fund financial statements, fund balance is classified and is displayed in five components:

Nonspendable – Consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted – Consists of amounts that are restricted to specific purposes as a result of a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.

Committed – Consist of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Assigned – Consist of amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned – Represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

Reclassifications: Certain amounts presented in prior year data have been reclassified in order to be consistent with the current year's presentation.

Interfund Transactions: Quasi-external transactions are accounted for as revenues or expenditures/expenses. Transactions that constitute reimbursements to a fund from expenditures/expenses initially made from it, that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates affecting the District's financial statements include management's estimate of the useful lives of capital assets.

E. Revenues

State Equalization Guarantee: School districts in the State of New Mexico receive a 'state equalization guarantee distribution' which is defined as "that amount of money distributed to each school district to ensure that the school district's operating revenue, including its local and federal revenues as defined (in Chapter 22, Article 8, Section 22-8-25, NMSA 1978) is at least equal to the school district's program cost.

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education, 2) basic education, 3) special education, 4) bilingual-multicultural education, and 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance.

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Tax revenues are recognized when they are in the hands of the collecting agency. The District records only the portion of the taxes considered to be ‘measurable’ and ‘available’. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Property taxes attach an enforceable lien on property as of January 1. Tax notices are sent to property owners by November 1 of each year to be paid in whole or in two installments by November 10 and April 10 of each year. Santa Fe County collects County, City and School taxes and distributes them to each fund once per month, except in June when the taxes are distributed twice to close out the fiscal year.

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through 12 attending public school within the school district.

Instructional Materials: The New Mexico Public Education Department (PED) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, 70% is restricted to the requisition of materials listed in the State Board of Education “State Adopted Instructional Material” list, while 30% of each allocation is available for purchases directly from vendors.

Federal Grants: The District receives revenues from various Federal departments (both direct and indirect), which are legally restricted to expenditures for specific purposes. These programs are reported as Special Revenue Funds. Each program operated under its own budget, which has been approved by the Federal Department or the flow through agency (usually the New Mexico Department of Education). The various budgets are approved by the Local School Board and the New Mexico Public Education Department.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report separate sections for deferred outflows/inflows of resources. These separate financial statement elements, deferred outflows/inflows of resources, represents a decrease/increase of net position that applies to a future period(s) and so will not be recognized as an outflow/inflow of resources (expense/expenditure or revenue/income) until then. In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are prepared by management and are approved by the local Board of Education and the School Budget and Planning Unit of the Public Education Department. Auxiliary student activity accounts are not budgeted.

These budgets are prepared on the cash basis, excluding encumbrances, and secure appropriation of funds for only one year and reconciled to the modified accrual GAAP financial statements. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

Actual expenditures may not exceed the budget on a line-item basis, i.e., each budgeted expenditure must be within budgeted amounts. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a 'series,' this may be accomplished with only local Board of Education approval. If a transfer between 'series' or a budget increase is required, approval must also be obtained from Public School Finance Division.

The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the State of New Mexico Public Education Department (PED) by the District shall contain headings and details as described by law and have been approved by the PED.

In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.

The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.

The "operating" budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.

The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the PED.

Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the SBPU.

Legal budget control for expenditures is by major function.

Appropriations lapse at fiscal year-end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of Santa Fe Public Schools has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a cash basis and are reconciled on a GAAP basis. Encumbrances are treated the same way for GAAP purposes and for budget purposes.

The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico state law prohibits a Governmental Agency from exceeding an individual line item.

The accompanying Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis and reconciled to the GAAP basis.

NOTE 3. CASH AND TEMPORARY INVESTMENTS

State statutes authorize the investment of District funds in a wide variety of instruments, including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2021.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the District. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than 100% of the asked price on United States treasury bills of the same maturity on the day of deposit.

Excess of funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

The collateral pledged is listed on the Schedule of Collateral Pledged by Depository for Public Funds. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district, or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits, and interest-bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

Deposits. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the Schools for at least one half of the amount on deposit with the institution. The schedule presented below meets the requirements in reporting the insured portion of the deposits.

	First National Bank of Santa Fe	Wells Fargo	Morgan Stanley	Total
Total amounts of deposits	\$ 70,042,931	\$ 1,255,949	\$ 248,471	\$ 71,547,351
FDIC coverage	(500,000)	(750,000)	(248,471)	(1,498,471)
Total uninsured public funds	69,542,931	505,949	-	70,048,880
Collateral requirement (50% of uninsured Public funds)	34,771,466	252,975	-	35,024,440
Pledged collateral held by pledging bank trust department or agent but not in District's name	66,726,023	574,737	-	67,300,760
Total under (over) collateralized	\$ (31,954,558)	\$ (321,763)	\$ -	\$ (32,276,320)

Custodial Credit Risk – Deposits: Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2021, none of the District’s banks were exposed to custodial credit risk.

Investments. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. There are no Level 2 or Level 3 inputs.

As of June 30, 2021, the District had the following investments and maturities:

<u>Investment Type (Level 1 inputs)</u>	<u>Fair Value</u>
New MexiGROW LGIP	<u>\$ 50,605,820</u>

The New MexiGROW LGIP is invested in the following at June 30, 2021: 23% in US government agencies (5% fixed rate; 18% floating rate), 48% in Treasuries, 1% in supranational securities, and 28% in collateralized demand deposit accounts with qualified banking institutions.

Interest Rate Risk – Investments: The District does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates. The District’s investments were rated AAAM by Standard & Poors and have a weighted-average days to maturity (WAM) as follows: WAM(R) was 25 days and the WAM(F) was 77 days.

Concentration Credit Risk – Investments: For an investment, concentration credit risk is when any one issuer is 5% or more of the investment portfolio of the District. The investments in the State LGIP Fund represent 100% of

the investment portfolio. Since the District only purchases investment with the highest credit rating, the additional concentration is not viewed to be an additional risk by the District. The District’s policy related to concentration risk is to comply with the state statute as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

NOTE 4. RECEIVABLES

Receivables as of June 30, 2021 are as follows:

	Operational	Capital				Other Governmental	Total
		Title I IASA 24101	Improvements SP-9 Local	Debt Service	Educ Tech Debt		
Property taxes	\$ 122,341	\$ -	\$ 678,235	\$ 1,632,926	\$ 552,547	\$ 501,673	\$ 3,487,722
Intergovernmental - grants	-	473,222	-	-	-	7,583,829	8,057,051
Other	-	-	-	-	-	-	-
Total	<u>\$ 122,341</u>	<u>\$ 473,222</u>	<u>\$ 678,235</u>	<u>\$ 1,632,926</u>	<u>\$ 552,547</u>	<u>\$ 8,085,502</u>	<u>\$ 11,544,773</u>

The above receivables are deemed 100% collectible. Property tax revenue recognized on property tax receivables in the governmental fund financial statements are net of deferred inflows-property taxes of \$1,748,211.

NOTE 5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

“Interfund balances” have primarily been recorded when funds overdraw their share of pooled cash when the District is waiting for reimbursements. The composition of interfund balances as of June 30, 2021 is as follows:

	Interfund Receivables	Interfund Payables
Major Funds		
General Fund	\$ 10,245,728	\$ 10,295,545
Pupil Transportaion	7,137	91,797
Title I IASA		558,153
Bond Building	10,297,881	-
Capital Improvements SB-9 Local	-	7,000,000
Debt Service	-	598
Ed tech Debt Service	-	-
Nonmajor Funds		
Special Revenue Funds	125,518	6,962,624
Capital Project Funds	<u>7,000,000</u>	<u>2,767,547</u>
Total	<u>\$ 27,676,264</u>	<u>\$ 27,676,264</u>

Operating transfers have primarily been recorded when expenditures were not moved from one fund to another and reimbursement was received for those expenditures. No operating transfers were recorded in the year ended June 30, 2021.

NOTE 6. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2021 follows. Land is not subject to depreciation.

	Balance June 30, 2020	Additions	Transfers	Balance June 30, 2021
Governmental Activities				
Capital Assets not depreciated				
Construction in progress	\$ 8,421,080	\$ 12,095,823	\$ (10,224,817)	\$ 10,292,086
Land	2,969,852	-	-	2,969,852
Total capital assets not being depreciated	11,390,932	12,095,823	(10,224,817)	13,261,938
Capital Assets subject to depreciation				
Land improvements	34,713,401	-	-	34,713,401
Buildings and building improvements	596,971,830	-	10,224,817	607,196,647
Furniture, fixtures and equipment	37,646,550	775,933	-	38,422,483
Total capital assets being depreciated	669,331,781	775,933	10,224,817	680,332,531
Accumulated Depreciation				
Land improvements	(20,772,349)	(1,361,478)	-	(22,133,827)
Buildings and building improvements	(248,645,115)	(22,664,337)	98,068	(271,211,384)
Furniture, fixtures and equipment	(29,398,513)	(1,886,159)	(98,068)	(31,382,740)
Total accumulated depreciation	(298,815,977)	(25,911,974)	-	(324,727,951)
Governmental activities capital assets, net	\$ 381,906,736	\$ (13,040,218)	\$ -	\$ 368,866,518

Depreciation expense for the year ended June 30, 2021 was charged to governmental activities as follows:

Instruction	\$ 2,915,514
Support Services - Students	-
Support Services - General Administration	1,901
Central Services	-
Operations and Maintenance of plant	22,317,601
Transportation	616,662
Food Services	60,296
Total	<u>\$ 25,911,974</u>

NOTE 7. LONG-TERM DEBT

During the year ended June 30, 2021, the following changes occurred in the liabilities reported in the District’s government-wide Statement of Net Position:

	Balance			Balance	Due Within
	June 30, 2020	Additions	Deletions	June 30, 2021	One Year
Bonds/notes payable	\$ 210,626,578	\$ 37,000,000	\$ (32,100,949)	\$ 215,525,629	\$ 33,562,803
Bond premium, net of amortization	10,892,795	5,055,885	(2,731,162)	13,217,518	-
Compensated absences	1,583,683	1,663,870	(1,527,837)	1,719,716	840,205
Total	<u>\$ 212,210,261</u>	<u>\$ 43,719,755</u>	<u>\$ (36,359,948)</u>	<u>\$ 230,462,863</u>	<u>\$ 34,403,008</u>

The District’s general obligation bonds were issued for the purposes of creating, remodelling, making additions to and furnishing school buildings, and purchasing and improving school grounds; payable solely from general property taxes that are levied against all taxable property in the District.

The District’s Education Technology notes were issued for the purposes of purchasing technology equipment for use in school classrooms and are payable solely from the proceeds of their sale to a third-party. The bonds are payable out of the Debt Service Fund (Fund 41000). Interest payments are due semi-annually on August 1. Interest rates on the bonds range from 2% to 5%. Principal payments in varying amounts are due annually on August 1 through 2028. The notes are payable out of the Debt Service Fund (Fund 43000). Interest payments are due semi-annually on August 1. Interest rates range from .35% to 5%.

During 2016, Santa Fe Public School (SFPS) District Board of Education approved a unique financing agreement which provided \$2,962,734 to construct solar array fields at two (2) school sites. The funding was provided by the New Mexico Finance Authority (NMFA) issuance of 2016A Series Energy Efficiency and Renewable Energy Bonds. The Bonds are special limited obligations of NMFA, and are payable with pledged revenue, which includes money transferred by the Public Education Department from deductions to the State Equalization Guarantee (SEG) distribution of the District. The amount of savings the District expects to gain from the project is designed to be approximately 11% more than the reduction, making for an expected positive net impact on the finances.

Please see Note 17.D. for detail on the Component Unit’s long-term debt.

The requirements to amortize the General Obligation Bonds, Education Technology Notes, and Solar Array Note Payable as of June 30, 2021, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2022	\$ 33,562,803	\$ 8,239,383	\$ 41,802,186
2023	33,852,499	6,826,124	40,678,623
2024	31,433,207	5,363,778	36,796,985
2025	30,035,793	4,092,809	34,128,602
2026	25,440,385	2,990,398	28,430,783
2027-2031	54,637,617	5,976,217	60,613,834
2032-2036	5,195,944	473,726	5,669,670
2037-2041	1,231,418	158,793	1,390,211
2041-2046	<u>135,963</u>	<u>7,406</u>	<u>143,369</u>
Total	\$ <u>215,525,629</u>	\$ <u>34,128,634</u>	\$ <u>249,654,263</u>

In prior years, the general fund was typically used to liquidate long-term liabilities other than debt.

NOTE 8. RISK MANAGEMENT

The District is a member of the New Mexico Public Schools Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. Also included under the risk management program are Boiler, Machinery, and Student Accident Insurance.

The NMPSIA provides coverage for up to a maximum of \$750,000,000 for each property damage claim with a \$25,000 deductible per occurrence with a maximum annual deductible of 100,000. General liability coverage is afforded to all employees, volunteers, and Board members, and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor’s Forgery, Credit Card Forgery, and Money Orders. A limit of \$250,000 applies to Money and Securities, which include a \$750 deductible.

In case the NMPSIA’s assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2021, there have been no claims that have exceeded insurance coverage.

NOTE 9. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosures as part of certain information concerning individual funds including:

A. Deficit fund balance of individual funds. The following funds reported a deficit fund balance at June 30, 2021:

Title I IASA - Fund 24101	\$ (232,816)
IDEA-B Entitlement - Fund 24106	(2,671)
IDEA-B Preschool - Fund 24109	(1,776)
IDEA-B Private School - Fund 24115	(1,400)
Title-I Grant - Fund 24124	(45,396)
Teacher/Principal Training & Recruiting - Fund 24154	(12,839)
USDA 2010 Equipment Assistance Program - Fund 24183	(19,000)
STEM Professional Development - Fund 27135	(22,189)
Kindergarten - Three Plus - Fund 27166	(18,802)
K3 Plus 415 Pilot	(14,125)
Energy Minerals and Natural Resources Grant - Fund 28197	(14,280)
City/County Grants - Fund 291074	(17,397)
Capital Improvements SB-9 State - Fund 31700	(327,649)

B. Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2021:

Athletics (Fund 22000)	
Instruction	\$ (42,531)
Special Capital Outlay - Local (Fund 31701)	
Instruction	(450)
Debt Service Fund (Fund 41000)	
Support Services	(48,351)
Debt service funds (Fund 43000)	
Support Services	(8,389)
Special Capital Outlay - Local (Fund 31600)	
Support Services	(10,597)
Special Capital Outlay - Local (Fund 31701)	
Support Services	(14,726)

NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

Plan description. The New Mexico Educational Retirement Act (ERA) was enacted in 1957. The act created the Educational Employees Retirement Plan (Plan) and, to administer it, the New Mexico Educational Retirement Board (NMERB). The Plan is included in NMERB’s comprehensive annual financial report. The report can be found on NMERB’s Web site at https://www.nmerb.org/Annual_reports.html.

The Plan is a cost-sharing, multiple-employer pension plan established to provide retirement and disability benefits for certified teachers and other employees of the state’s public schools, institutions of higher learning, and state agencies providing educational programs. Additional tenets of the ERA can be found in Section 22-11-1 through 22-11-52, NMSA 1978, as amended.

The Plan is a pension trust fund of the State of New Mexico. The ERA assigns the authority to establish and amend benefit provisions to a seven-member Board of Trustees (Board); the state legislature has the authority to set or amend contribution rates and other terms of the plan. NMERB is self-funded through investment income and

educational employer contributions. The Plan does not receive General Fund Appropriations from the State of New Mexico.

All accumulated assets are held by the Plan in trust to pay benefits, including refunds of contributions as defined in the terms of the Plan. Eligibility for membership in the Plan is a condition of employment, as defined in Section 22-11-2, NMSA 1978. Employees of public schools, universities, junior and community colleges, public technical and vocational institutions, state special schools, charter schools, regional education cooperatives, the New Mexico Activities Association, and certain employees at state agencies that provide an educational program, who are employed more than 25% of a full-time equivalency, are required to be members of the Plan, unless specifically excluded.

Pension benefit. A member’s retirement benefit is determined by a formula which includes three component parts: 1) the member’s final average salary (FAS), 2) the number of years of service credit, and 3) a multiplier.

For members hired on or before June 30, 2019 (Tiers 1-3 members) the multiplier is 2.35%. For members hired after June 30, 2019 the multiplier accrues as follows:

Years of Service	Benefit Percentage Earned
1-10	1.35%
10.25-20	2.35%
20.25-30	3.35%
30.25 plus	2.40%

FAS is the average of the member’s fiscal annual earnings for the last 20 calendar service quarters (60 months) prior to retirement or the highest average fiscal annual earning for any 20 consecutive calendar quarters.

Summary of Plan Provisions for Retirement Eligibility.

Tier 1: Membership prior to July 1, 2010. For members employed before July 1, 2010, a member is eligible to retire when one of the following events occurs:

- The member’s age and earned service credit add up to the sum of 75 or more,
- The member is at least sixty-five years of age and has five or more years of earned service credit, or
- The member has service credit totalling 25 years or more.

Tier 2: Membership on or after July 1, 2010, but prior to July 1, 2013. Chapter 288, Laws of 2009 changed the eligibility requirements for new members who were first employed on or after July 1, 2010, but before July 1, 2013 — or before July 1, 2010, terminated employment, subsequently withdrew all contributions, and then becomes re-employed after July 1, 2010. These members must meet one of the following requirements.

- The member’s age and earned service credit add up to the sum of 80 or more,
- The member is at least sixty-seven years of age and has five or more years of earned service credit, or
- The member has service credit totaling 30 years or more.

Tier 3: Membership beginning on or after July 1, 2013. Section 2-11-23.2, NMSA 1978 added eligibility requirements for new members who were first employed on or after July 1, 2013, or who were employed before July 1, 2013 but terminated employment and subsequently withdrew all contributions and returned to work for an ERB employer on or after July 1, 2013. These members must meet one of the following requirements:

- The member's minimum age is 55 and has earned 30 or more years of service credit. (Those who retire earlier than age 55, but with 30 years of earned service credit will have a reduction in benefits to the actuarial equivalent of retiring at age 55.)
- The member's minimum age and earned service credit add up to the sum of 80 or more. (Those who retire under the age of 65, and who have fewer than 30 years of earned service credit will receive reduced retirement benefits.)
- The member's age is 67 and has earned 5 or more years of service credit.

Tier 4: Membership beginning on or after July 1, 2019. Section 2-11-23.3, NMSA 1978, added eligibility requirements for new members who were first employed on or after July 1, 2019 — and had, before that date, been refunded all member contributions and had not restored all refunded contributions and interest before July 1, 2019. A member in this tier must meet one of the following requirements.

- The member's minimum age must be 58, and the member has earned 30 or more years of service credit. (A member who retires earlier than age 58, receives a reduction in benefits equal to the actuarial equivalent of retiring at age 58.)
- The member's minimum age and earned service credit add up to the sum of 80 or more. (Those who retire under the age of 65, and who have fewer than 30 years of earned service credit, receive reduced retirement benefits.)
- Or, the member's age is 67, and the member has earned 5 or more years of service credit.

Forms of Payment. The benefit is paid as a monthly life annuity with a guarantee that, if the payments made do not exceed the member's accumulated contributions plus accumulated interest, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary.

Benefit Options. The Plan has three benefit options available:

- **Option A – Straight Life Benefit.** The single life annuity option has no reductions to the monthly benefit, and there is no continuing benefit due to a beneficiary or estate, except the balance, if any, of member contributions plus interest less benefits paid prior to the member's death.
- **Option B – Joint 100% Survivor Benefit.** The single life annuity monthly benefit is reduced to provide for a 100% survivor's benefit. The reduced benefit is payable during the life of the member, with the provision that, upon death, the same benefit is paid to the beneficiary for his or her lifetime. If the beneficiary predeceases the member, the member's monthly benefit is increased to the amount the member would have received under Option A Straight Life benefit. The member's increased monthly benefit commences in the month following the beneficiary's death.
- **Option C – Joint 50% Survivor Benefit.** The single life annuity monthly benefit is reduced to provide for a 50% survivor's benefit. The reduced benefit is payable during the life of the member, with the provision that, upon death, the reduced 50% benefit is paid to the beneficiary for his or her lifetime. If the beneficiary predeceases the member, the member's monthly benefit is increased to the amount the member would have received under Option A Straight Life benefit. The member's increased monthly benefit commences in the month following the beneficiary's death.

Disability Benefit. An NMERB member is eligible for disability benefits if they have acquired at least ten years of earned service credit and is found totally disabled. The disability benefit is equal to 2% of the member's Final Average Salary (FAS) multiplied by the number of years of total service credits. However, the disability benefit shall not be less than the smaller of (a) one-third of the member's FAS or (b) 2% of the member's FAS multiplied by total years of service credit projected to age 60.

Cost of Living Adjustment (COLA). All retired members and beneficiaries receiving benefits may receive an adjustment in their benefit on July 1 following the year a member retires or July 1 following the year a member reaches the age below, whichever is later.

Membership	Age Eligible for Cola
Tier 1	65%
Tier 2	65%
Tier 3	67%
Tier 4	67%

If a member is eligible for a COLA, the amount depends on the annual change in the Consumer Price Index (CPI) and whether the fund is fully funded (that is, the fund’s funded ratio is 100%). Accordingly, if there is no increase in the CPI, or the CPI is negative, the amount of the COLA will be zero (if the CPI is negative, retirement benefits will not be decreased).

When CPI has increased and the fund is fully funded, the COLA will be the same amount as the increase in the CPI except as follows: If the increase in the CPI is 2% or greater, the COLA will be one-half of the CPI increase, not to exceed 4% or to be less than 2%.

However, while the fund is not fully funded, the COLA for retirees will be reduced based on the median annual retirement benefit, calculated after the end of each fiscal year:

- When the funded ratio is 90% or less, the COLA for retirees whose annuity is at or below the median and who have 25 or more years of service credit at retirement will be reduced by 10%. For retirees whose annuity is either greater than the median or who have less than 25 years of service credit at retirement, the COLA will be reduced by 20%.
- When the funded ratio exceeds 90% but is less than 100%, the COLA for retirees whose annuity is at or below the median adjusted annuity and who had 25 or more years of service credit at retirement and will be reduced by 5%. For retirees whose annuity is either greater than the median or who have less than 25 years of service credit at retirement, the COLA will be reduced by 10%.

Members on disability retirement are entitled to a COLA commencing on July 1 of the third full year following disability retirement. A member on regular retirement who can prove retirement because of a disability may qualify for a COLA beginning July 1 in the third full year of retirement.

Refund of Contributions. Members may withdraw their contributions only when they terminate covered employment in the State and their former employer(s) certification determination has been received by NMERB. Interest is paid to members when they withdraw their contributions following termination of employment at a rate set by the Board. Interest is not earned on contributions credited to accounts prior to July 1, 1971, or for contributions held for less than one year.

Contributions. For the fiscal years ended June 30, 2021 and 2020, educational employers contributed to the Plan based on the following rate schedule:

Fiscal Year	Date Range	Wage Category	Member Rate	Employer Rate	Combined Rate	Increase Over Prior Year
2021	7-1-20 to 6-30-21	Over \$24K	10.70%	14.15%	24.85%	0.25%
2021	7-1-20 to 6-30-21	\$24K or less	7.90%	14.15%	22.05%	0.25%
2020	7-1-19 to 6-30-20	Over \$24K	10.70%	14.15%	24.85%	0.25%
2020	7-1-19 to 6-30-20	\$24K or less	7.90%	14.15%	22.05%	0.25%

The contribution requirements are established in statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. For the fiscal years ended June 30, 2021 and 2020, the District paid employee and employer contributions of \$20,907,022 and \$21,256,949, respectively, which equal the amount of the required contributions for each fiscal year. For the fiscal years ended June 30, 2021 and 2020, the Charter paid employee and employer contributions of \$575,847 and \$527,963, which equal the amount of the required contributions for each fiscal year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2021, the District reported a liability of \$547,213,477 for its proportionate share of the net pension liability. At June 30, 2021, the Charter reported a liability of \$13,592,332 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2020 using generally accepted actuarial principles. On April 17, 2020, NMERB’s Board of Trustees adopted new assumptions presented in the 2020 Actuarial Experience Study. Those new assumptions have been reflected in the roll-forward and in the projections used to determine the single discount rate.

The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating educational institutions at June 30, 2020, actuarially determined. At June 30, 2020, the District’s proportion was 2.70017%, which was an increase of 0.00627% from its proportion measured as of June 30, 2019. At June 30, 2020, the Charter’s proportion was 0.06707%, which was an increase of 0.00205% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$62,226,431. For the year ended June 30, 2021, the Charter recognized pension expense of \$1,441,297.

At June 30, 2021, the District and Charter reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

District:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 3,397,083	\$ 2,110,019
Changes of assumptions	219,273,117	-
Net difference between projected and actual earnings on pension plan investments	18,581,171	-
Changes in proportion and differences between contributions and proportionate share of contributions	3,478,178	-
District contributions subsequent to the measurement date	12,071,877	-
Total	\$ 256,801,426	\$ 2,110,019

Charter:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 84,381	\$ 52,411
Changes of assumptions	5,446,564	-
Net difference between projected and actual earnings on pension plan investments	461,541	-
Changes in proportion and differences between contributions and proportionate share of contributions	246,476	-
District contributions subsequent to the measurement date	332,399	-
Total	\$ 6,571,361	\$ 52,411

The District reported \$12,071,904 and the Charter reported \$332,399 as deferred outflows of resources related to pensions resulting from the District’s and Charter’s contributions subsequent to the measurement date June 30, 2020 will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

District:		Charter:	
Year Ending June 30,		Year Ending June 30,	
2021	\$ 95,848,059	2021	\$ 2,472,441
2022	96,524,148	2022	2,456,188
2023	44,562,970	2023	1,111,149
2024	5,684,353	2024	141,195
2025	-	2025	-
Thereafter	-	Thereafter	-

Actuarial assumptions. Actuarial assumptions and methods are set by the Plan’s Board of Trustees, based upon recommendations made by the Plan’s actuary. On April 17, 2020, the Board adopted the new assumptions presented in the 2020 Actuarial Experience Study. The total pension liability in the June 30, 2020 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%							
Salary increases	3.25% composed of 2.50% inflation, plus a 0.75% productivity increase rate, plus a step-rate promotional increase for members with less than 10 years of service.							
Investment rate of return	7.25% compounded annually, net of expenses. This is made up of a 2.50% inflation rate and a 4.75 real rate of return.							
Average of Expected Remaining Service Lives	Fiscal year	2020	2019	2018	2017	2016	2015	2014
	Service life in years	3.43	3.55	3.56	3.65	3.77	3.92	3.88
Mortality	<p>Healthy males: Based on the RP-2000 Combined Healthy Mortality Table with White Collar adjustments, not set back. Generational mortality improvements with Scale BB from the table’s base year of 2000.</p> <p>Healthy females: Based on GRS Southwest Region Teacher Mortality Table, set back one year. Generational mortality improvements in accordance with Scale BB from the table’s base year of 2012.</p>							
Other Information	A new set of assumptions was adopted for the June 30, 2020 actuarial valuation. These new assumptions are reflected in the Total Pension Liability as of June 30, 2020 and will be reflected in the actuarially determined employer contribution for the fiscal year ending 2021. These assumptions can be found in the funding valuation as of June 30, 2020 or in the 2020 experience study.							

The long-term expected rate of return on pension plan investments was determined using a building-block approach that includes the following:

- Rate of return projections that are the sum of current yield plus projected changes in price (valuations, defaults, etc.)
- Application of key economic projections (inflation, real growth, dividends, etc.)
- Structural themes (supply and demand imbalances, capital flows, etc.) developed for each major asset class.

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Equities	30%	
Fixed income	26%	
Alternatives	43%	
Cash	1%	
	<u>100%</u>	<u>7.00%</u>

Discount rate. A single discount rate of 3.89% was used to measure the total pension liability as of June 30, 2020. This is a 3.36% percent decrease from the 7.25% rate used in the prior measurement year. The 3.89% was based on a long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.45%. Based on the stated assumptions and the projection of cash flows, the pension plan’s fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2045. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2045 and the municipal bond rate was applied to all benefit payments after that date.

The projections of cash flows used to determine the single discount rate assumed that plan member and employer contributions will be made at the current statutory levels.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.89%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.89%) or 1-percentage-point higher (4.89%) than the current rate.

	1 % Decrease 2.89%	Current Discount Rate 3.89%	1 % Increase 4.89%
District's proportionate share of the net pension liability	<u>\$691,071,121</u>	<u>\$547,213,477</u>	<u>\$431,470,653</u>
Charter's proportionate share of the net pension liability	<u>\$ 17,165,638</u>	<u>\$ 13,592,332</u>	<u>\$ 10,717,376</u>

Pension Plan Fiduciary Net Position. Detailed information about the ERB's fiduciary net position is available in the separately issued audited financial statements as of and for the years ended June 30, 2021 and 2020, which are publicly available at www.nmerb.org.

NOTE 11. OTHER POST EMPLOYMENT BENEFITS (OPEB) – STATE RETIREE HEALTH CARE PLAN

Plan description. Employees of the District are provided with OPEB through the Retiree Health Care Fund (the Fund)—a cost-sharing multiple-employer defined benefit OPEB plan administered by the New Mexico Retiree Health Care Authority (NMRHCA). NMRHCA was formed February 13, 1990, under the New Mexico Retiree Health Care Act (the Act) of New Mexico Statutes Annotated, as amended (NMSA 1978), to administer the Fund under Section 10-7C-1-19 NMSA 1978. The Fund was created to provide comprehensive group health insurance coverage for individuals (and their spouses, dependents and surviving spouses) who have retired or will retire from public service in New Mexico.

NMRHCA is an independent agency of the State of New Mexico. The funds administered by NMRHCA are considered part of the State of New Mexico financial reporting entity and are OPEB trust funds of the State of New Mexico. NMRHCA's financial information is included with the financial presentation of the State of New Mexico.

Benefits provided. The Fund is a multiple employer cost sharing defined benefit healthcare plan that provides eligible retirees (including terminated employees who have accumulated benefits but are not yet receiving them), their spouses, dependents and surviving spouses and dependents with health insurance and prescription drug benefits consisting of a plan, or optional plans of benefits, that can be contributions to the Fund and by co-payments or out-of-pocket payments of eligible retirees.

Employees covered by benefit terms. At June 30, 2020, the Fund's measurement date, the following State of New Mexico employees were covered by the benefit terms:

Plan membership	
Current retirees and surviving spouses	52,179
Inactive and eligible for deferred benefit	10,916
Current active members	91,082
	<u>154,177</u>
Active membership	
State general	17,097
State police and corrections	1,830
Municipal general	17,538
Municipal police	3,159
Municipal FTRE	1,966
Educational Retirement Board	49,492
	<u>91,082</u>

Contributions. Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee’s salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer’s participation in the Fund. Contributions to the Fund from the District were \$1,682,432 for the year ended June 30, 2021. Contributions to the Fund from the Charter were \$46,188 for the year ended June 30, 2021.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2021, the District reported a liability of \$75,057,160 for its proportionate share of the net OPEB liability. At June 30, 2021, the Charter reported a liability of \$1,822,326 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

The District’s and Charter’s proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2020. At June 30, 2020, the District’s proportion was 1.78754%. The Charter’s proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2020. At June 30, 2020, the Charter’s proportion was 0.04340%.

For the year ended June 30, 2021, the District recognized OPEB income of \$3,116,768. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 13,328,142
Net difference between projected and actual investment earnings on OPEB plan investments	409,301	13,329,638
Changes of assumptions	14,734,258	909,745
Change in proportion	3,265,865	-
Contributions made after the measurement date	1,682,432	-
Total	\$ 20,091,856	\$ 27,567,525

For the year ended June 30, 2021, the Charter recognized OPEB income of \$64,061. At June 30, 2021, the Charter reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 323,596
Net difference between projected and actual investment earnings on OPEB plan investments	9,937	-
Changes of assumptions	357,736	323,633
Change in proportion	146,909	42,326
Contributions made after the measurement date	46,188	-
Total	\$ 560,770	\$ 689,555

Deferred outflows of resources totalling \$1,682,432 represent District contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ending June 30,	
2022	\$ (6,110,670)
2023	(4,948,517)
2024	(1,748,717)
2025	659,367
2026	2,954,436
Total	\$ (9,194,101)

Deferred outflows of resources totalling \$46,188 represent Charter contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	
2022	\$ (136,750)
2023	(108,534)
2024	(28,762)
2025	28,610
2026	70,463
Total	\$ (174,973)

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions:

Actuarial cost method	Entry age normal, level percent of pay, calculated on individual employee basis
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation	2.50% for ERB; 2.25% for PERA members
Projected payroll increases	3.25% to 13.50%, based on years of service, including inflation
Investment rate of return	7.25%, net of OPEB plan investment expense and margin for adverse deviation including inflation
Health care cost trend rate	8% graded down to 4.5% over 14 years for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 12 years for Medicare medical plan costs
Mortality	ERB members: RP-2000 Combined Healthy Mortality Table with White Collar Adjustment (males) and GRS Southwest Region Teacher Mortality Table (females) PERA members: RP-2014 Combined Healthy Mortality

Rate of Return. The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which the expected future real rates of return (net of investment fees and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumptions.

The best estimates for the long-term expected rate of return are summarized as follows:

Asset Class	Long-Term Rate of Return
U.S. core fixed income	2.1%
U.S. equity - large cap	7.1%
Non U.S. - emerging markets	10.2%
Non U.S. - developed equities	7.8%
Private equity	11.8%
Credit and structured finance	5.3%
Real estate	4.9%
Absolute return	4.1%
U.S. equity - small/mid cap	7.1%

Discount Rate. The discount rate used to measure the Fund’s total OPEB liability is 2.86% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Fund’s fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2039. Thus, the 7.25% discount rate was used to calculate the net OPEB liability through 2040. The index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher was used beyond 2041, resulting in a blended discount rate of 2.86%.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates. The following presents the net OPEB liability of the District, as well as what the District’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.86%) or 1-percentage-point higher (3.86%) than the **current discount rate**:

1% Decrease (1.86%)	Current Discount (2.86%)	1% Increase (3.86%)
\$ 93,296,359	\$ 75,057,160	\$ 60,960,147

The following presents the net OPEB liability of the Charter, as well as what the Charter’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.86%) or 1-percentage-point higher (3.86%) than the current discount rate:

1% Decrease (1.86%)	Current Discount (2.86%)	1% Increase (3.86%)
\$ 2,265,159	\$ 1,822,326	\$ 1,480,062

The following presents the net OPEB liability of the District, as well as what the District’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the **current healthcare cost trend rates**:

1% Decrease	Current Trend Rates	1% Increase
\$ 61,607,892	\$ 75,057,160	\$ 85,258,787

The following presents the net OPEB liability of the Charter, as well as what the Charter’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the **current healthcare cost trend rates**:

		Current Trend	
1% Decrease		Rates	1% Increase
\$	1,495,789	\$	1,822,326
		\$	2,070,013

OPEB Plan Fiduciary Net Position. Detailed information about the OPEB plan’s fiduciary net position is available in NMRHCA’s audited financial statements for the year ended June 30, 2021.

NOTE 12. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be allowed by the grantor cannot be determined at this time, although the District expects such amount, if any, to be immaterial.

The District is involved in various claims and lawsuits arising in the normal course of business. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District’s legal counsel that the resolution of these matters will not have a material adverse effect on the financial condition of the District.

During fiscal year 2020, the Internal Revenue Service informed the District that IRS Forms 1094-C and 1095-C were not filed with the IRS in a timely manner for tax year 2016. IRS Form 1094-C *Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns*, and Form 1095-C, *Employer-Provided Health Insurance Offer and Coverage*, is used to report the information required under section 6056, about offers of health coverage to full-time employees (and family member). Because the District did not file the returns timely, the IRS has assessed the District interest and penalties. As of November 15, 2021, the District is working with the IRS in an effort to abate the penalties and interest which may be material to the financial statements. The District has incurred difficulties and delays in communicating with the IRS since the IRS offices have been closed. The IRS’s system is rejecting reports for errors, but the IRS does not seem to know how to correct these errors. In the interim, the District printed the returns and submitted them on paper to ensure its compliance. Due to the uncertain outcome of the abatement process, management has not recorded an accrual for the potential penalties and interest.

NOTE 13. JOINT POWERS AGREEMENTS

Participants:	Santa Fe Public Schools, NM Health Services Dept.	Cooperative Educational Services	National Joint Powers Alliance	High Plain Regional Education Cooperative	US Communities	Buy Board Nat'l Purchasing Cooperative
Responsible Party:	SFPS and NMHSD	N/A	N/A	N/A	N/A	N/A
Description:	To improve the health and development outcomes of children and youth in New Mexico by providing quality health care and service through the program and assuring the appropriate use of public funds in accordance with applicable state and federal requirements.	Cooperative purchasing agreement	Cooperative purchasing agreement	Cooperative purchasing agreement	Cooperative purchasing agreement	Cooperative purchasing agreement
Begin Date:	5/9/2003	12/18/1984	11/4/2009	7/26/2007	9/23/2014	5/26/2010
End Date:	Indefinitely	Indefinitely	Indefinitely	Indefinitely	Indefinitely	Indefinitely
Total Estimated Amount of the Project and Portion Applicable to the District:	Not to exceed \$500,000 each fiscal year	N/A	N/A	N/A	N/A	N/A
Amount Contributed in Fiscal Year:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit Responsibility:	SFPS	N/A	N/A	N/A	N/A	N/A
Name of Govt Agency Report Rev & Exp:	N/A	N/A	N/A	N/A	N/A	N/A
Fiscal Agent:	N/A	N/A	N/A	N/A	N/A	N/A

NOTE 14. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plan, available to all District employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries.

NOTE 15. TAX ABATEMENTS

GASB Statement No. 77, Tax Abatement Disclosures, has been implemented by governmental entities for the fiscal year ended June 30, 2021. The District does not abate taxes and has not been materially impacted by any tax abatement agreements entered into by other governmental entities.

NOTE 16. CHANGE IN FUND TYPE AS A RESULT OF APPLYING GASB 84, FIDUCIARY ACTIVITIES AND RELATED RESTATEMENT TO SPECIAL REVENUE FUND

The District applied GASB 84, *Fiduciary Activities*, on July 1, 2020. This accounting standard required the District to analyse all of its activity funds and determine if they should be classified as a fiduciary fund type – custodial fund or a governmental fund type - special revenue fund. The District applied the criteria in GASB 84 to its activity funds and determined that all its activity funds should be reported as one special revenue fund. Accordingly, these financial statements present all the District’s activity funds in the Non-Instructional Fund (Fund 23000).

As per the criteria of GASB 84, the previously reported fiduciary fund type - agency fund was transferred to a governmental fund type – special revenue fund effective June 30, 2020. There was no restatement of fund balance to the previously reported fiduciary fund type - agency fund as agency funds do not report fund balances. As a result of the transfer, Fund 23000’s beginning fund balance was restated to present the \$1,244,126 transfer in of activity funds from the previously reported agency fund.

NOTE 17. COMPONENT UNIT

The following charter school was formed under NMSA 22-8A and as such are presented here as discrete Component Unit of Santa Fe Public Schools:

The Academy for Technology and the Classics (ATC)

District management has determined that the charter school is a Component Unit under GASB Statement No. 61 since their operating budget and charter are presented and approved by the District’s board and a financial burden exists upon closure of a school or when the school is in need of financial assistance. The charter school is considered a legally separate entity and has a separate board from the District board. The District does not appoint members of the charter school board. The New Mexico State Auditor has determined that a charter school is a major Component Unit of their respective Districts. Refer to previous footnotes for significant policies of the charter schools, as they are subject to the same State and Federal regulations and follow the same policies as the District. The following are summarized details of the charter school balances and transactions as of June 30, 2021 and for the year then ended:

In defining the reporting entity of ATC, management considered all possible Component Unit and it was determined (due to the significance of the relationship between the ATC Foundation, a non-profit corporation under the IRC Sec. 501(c)(3) and ATC), the Foundation qualified for inclusion in the financial statements of ATC as a blended Component Unit. This Component Unit has a separate appointed board and provides the building that houses ATC under the terms of a 30-year cancellable lease. For tax purposes, the ATC Foundation has a December 31 year end.

A. Cash and Temporary Investments

Deposits. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the Schools for a least one half of the amount on deposit with the institution. The schedule presented below meets the requirements in reporting the insured portion of the deposits.

	The Academy for Technology and the Classics		
	Enterprise Bank and Trust	Charles Schwab	Total
Total amounts of deposit	\$ 1,402,387	\$ 2,225	\$ 1,404,612
FDIC coverage	(250,000)	(2,225)	(252,225)
Total uninsured public funds	\$ 1,152,387	\$ -	\$ 1,152,387
Collateral requirement (50% of uninsured public funds)	\$ 576,194	\$ -	\$ 576,194
Pledged security	2,170,527	-	2,170,527
Total under (over) collateralized	\$ (1,594,334)	\$ -	\$ (1,594,334)

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2021, none of the Charter School’s banks were exposed to custodial credit risk.

B. Accounts Receivable

As of June 30, 2021, the Charter had accounts receivable due from other governments in the amount of \$194,795, all of which was in non-major funds.

C. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2021 follows:

	Balance June 30, 2020	Additions	Deletions	Transfers in from District	Balance June 30, 2021
The Academy for Technology and the Classics					
Construction in Progress	\$ -	\$ -	\$ -	\$ -	\$ -
Furniture, fixtures and equipment	278,513	145,553	-	-	424,066
Land and land improvements	661,626	-	-	-	661,626
Building and building improvements	12,684,941	-	-	-	12,684,941
Accumulated depreciation	(2,229,698)	(328,892)	-	-	(2,558,590)
Capital assets, net	\$ 11,395,382	\$ (183,339)	\$ -	\$ -	\$ 11,212,043

Depreciation expense for the year ended June 30, 2021 was charged to governmental activities as follows:

Charter	\$ 182,225
Foundation	146,667
Total	\$ 328,892

D. Commitment and Liabilities

The Academy for Technology and the Classics – The Charter leases various equipment and facilities under short-term cancellable operating leases. Rental expense for the year ended June 30, 2021 was \$122,500. The Charter had a compensated absences balance of \$42,218 at the beginning of the fiscal year. Additions to the balance were \$6,899, which resulted in an ending balance of \$ 49,117. The entire balance is considered to be current.

Five year Payout-For Footnote Disclosure for Rent Expense				
2022	2023	2024	2025	2026
\$ 276,000	\$ 276,000	\$ 276,000	\$ 276,000	\$ 276,000

On September 29, 2014, ATC Foundation refinanced an outstanding principal balance amount of \$4,200,000 with Los Alamos National Bank; total amount of loan, including financed fees was \$4,300,000. In addition, as part of the agreement with Los Alamos National Bank, ATC agreed to the conditional guarantee of 80% of the loan amount with Unites States Department of Agriculture (Rural Development program). The loan guarantee is subject to an annual renewal fee of .50% of the guaranteed portion of the outstanding principal balance as of December 31 of each year. Annual renewal fee payments not received by April 1 of the following year are considered delinquent and may result in cancellation of the guarantee to the lender.

The long-term mortgage payable for ATC Foundation as of June 30, 2021 is as follows:

Los Alamos National Bank Mortgage; interest rate 4.25%;
 matures December 2041, secured by building \$3,327,939

The requirements to amortize the mortgage note payable as of June 30, 2021, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2022	\$ 123,506	\$ 138,490	\$ 261,996
2023	128,288	133,709	261,997
2024	133,847	128,149	261,996
2025	139,648	122,348	261,996
2026	145,700	116,296	261,996
2027-2031	828,869	481,112	1,309,981
2032-2036	1,024,733	285,249	1,309,982
2037-2041	803,348	58,920	862,268
Thereafter	-	-	-
Total	<u>\$ 3,327,939</u>	<u>\$ 1,464,273</u>	<u>\$ 4,792,212</u>

E. Retiree Health Care (RHC) Contributions

During fiscal year 2021, RHC remitted by the School was \$46,164 in employer contributions as well as \$23,082 in employee contributions.

F. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures as part of the Combining Statements of certain information concerning individual funds, including:

- A. Excess of expenditures over appropriations.
- B. Receivables and payables from interfund transactions as of June 30, 2021, with funds which interfund transactions.
- C. Deficit fund balance of individual funds.

The Academy for Technology and the Classics:

- A. Excess of expenditures over budgeted appropriations: None
- B. Receivables and payables from interfund transactions as of June 30, 2021 are listed below. Funds which interfund transactions were affected or created due to cash overdrafts are represented: None
- C. There are no funds reporting a deficit fund balance at June 30, 2021.

G. Change in Fund Type as a Result of Applying GASB 84, *Fiduciary Activities*, and Related Restatement to Custodial Fund

The Charter applied GASB 84, *Fiduciary Activities*, on July 1, 2020. This accounting standard required the Charter to analyse all of its activity funds and determine if they should be classified as a fiduciary fund type – custodial fund or a governmental fund type - special revenue fund. The Charter applied the criteria in GASB 84 to its activity funds and determined that all its activity funds should be reported as one special revenue fund. Accordingly, these financial statements present all the Charter’s activity funds in a fiduciary fund type – custodial fund.

As per the criteria of GASB 84, the previously reported fiduciary fund type - agency fund was transferred to a fiduciary fund type – custodial fund effective June 30, 2020. There was no restatement of fund balance to the previously reported agency fund as agency funds do not report fund balances. As a result of the transfer, the custodial fund’s beginning fund balance was restated to present the \$91,055 transfer in of activity funds from the previously reported agency fund.

An aerial night photograph of a football stadium. The field is illuminated by bright lights, and the word 'DEMONS' is painted in large white letters on the grass. The stands are filled with spectators, and the sky is a deep blue. The stadium's architecture, including the goalposts and end zones, is visible.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN
LAST 10 FISCAL YEARS* (UNAUDITED)

Fiscal Year Measurement Date	2021 2020	2020 2019	2019 2018	2018 2017	2017 2016	2016 2015	2015 2014
District's proportion of the net pension liability	2.70017%	2.63747%	2.62848%	2.62437%	2.68673%	2.63247%	2.49363%
District's proportionate share of the net pension liability	\$ 547,213,477	\$ 199,849,080	\$ 312,561,256	\$ 291,658,526	\$ 193,348,739	\$ 170,512,077	\$ 142,279,821
District's covered employee payroll	\$ 85,161,280	\$ 86,192,338	\$ 77,096,798	\$ 73,444,754	\$ 74,686,466	\$ 71,874,864	\$ 68,733,558
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	643%	232%	405%	397%	259%	237%	207%
Plan fiduciary net position as a percentage of total pension liability	39.11%	64.13%	52.17%	52.95%	61.58%	63.97%	66.54%

* Governmental Accounting Standards Board Statement No. 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the District is not available prior to fiscal year 2015, the year the statement's requirements became effective.

See Notes to Required Supplementary Information.

**SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS – EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN
LAST 10 FISCAL YEARS* (UNAUDITED)**

	June 30,						
	2021	2020	2019	2018	2017	2016	2015
Statutory required contributions	\$ 12,071,888	\$ 12,202,983	\$ 10,720,340	\$ 10,209,684	\$ 10,381,419	\$ 10,655,553	\$ 10,401,683
Contributions in relation to contractually required contributions	\$ 12,071,888	\$ 12,202,983	\$ 10,720,340	\$ 10,209,684	\$ 10,381,419	\$ 10,655,553	\$ 10,401,683
Annual contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

*Governmental Accounting Standards Board Statement No. 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the District is not available prior to fiscal year 2015, the year the statement's requirements became effective.

See Notes to Required Supplementary Information.

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY – RETIREE HEALTH CARE AUTHORITY (RHCA) OPEB PLAN
LAST 10 FISCAL YEARS* (UNAUDITED)**

	Fiscal Year Measurement Date	2021 2020	2020 2019	2019 2018	2018 2017
District's proportion of the net OPEB liability		1.78754%	1.72861%	1.70749%	1.74188%
District's proportionate share of the net OPEB liability		\$ 75,057,160	\$ 56,048,256	\$ 74,247,724	\$ 78,936,306
District's covered-employee payroll		\$ 84,161,181	\$ 72,133,662	\$ 73,261,852	\$ 72,560,578
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll		97.69%	77.70%	101.35%	108.79%
Plan fiduciary net position as a percentage of the total pension liability		16.50%	18.92%	13.14%	11.34%

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District will present information for available years.

See Notes to Required Supplementary Information.

**SCHEDULE OF THE DISTRICT'S RETIREE HEALTH CARE CONTRIBUTIONS – RETIREE HEALTH CARE
 AUTHORITY (RHCA) OPEB PLAN
 LAST 10 FISCAL YEARS* (UNAUDITED)**

	June 30,			
	2021	2020	2019	2018
Contractually required contribution	\$ 1,682,421	\$ 1,530,103	\$ 2,668,239	\$ 5,531,287
Contributions in relation to the contractually required contribution	<u>\$ 1,682,421</u>	<u>\$ 1,530,103</u>	<u>\$ 2,635,660</u>	<u>\$ 2,776,090</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,579</u>	<u>\$ 2,755,197</u>
Employer's covered-employee payroll	\$ 84,161,181	\$ 72,133,662	\$ 73,261,852	\$ 72,560,578
Contributions as a percentage of covered-employee payroll	2.00%	2.12%	3.60%	3.83%

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District will present information for available years.

See Notes to Required Supplementary Information.

Notes to Required Supplementary Information (Unaudited)

JUNE 30, 2021

ERB PLAN

Changes in benefit provisions. There were no modifications to the benefit provisions that were reflected in the actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020.

Changes in assumptions and methods. Actuarial assumptions and methods are set by the Board of Trustee upon recommendations made by the Plan's actuary. The Board adopted new assumptions on April 21, 2020 in conjunction with the six-year actuarial experience study period ending June 30, 2019. At that time, the Board adopted a number of economic assumption changes, including a decrease in the inflation assumption from 2.50% to 2.30%. The 0.20% decrease in the inflation assumption also led to decreases in the nominal investment return assumption from 7.25% to 7.00% and the assumed annual wage inflation rate from 3.25% to 3.00%. These new assumptions are reflected as changes in assumptions along with the change in single discount rate between June 30, 2019 and June 30, 2020.

RHCA Plan

Changes in benefit provisions. There were no modifications to the benefit provisions that were reflected in the actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020.

Changes in assumptions and methods. In the June 30, 2019 actuarial valuation (rolled forward to the measurement date of June 30, 2020), changes in assumptions and differences between expected and actual experience include adjustments resulting from a decrease in the discount rate from 4.16% to 2.86%, changes in medical carrier election assumptions based on recent enrollment, and updated Medicare Advantage trends to reflect 2020 and 2021 premiums.

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SUPPLEMENTARY INFORMATION

JAG JARAMILLO
ACCOUNTING
GROUP

CREATING CLARITY FROM COMPLEXITY

**COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	Special Revenue	Capital Projects	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 5,486,636	\$ 305,659	\$ 5,792,295
Investments	-	3,000,000	3,000,000
Receivables			
Taxes	-	501,673	501,673
Due from other governments	7,459,502	124,327	7,583,829
Interfund receivables	125,518	7,000,000	7,125,518
Other receivables	-	-	-
Prepaid expenditures	-	-	-
Inventory	-	-	-
Total current assets	<u>\$ 13,071,656</u>	<u>\$ 10,931,659</u>	<u>\$ 24,003,315</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
LIABILITIES			
Current liabilities			
Accounts payable	\$ 21,215	\$ 412,533	\$ 433,748
Cash overdraft	-	-	-
Due to government	-	-	-
Accrued payroll liabilities	682,795	13	682,808
Interfund payables	6,962,624	2,767,547	9,730,171
Total current liabilities	<u>7,666,634</u>	<u>3,180,093</u>	<u>10,846,727</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes	-	251,462	251,462
FUND BALANCES			
Nonspendable	-	-	-
Restricted	5,574,902	7,827,753	13,402,655
Committed	-	-	-
Assigned	-	-	-
Unassigned	(169,880)	(327,649)	(497,529)
Total fund balances	<u>5,405,022</u>	<u>7,500,104</u>	<u>12,905,126</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 13,071,656</u>	<u>\$ 10,931,659</u>	<u>\$ 24,003,315</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NON-MAJOR
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue	Capital Projects	Total
REVENUES			
Property taxes	\$ -	\$ 8,655,422	\$ 8,655,422
State grants	3,146,172	910,066	4,056,238
Federal grants	17,821,904	-	17,821,904
Charges for services	906,665	-	906,665
Miscellaneous	522,642	1,470	524,112
Interest	150,422	127	150,549
Total revenues	<u>22,547,805</u>	<u>9,567,085</u>	<u>32,114,890</u>
EXPENDITURES			
Current			
Instruction	6,975,284	-	6,975,284
Support services			
Students	4,966,261	-	4,966,261
Instruction	1,716,925	-	1,716,925
General administration	887,105	86,597	973,702
School administration	262,481	-	262,481
Central services	-	-	-
Operation & maintenance of plant	211,330	-	211,330
Student transportation	2,630,007	-	2,630,007
Other support services	301,063	-	301,063
Food services operations	4,321,003	-	4,321,003
Community service	49,527	-	49,527
Capital outlay	-	10,073,945	10,073,945
Debt service			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>22,320,986</u>	<u>10,160,542</u>	<u>32,481,528</u>
Excess of revenues over expenditures	<u>226,819</u>	<u>(593,457)</u>	<u>(366,638)</u>
Other financing sources (uses)			
Operating transfers	-	-	-
Proceeds from loans and bonds	-	-	-
Bond issuance premiums	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	226,819	(593,457)	(366,638)
Fund balances, beginning of year	3,934,077	8,093,561	12,027,638
Restatement	1,244,126	-	1,244,126
Fund balances, beginning of year, as restated	<u>5,178,203</u>	<u>8,093,561</u>	<u>13,271,764</u>
Fund balances, end of year	<u>\$ 5,405,022</u>	<u>\$ 7,500,104</u>	<u>\$ 12,905,126</u>

See Accompanying Notes.

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Santa Fe Public Schools
Striving for Excellence



**NONMAJOR
SPECIAL
REVENUE
FUNDS**



JAG JARAMILLO
ACCOUNTING
GROUP

CREATING CLARITY FROM COMPLEXITY

Non-Major Special Revenue Funds

JUNE 30, 2021

The Special Revenue Funds are used to account for Federal, State and Local funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks. Grants accounted for in the Special Revenue Funds include:

Food Services (21000) – This fund is used to account for the cost of operating a student breakfast, lunch, snack bar and summer lunch program and is financed with federal grants and fees paid by program users.

Athletics (22000) – This fund is used to account for fees generated at athletic activities throughout the School District. The gate receipts are obtained from the general public and are expended in this fund. The authority for creation of this fund is 6.20.2 NMAC.

Entitlement IDEA-B (24106) – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611- 620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100,639, and 101-476, 20 U.S.C. 1411-1420.

Preschool IDEA-B (24109) – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105-17.

Education of Homeless (24113) – To ensure that homeless children and youth have equal access to the same free, appropriate public education as other children; to provide activities for and services to ensure that these children enroll in, attend, and achieve success in school; to establish or designate an office in each State educational agency (SEA) for the coordination of education for homeless children and youth; to develop and implement programs for school personnel to heighten awareness of specific problems of homeless children and youth; and to provide grants to local educational agencies (LEAs). Authorized by McKinney-Vento Homeless Assistance Act, Title VII, Subtitle B.

IDEA-B Private School Share (24115) - A proportionate allocation subtracted from the total IDEA-B Entitlement (24106) award to the Private school students with disabilities.

21st Century Community Learning Centers 2008-2014 (24119) – To provide assistance for graduates in achieving jobs in their field of education. Authority: Carl D. Perkins Vocational and Technical Education Act of 1998, Title I; Workforce Investment Act, Section 503.

IDEA-B Results Plan (24132) – Federal award to support school improvement with focus on students with disabilities in grades K-3.

English Language Acquisition (24153) – To provide funds to improve the educational performance of limited English proficient students by assisting the children to learn English and meet State academic content standards.

Teacher/Principal Training & Recruiting (24154) – To improve the skills of teachers and the quality of instruction in mathematics and science, and also to increase the accessibility of such instruction to all students.

(24174 – Secondary Current) (24176 – Secondary Redistribution) – The objective of this grant is to provide secondary and post-secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Department of Education. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

Title I Student Support & Academic Enrichment Program (24189) – To account for funds used to improve student’s academic achievement by increasing the capacity of States, local educational agencies (LEAs), schools and local communities to: (1) provide all students with access to a well-rounded education; (2) improve school conditions for student learning; and (3) improve the use of technology in order to improve the academic achievement and digital literacy for all students. Authorized by Section 4101 of the Elementary and Secondary Education Act.

Title I Comprehensive Support & Improvement (24190) – This fund is under the Title I umbrella and is based on Century High Schools designation as a CSI school. Awarding Agency US Department of Education.

Title I Direct Student Services (24193) – Sec. 1003A (a)(1)(A) of the Elementary and Secondary Education Act (ESEA), as amended by the Every Student Succeeds Act of 2015 (ESSA), allows states to set-aside three percent of their Title I allocation to carry out a program of Direct Student Services (DSS).

CLSD Grants (24194) – Used to improve literacy skill of preschool and increase percentage of elementary, middle, and high school students to meet NM standards, birth to grad 12. Awarding agency – US Dept. of Ed.

Johnson O’Malley (25131) – To account for revenues and expenditures funded by the Department of Interior, Bureau of Indian Affairs, through the Navajo Tribe provided to supplement programs in special education and other special needs for New Mexico public schools where eligible Indian children are enrolled. The fund was created by the authority of federal grant provisions. (PL 103-382).

XIX Medicaid (25153) – To account for a program providing school-based screening, diagnostic services, and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. Authority for creation of this fund is the Public Education Department.

Santa Fe Underage Drinking Alliance (25181) – The Drug-Free Communities Support Program is a collaborative effort between the Office of Nation Drug Control Policy and the Substance Abuse and Mental Health Services Administration. Grant awards are issued to community coalitions through an interagency agreement with SAMHSA. The purpose of DFC funding is to address two major goals: 1) establish and strengthen collaboration among communities, public and private non-profit agencies, and Federal, State, Local and Tribal governments to support the efforts of community coalitions, and 2) reduce substance abuse among youth and over time young adults.

Indian Education Formula Grant (25184) – To make grants to State, Territories, Tribes and tribal organizations serving federally-recognized tribes (public institutions of higher education and hospitals are not eligible applicants) for child care assistance for low-income families and to: 1) allow each State maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within such State; 2) promote parental choice to empower working parents to make their own decisions on the child care that best suits their families’ needs; 3) encourage States to provide consumer education information to help parents make informed choices about child care; 4) assist States to provide child care to parents trying to achieve independence from public assistance; and 5) assist States in implementing the health, safety, licensing and registration standards established in State regulations.

ROTC (25200) – To provide financial assistance to school districts to reimburse a portion of the salaries paid to R.O.T.C. instructors. The funding is provided by the U.S. Marine Corps.

GEAR UP (25205) – Gear Up New Mexico funds will support successful high school graduation and post-secondary attendance.

Safe Drug Free School/Community (25243) - PL 107-110 Safe & Drug Free Schools & Communities Act of ESEA, as amended by NCLB Program Title: Safe and Drug-Free Schools and Communities- National Programs.

LANL Foundation (26113) – Educational enrichment grant received from Los Alamos National Laboratory.

PNM Foundation Grant (26123) – To account for PNM funding supporting various grant requests. These are small classroom projects proposed by individual teachers within the district.

Dual Credit Instructional Materials (27103) – A one-time appropriation for school year 2009-2011 for dual credit materials for fall and spring semesters.

2012 G.O. Bond Student Library Fund (SB 66) (27107) – Funds used to purchase books, supplies and other media for school libraries. Laws of 2012. This fund replaced 27106.

Instructional Materials Special Appropriation (27109) - Intended specifically for the purchase of instructional materials to make up for the shortfall in past appropriations.

Community Schools Planning & Improvement Grants (27126 & 27127) – To account for grant funds awarded by NMPED for community school initiatives, which shall be used to establish, operate, and sustain the community school framework pursuant to Section [22-32-4, NMSA 1978](#).

Feminine Hygiene Products (27130) - State appropriated funding for feminine hygiene products were allocated through the 2019 legislative session. To be used specifically for the purchase of feminine products. Funding Agency: NM Public Education Department, Special Appropriation Fund.

Truancy Initiative PED (27141) – To hire Truancy and Dropout Prevention Coaches with appropriate state licensure. The coaches will monitor and report on the performance of each school assigned a coach. The reporting will include information about truancy and dropout statistics, as well as documentation about various events and programming provided by the school as related to truancy and dropout prevention.

Pre-K Initiative (27149) – To provide high quality Pre-K services that align to NM Pre-K standards to underserved 4-year-olds in the District. To expand early childhood educational capacity so that all families of 4-year-olds in the district who want to enroll their child in a high-quality Pre-K program can do regardless of income or ethnicity.

Indian Education Act (27150) – To account for funds to help support the educational reform initiatives outlined in the District’s Educational Plan for Student Success (EPSS). The grant expenditures must support how the identified EPSS focus areas/ activities/ strategies will be deployed for addressing the needs of American Indian students to ensure improved academic performance and closing of the achievement gap.

K-5 Plus Transportation (27152) – All funds are solely for expenditures incurred for transporting students to K-5 plus programs during the summer of 2019. Funding was made available through an appropriation contained in the Laws of 2019, Chapter 271, Section 4, Subsection K, Public School Support, paragraph 2 HB 2.

Extended Learning Transportation (27153) – All funds are solely for expenditures incurred for transporting students to Extended Learning time program. Funding was made available through an appropriation contained in the Laws of 2019, Chapter 271, Section 4, Subsection K, Public School Support, paragraph 2 HB 2.

Breakfast for Elementary Students (27155) – The 2005 Legislative General Appropriations Act allocated \$475,000 to implement Breakfast in the Classroom for elementary schools in need of improvement based on 2004-2005 AYP designation.

Kindergarten – Three Plus (27166) – The funding is part of a pilot project for Kindergarten through third grade students at both Ann Parish Elementary and Desert View Elementary. Funds are used for teachers, educational assistants, nurses, an academic coach, and PE coach at both schools. HB 198 Laws 2007 Parkinson/Paolillo.

2013 School Bus (27178) – Appropriation to purchase school buses statewide. Laws of 2013 SB60 Section 53.

NM Grown Fruits and Vegetables (27183) – Funds under this award are to be used to purchase locally grown New Mexico fresh fruits and vegetables, to be made available at no charge to students. 2013 HB2 Special Appropriation, Section 5, Page 217.

K-3 Plus 4&5 Pilot (27198) – Provides funding for additional educational time for students in the kindergarten through fifth grade with at least 25 instructional days, beginning up to two months earlier than the regular school year.

Indigenous Education Initiatives (27199) – to account for funds awarded by NMPED for improving academic and cultural achievement opportunities in alignment with the requirements of the Indian Education Act. Grants will be made available to tribal departments of education and local education agencies (LEAs) and charter schools serving significant numbers of Native American students for purposes that align with New Mexico’s Indian Education Act (NMSA 1978 Section 22-23A-1 through 22-23A-8)

Career Tech Ed (Pilot) (27502) – Subaward for Next Gen CTE funding to be spent per application. Funding Agency- NM Public Education Dept, Special Appropriation fund, Career Technical. Education Pilot, NM Laws 2019, Section IV, Item (b); Section V, Item (103).

ASSIST Tobacco DOH (28122) – To account for monies received from the State of New Mexico to be used for the implementation of prevention and intervention programs for student use of tobacco, including professional development for teachers.

Sub Abuse Ed/ Prev DOH (28142) – To account for revenues received for the implementation of innovative and accessible school-based programs which effectively address the mental health and substance abuse needs of high-risk children, youth, and their families. Authority: NMSA Section 29-17-2.

NM Grads Childcare (28189) – Program to provide licensed childcare services for parenting teens, as described in the GRADS “Scope of Work” with the New Mexico Public Education Department for the well-being of children born to Parenting Teen Families. Authority for creating this fund are the Laws of 2014.

NM Grads Instructional (28190) – Program to provide summer case management for parenting teens, as described in the GRADS “Scope of Work” with the New Mexico Public Education Department for the well-being of children born to Parenting Teen Families. Authority for creating this fund are the Laws of 2014.

State Underage Drinking Prevention – Department of Transportation (28196) – State of New Mexico, New Mexico Department of Transportation, Programs Division, Traffic Safety Division. Purpose: to fund activities to reduce DWI, which are of permanent direct benefit to traffic safety in New Mexico. Funding for this underage

drinking prevention program is from state funds authorized by NMSA 66-5-35 “limited driving privilege upon suspension or revocation” which includes a \$45 interlock fee collected and transferred to the Department to be used for DWI prevention and education programs for elementary and secondary school students.

Energy Minerals and Natural Resources Grant (28197) – New Mexico Finance Authority Energy Efficiency and Renewable Energy Bonds (Santa Fe Public School District), Series 2016A for the purpose of providing funds for the construction of PV Solar Array Systems at Santa Fe High School and Ramirez Thomas Elementary School.

Grads Plus (28203) – Program to provide GRADS PLUS: Making Connections for Success model services at Capital and Santa Fe High School. Authority for creation of this fund are the Laws of 2014.

Private Dir Grants (Categorical) (29102) – To account for local grants awarded to provide additional funding for specific projects. AEL was awarded to provide training for the LLHS Administration. Milken was used for beautification purposes at a school site.

City/County Grant (29107) – To provide support for a health education program within the school and to provide workbooks, materials for educational demonstrations and funds to support nutrition-focused event for the school.

McCune Charitable Foundation (29114) – Santa Fe Public School E-STEM Program - Preparing Today’s Students for Tomorrow’s Challenges. Energy and Water Conservation Program.

**COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021**

	Food Services 21000	Athletics 22000	Non Instructional Support 23000	IDEA-B Entitlement 24106
ASSETS				
Current assets				
Cash and cash equivalents	\$ 674,237	\$ 67,106	\$ 1,466,543	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	63,603	-	-	317,598
Interfund receivables	33,722	12,955	78,841	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	<u>\$ 771,562</u>	<u>\$ 80,061</u>	<u>\$ 1,545,384</u>	<u>\$ 317,598</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 11,775	\$ 737	\$ (2,022)	\$ 3,896
Due to government	-	-	-	-
Accrued payroll liabilities	45,048	-	5,690	72,840
Interfund payables	7,137	-	36,057	243,533
Total current liabilities	<u>63,960</u>	<u>737</u>	<u>39,725</u>	<u>320,269</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	707,602	79,324	1,505,659	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(2,671)
Total fund balances	<u>707,602</u>	<u>79,324</u>	<u>1,505,659</u>	<u>(2,671)</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 771,562</u>	<u>\$ 80,061</u>	<u>\$ 1,545,384</u>	<u>\$ 317,598</u>

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	IDEA-B Preschool 24109	Education of Homeless 24113	IDEA-B Private School 24115	21st Century Community Learning Centers 24119
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	3,445	3,300	2,800	184,389
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	\$ 3,445	\$ 3,300	\$ 2,800	\$ 184,389
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	1,381	-	-
Interfund payables	5,221	1,545	4,200	183,919
Total current liabilities	5,221	2,926	4,200	183,919
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	374	-	470
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(1,776)	-	(1,400)	-
Total fund balances	(1,776)	374	(1,400)	470
Total liabilities, deferred inflows and fund balances	\$ 3,445	\$ 3,300	\$ 2,800	\$ 184,389

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	Title I - 1003g Grant 24124	IDEA-B Results Plan 24132	Charter Schools 24146	English Language Acquisition 24153
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	45,397	-	14,608	34,967
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	\$ 45,397	\$ -	\$ 14,608	\$ 34,967
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 51
Due to government	-	-	-	-
Accrued payroll liabilities	45,397	-	-	6,405
Interfund payables	45,396	-	14,608	28,511
Total current liabilities	90,793	-	14,608	34,967
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(45,396)	-	-	-
Total fund balances	(45,396)	-	-	-
Total liabilities, deferred inflows and fund balances	\$ 45,397	\$ -	\$ 14,608	\$ 34,967

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	Teacher/Principal Training & Recruiting 24154	Carl D. Perkins Secondary Current 24174	Carl D. Perkins Secondary Redistribution 24176	USDA 2010 Equipment Assistance Program 24183
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ 3,967	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	213,248	1,311	-	-
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	<u>\$ 213,248</u>	<u>\$ 5,278</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	12,805	5,278	-	-
Interfund payables	213,282	-	-	19,000
Total current liabilities	<u>226,087</u>	<u>5,278</u>	<u>-</u>	<u>19,000</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(12,839)	-	-	(19,000)
Total fund balances	<u>(12,839)</u>	<u>-</u>	<u>-</u>	<u>(19,000)</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 213,248</u>	<u>\$ 5,278</u>	<u>\$ -</u>	<u>\$ -</u>

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	Title I Student Support and Academic Enrichment <u>24189</u>	Title I Comprehensive Support & Improvement <u>24190</u>	Title I Direct Student Services <u>24193</u>	CLSD Grants <u>24194</u>
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 1,218
Receivables				
Taxes	-	-	-	-
Due from other governments	38,774	43,143	-	12,120
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	<u>\$ 38,774</u>	<u>\$ 43,143</u>	<u>\$ -</u>	<u>\$ 13,338</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	10,783	8,807	-	13,338
Interfund payables	27,991	34,336	-	-
Total current liabilities	<u>38,774</u>	<u>43,143</u>	<u>-</u>	<u>13,338</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 38,774</u>	<u>\$ 43,143</u>	<u>\$ -</u>	<u>\$ 13,338</u>

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	ESSER I 24301	Governor's Emergency Education Relief Fund (GEERF) 24305	ESSER I / GEER - HEPA Filters 24306	CRRSA, ESSER II 24308
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	620,096	2,704	-	4,301,457
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	<u>\$ 620,096</u>	<u>\$ 2,704</u>	<u>\$ -</u>	<u>\$ 4,301,457</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	187,192	-	-	-
Interfund payables	432,904	2,704	-	4,301,457
Total current liabilities	<u>620,096</u>	<u>2,704</u>	<u>-</u>	<u>4,301,457</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 620,096</u>	<u>\$ 2,704</u>	<u>\$ -</u>	<u>\$ 4,301,457</u>

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	CRRSA Retention Stipends 24312	Johnson O'Malley 25131	Title XIX Medicaid 3/21 Years 25153	Santa Fe Underage Drinking Alliance 25181
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ 2,106,586	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	22,440	13,974	23,725	25,562
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	\$ 22,440	\$ 13,974	\$ 2,130,311	\$ 25,562
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ 4,907	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	(34)	-	63,151	2,074
Interfund payables	22,367	13,974	-	23,488
Total current liabilities	22,333	13,974	68,058	25,562
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	107	-	2,062,253	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	107	-	2,062,253	-
Total liabilities, deferred inflows and fund balances	\$ 22,440	\$ 13,974	\$ 2,130,311	\$ 25,562

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	Indian Education Formula Grant 25184	ROTC 25200	GEAR UP 25205	Safe Drug Free School Comm 25243
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ 36,525	\$ -	\$ 143
Receivables				
Taxes	-	-	-	-
Due from other governments	35,398	-	352,919	-
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	\$ 35,398	\$ 36,525	\$ 352,919	\$ 143
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	(130)	-	-	-
Interfund payables	35,528	-	352,917	-
Total current liabilities	35,398	-	352,917	-
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	36,525	2	143
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	36,525	2	143
Total liabilities, deferred inflows and fund balances	\$ 35,398	\$ 36,525	\$ 352,919	\$ 143

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2021

	LANL Foundation 26113	PNM Foundation, Inc. 26123	Dual Credit Instructional Materials/HB2 27103	2012 GO Bonds Student Library SB-66 27107
ASSETS				
Current assets				
Cash and cash equivalents	\$ 657,830	\$ 10,000	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	-	-	-	-
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	\$ 657,830	\$ 10,000	\$ -	\$ -
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	-	-	-	-
Total current liabilities	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	657,830	10,000	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	657,830	10,000	-	-
Total liabilities, deferred inflows and fund balances	\$ 657,830	\$ 10,000	\$ -	\$ -

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	Instructional Materials Special Appr. 27109	NM Reads to Lead K-3 Reading Initiative 27114	Community Schools Planning Grant 27126	Community Schools Impn Grant 27127
ASSETS				
Current assets				
Cash and cash equivalents	\$ 34,099	\$ -	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	-	-	-	57,933
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	\$ 34,099	\$ -	\$ -	\$ 57,933
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	(94)	-	4,065
Interfund payables	-	94	-	53,868
Total current liabilities	-	-	-	57,933
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	34,099	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	34,099	-	-	-
Total liabilities, deferred inflows and fund balances	\$ 34,099	\$ -	\$ -	\$ 57,933

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	Feminine Hygiene Products 27130	STEM Professional Development 27135	Truancy Initiative PED 27141	Pre K Initiative 27149
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	-	-	-	730,256
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	\$ -	\$ -	\$ -	\$ 730,256
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 128
Due to government	-	-	-	-
Accrued payroll liabilities	-	-	(150)	163,970
Interfund payables	-	22,189	150	565,945
Total current liabilities	-	22,189	-	730,043
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	213
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	(22,189)	-	-
Total fund balances	-	(22,189)	-	213
Total liabilities, deferred inflows and fund balances	\$ -	\$ -	\$ -	\$ 730,256

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	Indian Educational Act 27150	K-5 Plus Transportation 27152	Extended Learning Transportation 27153	Breakfast for Elementary Students 27155
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ 16,353	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	17,538	-	-	-
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	\$ 17,538	\$ -	\$ 16,353	\$ -
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	3,180	-	-	-
Interfund payables	14,358	-	-	-
Total current liabilities	17,538	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	16,353	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	-	16,353	-
Total liabilities, deferred inflows and fund balances	\$ 17,538	\$ -	\$ 16,353	\$ -

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	Kindergarten - Three Plus 27166	School Bus Replacement 27178	NM Grown FVV 27183	K3 Plus 4&5 Pilot 27198
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 1
Receivables				
Taxes	-	-	-	-
Due from other governments	-	-	-	-
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	\$ -	\$ -	\$ -	\$ 1
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	18,807	-	-	14,126
Total current liabilities	18,807	-	-	14,126
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(18,807)	-	-	(14,125)
Total fund balances	(18,807)	-	-	(14,125)
Total liabilities, deferred inflows and fund balances	\$ -	\$ -	\$ -	\$ 1

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	Indigenous Education Initiatives 27199	Career Technical Education (Pilot) 27502	ASSIST Tobacco DOH 28122	Substance Abuse Ed/Prev DOH 28142
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ 102,474	\$ 27,950
Receivables				
Taxes	-	-	-	-
Due from other governments	80,323	21,784	-	-
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	<u>\$ 80,323</u>	<u>\$ 21,784</u>	<u>\$ 102,474</u>	<u>\$ 27,950</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	6,470	-	(177)	-
Interfund payables	73,853	21,784	-	-
Total current liabilities	<u>80,323</u>	<u>21,784</u>	<u>(177)</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	102,651	27,950
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>102,651</u>	<u>27,950</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 80,323</u>	<u>\$ 21,784</u>	<u>\$ 102,474</u>	<u>\$ 27,950</u>

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	GRADS - Child Care 28189	GRADS - Instruction 28190	State Underage Drinking Prevention DOT 28196	Energy Minerals and Nat Resources Grant 28197
ASSETS				
Current assets				
Cash and cash equivalents	\$ 7	\$ 4,735	\$ 3,875	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	-	56,527	-	-
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	<u>\$ 7</u>	<u>\$ 61,262</u>	<u>\$ 3,875</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ 95	\$ -	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	3,644	-	-
Interfund payables	-	-	-	14,280
Total current liabilities	<u>-</u>	<u>3,739</u>	<u>-</u>	<u>14,280</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	7	57,523	3,875	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(14,280)
Total fund balances	<u>7</u>	<u>57,523</u>	<u>3,875</u>	<u>(14,280)</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 7</u>	<u>\$ 61,262</u>	<u>\$ 3,875</u>	<u>\$ -</u>

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	GRADS Plus 28203	Private Dir Grants (Categorical) 29102	City/County Grants 29107	McCune Charitable Foundation 29114
ASSETS				
Current assets				
Cash and cash equivalents	\$ 8,708	\$ 264,279	\$ -	\$ -
Receivables				
Taxes	-	-	-	-
Due from other governments	-	-	118,163	-
Interfund receivables	-	-	-	-
Other receivables	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	<u>\$ 8,708</u>	<u>\$ 264,279</u>	<u>\$ 118,163</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ 1,648	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	1,347	21,333	(818)
Interfund payables	-	-	112,579	516
Total current liabilities	<u>-</u>	<u>1,347</u>	<u>135,560</u>	<u>(302)</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	8,708	262,932	-	302
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	(17,397)	-
Total fund balances	<u>8,708</u>	<u>262,932</u>	<u>(17,397)</u>	<u>302</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 8,708</u>	<u>\$ 264,279</u>	<u>\$ 118,163</u>	<u>\$ -</u>

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	<u>Total</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 5,486,636
Receivables	
Taxes	-
Due from other governments	7,459,502
Interfund receivables	125,518
Other receivables	-
Prepaid expenditures	-
Inventory	-
Total current assets	<u>\$ 13,071,656</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	
LIABILITIES	
Current liabilities	
Accounts payable	\$ 21,215
Due to government	-
Accrued payroll liabilities	682,795
Interfund payables	6,962,624
Total current liabilities	<u>7,666,634</u>
DEFERRED INFLOWS OF RESOURCES	
Property taxes	-
FUND BALANCES	
Nonspendable	-
Restricted	5,574,902
Committed	-
Assigned	-
Unassigned	(169,880)
Total fund balances	<u>5,405,022</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 13,071,656</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Food Services 21000	Athletics 22000	Non Instructional Support 23000	IDEA-B Entitlement 24106
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	213,431	-	-	-
Federal grants	1,738,517	-	-	2,909,358
Charges for services	14,435	44,262	845,413	-
Miscellaneous	-	-	711	-
Interest	109,587	-	40,835	-
Total revenues	<u>2,075,970</u>	<u>44,262</u>	<u>886,959</u>	<u>2,909,358</u>
EXPENDITURES				
Current				
Instruction	-	42,531	458,867	534,409
Support services				
Students	-	-	93,437	2,239,239
Instruction	-	-	4,813	10,460
General administration	-	-	28,400	88,264
School administration	-	-	-	-
Other support services	-	-	-	-
Central services	-	-	2,666	39,657
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	32,244	-
Food services operations	2,478,370	-	-	-
Community service	-	-	4,999	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>2,478,370</u>	<u>42,531</u>	<u>625,426</u>	<u>2,912,029</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(402,400)</u>	<u>1,731</u>	<u>261,533</u>	<u>(2,671)</u>
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>(402,400)</u>	<u>1,731</u>	<u>261,533</u>	<u>(2,671)</u>
Fund balances, beginning of year	1,110,002	77,593	-	-
Restatement	-	-	1,244,126	-
Fund balances, beginning of year, as restated	<u>1,110,002</u>	<u>77,593</u>	<u>1,244,126</u>	<u>-</u>
Fund balances, end of year	<u>\$ 707,602</u>	<u>\$ 79,324</u>	<u>\$ 1,505,659</u>	<u>\$ (2,671)</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	IDEA-B Preschool 24109	Education of Homeless 24113	IDEA-B Private School 24115	21st Century Community Learning Centers 24119
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	39,553	52,071	32,178	1,039,149
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	39,553	52,071	32,178	1,039,149
EXPENDITURES				
Current				
Instruction	-	2,479	-	790,441
Support services				
Students	40,073	49,218	33,578	67,549
Instruction	-	-	-	-
General administration	1,256	-	-	43,228
School administration	-	-	-	122,880
Other support services	-	-	-	-
Central services	-	-	-	14,000
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	581
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	41,329	51,697	33,578	1,038,679
Excess (deficiency) of revenues over (under) expenditures	(1,776)	374	(1,400)	470
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	(1,776)	374	(1,400)	470
Fund balances, beginning of year	-	-	-	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	-	-	-	-
Fund balances, end of year	\$ (1,776)	\$ 374	\$ (1,400)	\$ 470

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	Title I - 1003g Grant 24124	IDEA-B Results Plan 24132	Charter Schools 24146	English Language Acquisition 24153
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	71,313	-	14,608	204,306
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	71,313	-	14,608	204,306
EXPENDITURES				
Current				
Instruction	10,229	-	-	89,572
Support services				
Students	11,842	-	-	-
Instruction	69,978	-	-	108,533
General administration	-	-	444	6,201
School administration	-	-	-	-
Other support services	-	-	-	-
Central services	-	-	14,164	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community service	24,660	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	116,709	-	14,608	204,306
Excess (deficiency) of revenues over (under) expenditures	(45,396)	-	-	-
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	(45,396)	-	-	-
Fund balances, beginning of year	-	-	-	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	-	-	-	-
Fund balances, end of year	\$ (45,396)	\$ -	\$ -	\$ -

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

JUNE 30, 2021

	Teacher/Principal Training & Recruiting 24154	Carl D. Perkins Secondary Current 24174	Carl D. Perkins Secondary Redistribution 24176	USDA 2010 Equipment Assistance Program 24183
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	630,331	115,830	13,237	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	630,331	115,830	13,237	-
EXPENDITURES				
Current				
Instruction	431,959	107,161	12,835	-
Support services				
Students	-	-	-	-
Instruction	179,081	-	-	-
General administration	19,518	3,081	402	-
School administration	-	-	-	-
Other support services	-	-	-	-
Central services	12,612	5,588	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	19,000
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	643,170	115,830	13,237	19,000
Excess (deficiency) of revenues over (under) expenditures	(12,839)	-	-	(19,000)
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	(12,839)	-	-	(19,000)
Fund balances, beginning of year	-	-	-	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	-	-	-	-
Fund balances, end of year	\$ (12,839)	\$ -	\$ -	\$ (19,000)

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	Title I Student Support and Academic Enrichment 24189	Title I Comprehensive Support & Improvement 24190	Title I Direct Student Services 24193	CLSD Grants 24194
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	246,402	145,241	-	560,906
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	246,402	145,241	-	560,906
EXPENDITURES				
Current				
Instruction	12,834	124,983	-	114,765
Support services				
Students	190,248	15,852	-	-
Instruction	35,842	-	-	446,141
General administration	7,478	4,406	-	-
School administration	-	-	-	-
Other support services	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	246,402	145,241	-	560,906
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2021

	ESSER I 24301	Governor's Emergency Education Relief Fund (GEERF) 24305	ESSER I / GEER - HEPA Filters 24306	CRRSA, ESSER II 24308
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	2,480,500	89,085	295,822	4,301,457
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	2,480,500	89,085	295,822	4,301,457
EXPENDITURES				
Current				
Instruction	321,722	86,381	-	1,123,099
Support services				
Students	81,743	-	-	174,793
Instruction	97,494	-	-	41,985
General administration	237,446	2,704	-	262,828
School administration	-	-	-	133,410
Other support services	-	-	-	-
Central services	23,709	-	8,910	53,407
Operation & maintenance of plant	13,454	-	286,912	2,315,086
Student transportation	-	-	-	97,810
Food services operations	1,704,932	-	-	99,039
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	2,480,500	89,085	295,822	4,301,457
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	CRRSA Retention Stipends 24312	Johnson O'Malley 25131	Title XIX Medicaid 3/21 Years 25153	Santa Fe Underage Drinking Alliance 25181
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	22,440	22,531	2,154,008	53,108
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	22,440	22,531	2,154,008	53,108
EXPENDITURES				
Current				
Instruction	-	15,853	8,727	-
Support services				
Students	2,400	-	1,341,185	43,028
Instruction	100	5,994	186,011	-
General administration	440	684	128,021	1,611
School administration	-	-	-	-
Other support services	-	-	-	-
Central services	400	-	18,167	8,469
Operation & maintenance of plant	11,600	-	-	-
Student transportation	600	-	-	-
Food services operations	6,793	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	22,333	22,531	1,682,111	53,108
Excess (deficiency) of revenues over (under) expenditures	107	-	471,897	-
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	107	-	471,897	-
Fund balances, beginning of year	-	-	1,590,356	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	-	-	1,590,356	-
Fund balances, end of year	\$ 107	\$ -	\$ 2,062,253	\$ -

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	Indian Education Formula Grant 25184	ROTC 25200	GEAR UP 25205	Safe Drug Free School Comm 25243
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	89,859	90,456	353,111	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>89,859</u>	<u>90,456</u>	<u>353,111</u>	<u>-</u>
EXPENDITURES				
Current				
Instruction	26,612	91,426	212,821	-
Support services				
Students	-	-	-	-
Instruction	60,520	-	130,019	-
General administration	2,727	-	10,269	-
School administration	-	-	-	-
Other support services	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>89,859</u>	<u>91,426</u>	<u>353,109</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(970)</u>	<u>2</u>	<u>-</u>
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>(970)</u>	<u>2</u>	<u>-</u>
Fund balances, beginning of year	-	37,495	-	143
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	-	37,495	-	143
Fund balances, end of year	<u>\$ -</u>	<u>\$ 36,525</u>	<u>\$ 2</u>	<u>\$ 143</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	LANL Foundation 26113	PNM Foundation, Inc. 26123	Dual Credit Instructional Materials/HB2 27103	2012 GO Bonds Student Library SB-66 27107
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Other support services	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	657,830	10,000	-	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	657,830	10,000	-	-
Fund balances, end of year	\$ 657,830	\$ 10,000	\$ -	\$ -

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2021

	Instructional Materials Special Appro. 27109	NM Reads to Lead K-3 Reading Initiative 27114	Community Schools Planning Grant 27126	Community Schools Impn Grant 27127
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	134,348
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>134,348</u>
EXPENDITURES				
Current				
Instruction	41,449	-	-	32,260
Support services				
Students	-	-	-	-
Instruction	-	-	-	76,610
General administration	-	-	-	-
School administration	-	-	-	6,191
Other support services	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	19,287
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>41,449</u>	<u>-</u>	<u>-</u>	<u>134,348</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(41,449)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>(41,449)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	75,548	-	-	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	<u>75,548</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 34,099</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	Feminine Hygiene Products 27130	STEM Professional Development 27135	Truancy Initiative PED 27141	Pre K Initiative 27149
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	2,191,973
Federal grants	-	-	-	-
Charges for services	-	-	-	65
Miscellaneous	-	-	-	46
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,192,084</u>
EXPENDITURES				
Current				
Instruction	-	22,189	-	1,979,418
Support services				
Students	-	-	-	-
Instruction	-	-	-	177,428
General administration	-	-	-	20,602
School administration	-	-	-	-
Other support services	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	2,955
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>22,189</u>	<u>-</u>	<u>2,180,403</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(22,189)</u>	<u>-</u>	<u>11,681</u>
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>(22,189)</u>	<u>-</u>	<u>11,681</u>
Fund balances, beginning of year	-	-	-	(11,468)
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	-	-	-	(11,468)
Fund balances, end of year	<u>\$ -</u>	<u>\$ (22,189)</u>	<u>\$ -</u>	<u>\$ 213</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	Indian Educational Act 27150	K-5 Plus Transportation 27152	Extended Learning Transportation 27153	Breakfast for Elementary Students 27155
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	77,230	-	-	412
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>77,230</u>	<u>-</u>	<u>-</u>	<u>412</u>
EXPENDITURES				
Current				
Instruction	-	-	-	-
Support services				
Students	80,775	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Other support services	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	412
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>80,775</u>	<u>-</u>	<u>-</u>	<u>412</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,545)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>(3,545)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	3,545	-	16,353	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	<u>3,545</u>	<u>-</u>	<u>16,353</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,353</u>	<u>\$ -</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	Kindergarten - Three Plus 27166	School Bus Replacement 27178	NM Grown FVV 27183	K3 Plus 4&5 Pilot 27198
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	(3,660)	170,409	12,457	-
Federal grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>(3,660)</u>	<u>170,409</u>	<u>12,457</u>	<u>-</u>
EXPENDITURES				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Other support services	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	170,409	-	-
Food services operations	-	-	12,457	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>170,409</u>	<u>12,457</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,660)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>(3,660)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	(15,147)	-	-	(14,125)
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	<u>(15,147)</u>	<u>-</u>	<u>-</u>	<u>(14,125)</u>
Fund balances, end of year	<u>\$ (18,807)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,125)</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	Indigenous Education Initiatives 27199	Career Technical Education (Pilot) 27502	ASSIST Tobacco DOH 28122	Substance Abuse Ed/Prev DOH 28142
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	195,567	80,890	15,800	-
Federal grants	-	-	-	-
Charges for services	-	-	231	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>195,567</u>	<u>80,890</u>	<u>16,031</u>	<u>-</u>
EXPENDITURES				
Current				
Instruction	110,164	71,309	1,114	-
Support services				
Students	-	-	3,270	-
Instruction	85,916	-	-	-
General administration	-	-	143	-
School administration	-	-	-	-
Other support services	-	-	-	-
Central services	-	9,581	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>196,080</u>	<u>80,890</u>	<u>4,527</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(513)</u>	<u>-</u>	<u>11,504</u>	<u>-</u>
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>(513)</u>	<u>-</u>	<u>11,504</u>	<u>-</u>
Fund balances, beginning of year	513	-	91,147	27,950
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	<u>513</u>	<u>-</u>	<u>91,147</u>	<u>27,950</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102,651</u>	<u>\$ 27,950</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	GRADS - Child Care 28189	GRADS - Instruction 28190	State Underage Drinking Prevention DOT 28196	Energy Minerals and Nat Resources Grant 28197
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	57,319	-	-
Federal grants	-	56,527	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>113,846</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
Instruction	-	25,801	-	-
Support services				
Students	-	26,328	-	-
Instruction	-	-	-	-
General administration	-	1,716	-	-
School administration	-	-	-	-
Other support services	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>53,845</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>60,001</u>	<u>-</u>	<u>-</u>
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>60,001</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	7	(2,478)	3,875	(14,280)
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	<u>7</u>	<u>(2,478)</u>	<u>3,875</u>	<u>(14,280)</u>
Fund balances, end of year	<u>\$ 7</u>	<u>\$ 57,523</u>	<u>\$ 3,875</u>	<u>\$ (14,280)</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	GRADS Plus 28203	Private Dir Grants (Categorical) 29102	City/County Grants 29107	McCune Charitable Foundation 29114
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	(4)	-	-	-
Federal grants	-	-	-	-
Charges for services	-	(5,080)	7,339	-
Miscellaneous	-	61,000	461,137	(252)
Interest	-	-	-	-
Total revenues	<u>(4)</u>	<u>55,920</u>	<u>468,476</u>	<u>(252)</u>
EXPENDITURES				
Current				
Instruction	(4)	55,061	16,817	-
Support services				
Students	-	24,334	447,369	-
Instruction	-	-	-	-
General administration	-	762	14,474	-
School administration	-	-	-	-
Other support services	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>(4)</u>	<u>80,157</u>	<u>478,660</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(24,237)</u>	<u>(10,184)</u>	<u>(252)</u>
Other financing sources				
Operating transfers	-	-	-	-
Proceeds from loans and bonds	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>(24,237)</u>	<u>(10,184)</u>	<u>(252)</u>
Fund balances, beginning of year	8,708	287,169	(7,213)	554
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	<u>8,708</u>	<u>287,169</u>	<u>(7,213)</u>	<u>554</u>
Fund balances, end of year	<u>\$ 8,708</u>	<u>\$ 262,932</u>	<u>\$ (17,397)</u>	<u>\$ 302</u>

See Accompanying Notes.

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Total</u>
REVENUES	
Property taxes	\$ -
State grants	3,146,172
Federal grants	17,821,904
Charges for services	906,665
Miscellaneous	522,642
Interest	<u>150,422</u>
Total revenues	<u>22,547,805</u>
EXPENDITURES	
Current	
Instruction	6,975,284
Support services	
Students	4,966,261
Instruction	1,716,925
General administration	887,105
School administration	262,481
Other support services	-
Central services	211,330
Operation & maintenance of plant	2,630,007
Student transportation	301,063
Food services operations	4,321,003
Community service	49,527
Capital outlay	-
Debt service	
Principal	-
Interest	<u>-</u>
Total expenditures	<u>22,320,986</u>
Excess (deficiency) of revenues over (under) expenditures	<u>226,819</u>
Other financing sources	
Operating transfers	-
Proceeds from loans and bonds	<u>-</u>
Total other financing sources	<u>-</u>
Net changes in fund balances	226,819
Fund balances, beginning of year	3,934,077
Restatement	<u>1,244,126</u>
Fund balances, beginning of year, as restated	<u>5,178,203</u>
Fund balances, end of year	<u>\$ 5,405,022</u>

See Accompanying Notes.

Non-Major Capital Project Funds

JUNE 30, 2021

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The District has the following separate funds classified as Capital Projects Funds:

Special Capital Outlay State (31400) – To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of upgrading the school facilities.

Capital Improvements HB-33 (31600) – To account for monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of erecting, remodeling, making additions to, providing equipment for or furnishing public school buildings, purchasing or improving public school grounds.

Capital Improvements SB-9 (31700) – To account for erecting, remodeling, making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof as identified by the local school board. Financing is provided by the State of New Mexico's State Equalization Matching and a special tax levy as authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

SB-9 State Match Cash (31703) – NM State Allocation for state match to be deposited into the school district's account for Capital Improvements. All proceeds shall be expended in accordance with the 22-25-2 NMSA 1978.

The Education Technology Equipment Act Fund (31900) – To account for proceeds of Education Technology Notes. The proceeds are restricted to the purchase of technology equipment for use in school classrooms.

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS
 JUNE 30, 2021

	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	Capital Improvements SB-9 State 31700	Capital Improvements SB-9 State 31703
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 305,659
Investments	-	3,000,000	-	-
Accounts receivable				
Taxes	-	501,673	-	-
Due from other governments	124,327	-	-	-
Interfund receivables	-	7,000,000	-	-
Other	-	-	-	-
Prepaid expenditures	-	-	-	-
Inventory	-	-	-	-
Total current assets	\$ 124,327	\$ 10,501,673	\$ -	\$ 305,659
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Current liabilities				
Accounts payable	\$ -	\$ 379,083	\$ 33,450	\$ -
Due to government	-	-	-	-
Accrued payroll liabilities	-	13	-	-
Interfund payables	124,327	2,349,021	294,199	-
Total current liabilities	124,327	2,728,117	327,649	-
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	251,462	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	7,522,094	-	305,659
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	(327,649)	-
Total fund balances	-	7,522,094	(327,649)	305,659
Total liabilities, deferred inflows and fund balances	\$ 124,327	\$ 10,501,673	\$ -	\$ 305,659

See Accompanying Notes.

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS (CONTINUED)
 JUNE 30, 2021

		<u>Total</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$	305,659
Investments		3,000,000
Accounts receivable		
Taxes		501,673
Due from other governments		124,327
Interfund receivables		7,000,000
Other		-
Prepaid expenditures		-
Inventory		-
Total current assets	\$	<u>10,931,659</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES		
LIABILITIES		
Current liabilities		
Accounts payable	\$	412,533
Due to government		-
Accrued payroll liabilities		13
Interfund payables		2,767,547
Total current liabilities		<u>3,180,093</u>
DEFERRED INFLOWS OF RESOURCES		
Property taxes		251,462
FUND BALANCES		
Nonspendable		-
Restricted		7,827,753
Committed		-
Assigned		-
Unassigned		(327,649)
Total fund balances		<u>7,500,104</u>
Total liabilities, deferred inflows and fund balances	\$	<u>10,931,659</u>

See Accompanying Notes.

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	Capital Improvements SB-9 State 31700	Capital Improvements SB-9 State 31703
REVENUES				
Property taxes	\$ -	\$ 8,655,422	\$ -	\$ -
State grants	577,734	7,520	324,812	-
Federal grants	-	-	-	-
Miscellaneous	-	1,470	-	-
Interest	-	-	127	-
Total revenues	<u>577,734</u>	<u>8,664,412</u>	<u>324,939</u>	<u>-</u>
EXPENDITURES				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	86,597	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	577,734	9,171,399	324,812	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>577,734</u>	<u>9,257,996</u>	<u>324,812</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(593,584)</u>	<u>127</u>	<u>-</u>
Other financing sources				
Proceeds from loans and bonds	-	-	-	-
Operating transfers	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	-	(593,584)	127	-
Fund balances, beginning of year	-	8,115,678	(327,776)	305,659
Fund balances, end of year	<u>\$ -</u>	<u>\$ 7,522,094</u>	<u>\$ (327,649)</u>	<u>\$ 305,659</u>

See Accompanying Notes.

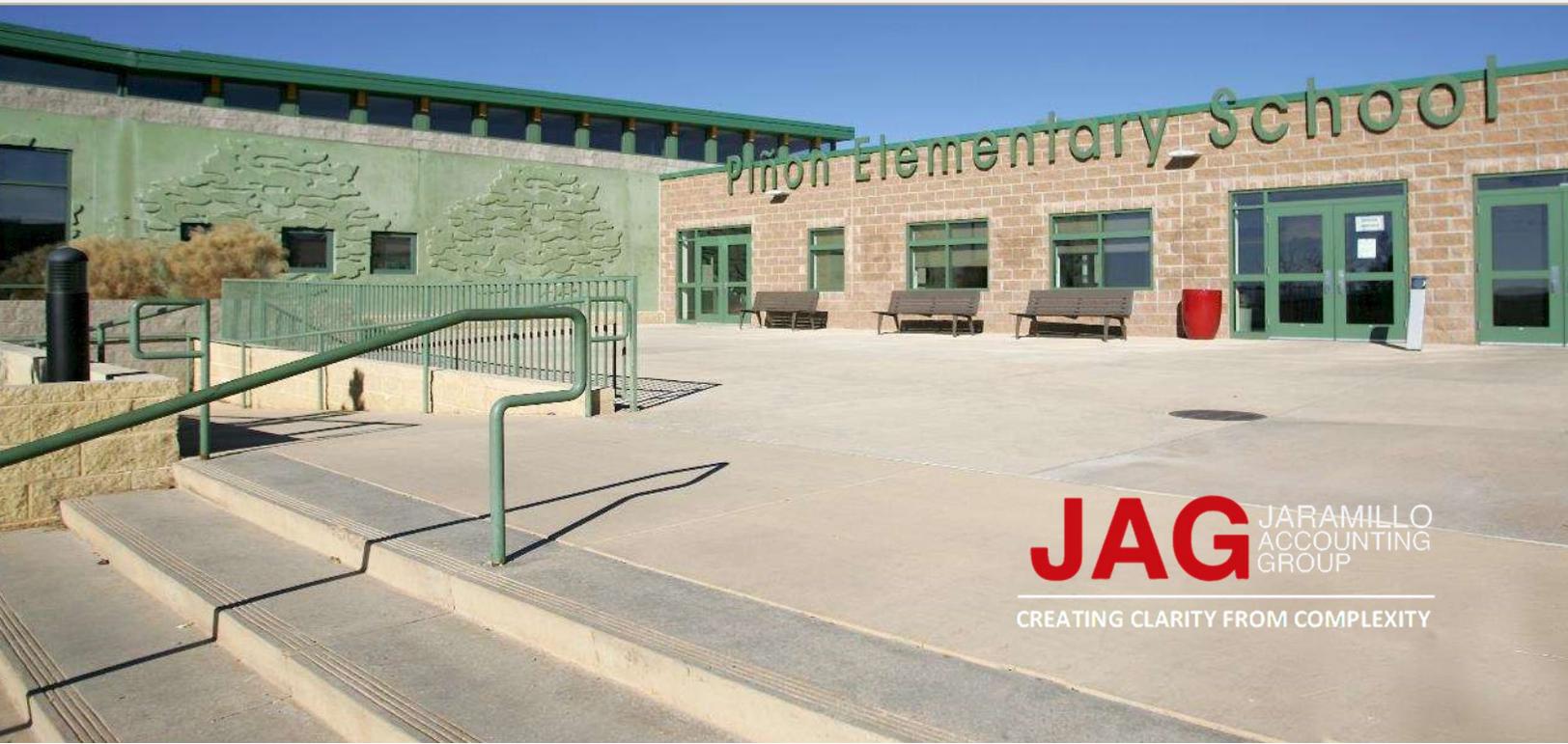
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR CAPITAL PROJECT FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Total</u>
REVENUES	
Property taxes	\$ 8,655,422
State grants	910,066
Federal grants	-
Miscellaneous	1,470
Interest	<u>127</u>
Total revenues	<u>9,567,085</u>
EXPENDITURES	
Current	
Instruction	-
Support services	-
Students	-
Instruction	-
General administration	86,597
School administration	-
Central services	-
Operation & maintenance of plant	-
Student transportation	-
Other support services	-
Food services operations	-
Community service	-
Capital outlay	10,073,945
Debt service	-
Principal	-
Interest	<u>-</u>
Total expenditures	<u>10,160,542</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(593,457)</u>
Other financing sources	
Proceeds from loans and bonds	-
Operating transfers	<u>-</u>
Total other financing sources	<u>-</u>
Net changes in fund balances	(593,457)
Fund balances, beginning of year	<u>8,093,561</u>
Fund balances, end of year	<u>\$ 7,500,104</u>

See Accompanying Notes.



OTHER SUPPLEMENTARY INFORMATION



JAG JARAMILLO
ACCOUNTING
GROUP
CREATING CLARITY FROM COMPLEXITY

SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY FOR PUBLIC FUNDS
 JUNE 30, 2021

Name of Depository	Description of Pledged Collateral	Type	Maturity	CUSIP Number	Face Value or Fair Market Value
Sunflower Bank First National					
Sunflower Bank First National	FNMA FNRM	Bond	8/25/2030	3136AP2V3	\$ 1,399,971
Sunflower Bank First National	FNMA FNRM	Bond	8/25/2046	3136AYC27	1,693,758
Sunflower Bank First National	FNMA FNRM	Bond	5/25/2049	3136B4MQ8	3,060,447
Sunflower Bank First National	FNMA FNRM	Bond	9/25/2049	3136B6AR4	6,000,917
Sunflower Bank First National	FNMA FNRM	Bond	12/15/2028	3137B7SA8	768,478
Sunflower Bank First National	FNMA FNRM	Bond	2/16/2049	38379RU68	1,150,740
Sunflower Bank First National	FNMA FNRM	Bond	4/20/2047	38380GK4	1,882,755
Sunflower Bank First National	FNMA FNRM	Bond	3/16/2050	38380JEE4	2,501,730
Sunflower Bank First National	FNMA FNRM	Bond	6/20/2069	38380LVE0	7,235,977
Sunflower Bank First National	FNMA FNRM	Bond	6/20/2051	38382TN83	8,031,250
Sunflower Bank First National	Letter of Credit	LOC	7/1/2021	LOC70798	<u>33,000,000</u>
Total First National Bank of Santa Fe					\$ <u>66,726,023</u>
Wells Fargo Bank					
Bank of New York Mellon	FNMA	Bond	6/1/2046	31418B6G6	\$ 38,506
Bank of New York Mellon	FNMA	Bond	10/1/2049	3133KGU48	175,213
Bank of New York Mellon	FNMA	Bond	8/1/2049	31334XTH2	99,159
Bank of New York Mellon	FNMA	Bond	8/1/2047	3132A5HF5	16,931
Bank of New York Mellon	FNMA	Bond	4/1/2047	3132A5GW9	52,254
Bank of New York Mellon	FNMA	Bond	6/1/2045	3132A5DX0	57,317
Bank of New York Mellon	FNMA	Bond	4/1/2043	31329MUZ1	<u>135,358</u>
Total Wells Fargo Bank					\$ <u>574,738</u>

**SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS
JUNE 30, 2021**

Bank Account Type	Sunflower Bank		Morgan	Total
	First National	Wells Fargo	Stanley	
Checking - Accounts Payable Clearing	\$ 5,717,882	\$ -	\$ -	\$ 5,717,882
Checking - Capital Projects	15,183,631	-	-	15,183,631
Checking - Debt Service	36,382,836	-	-	36,382,836
Checking - Operational Account	6,886,684	-	-	6,886,684
Checking - Payroll Clearing	5,238,880	-	-	5,238,880
Checking - Payroll ACH	-	-	-	-
Checking - Student Nutrition Fund (Cafeteria)	633,018	-	-	633,018
Checking - Activity	-	1,255,949	-	1,255,949
Investment Accounts	-	-	248,471	248,471
Total on Deposit	70,042,931	1,255,949	248,471	71,547,351
Reconciling Items	(7,203,688)	(41,774)	-	(7,245,462)
Reconciled Balance, June 30, 2021	<u>\$ 62,839,243</u>	<u>\$ 1,214,175</u>	<u>\$ 248,471</u>	<u>64,301,889</u>
Checks held at year-end				7,209,733
Investments with State of New Mexico Treasurer's Office				50,605,820
				<u>\$ 122,117,442</u>

SCHEDULE OF CASH RECONCILIATION
JUNE 30, 2021

	Operational Account 11000	Transportation Account 13000	Instructional Materials 14000	Food Services Account 21000	Athletics Account 22000	Non-Instruction Account 23000
Cash, June 30, 2020	\$ 4,417,110	\$ 334,857	\$ 27,848	\$ 1,362,828	\$ 64,734	\$ 1,209,532
Add:						
2020-21 revenues	110,368,988	3,839,288	-	1,777,051	44,167	886,959
Receipt of prior year loans	8,595,703	7,137	-	33,722	736	-
Loans from other funds	<u>10,261,823</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash available	133,643,624	4,181,282	27,848	3,173,601	109,637	2,096,491
Less:						
2020-21 expenditures	(111,873,051)	(3,620,778)	-	(2,478,370)	(42,531)	(635,667)
Change in accruals	-	-	-	-	-	-
Repayment of loans	-	(91,797)	-	(11,579)	-	-
Loans to other funds	(10,245,728)	-	-	-	-	-
Change due to held checks and payroll liabilities	<u>(1,270,480)</u>	<u>7,609</u>	<u>-</u>	<u>(9,415)</u>	<u>-</u>	<u>5,719</u>
Cash, June 30, 2021	\$ <u>10,254,365</u>	\$ <u>476,316</u>	\$ <u>27,848</u>	\$ <u>674,237</u>	\$ <u>67,106</u>	\$ <u>1,466,543</u>

SCHEDULE OF CASH RECONCILIATION (CONTINUED)
JUNE 30, 2021

	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000	State Direct 28000	Local or State Fund 29000
Cash, June 30, 2020	\$ 74,347	\$ 1,510,507	\$ 667,830	\$ 214,003	\$ 135,487	\$ 289,329
Add:						
2020-21 revenues	10,690,770	2,538,757	-	4,834,075	73,346	479,678
Receipt of prior year loans	-	-	-	-	-	5,616
Loans from other funds	<u>6,139,127</u>	<u>425,907</u>	<u>-</u>	<u>785,174</u>	<u>14,280</u>	<u>113,095</u>
Total cash available	16,904,244	4,475,171	667,830	5,833,252	223,113	887,718
Less:						
2020-21 expenditures	(16,538,108)	(2,287,240)	-	(2,919,412)	(61,053)	(551,553)
Change in accruals	-	-	-	-	-	-
Repayment of loans	(550,976)	(36,673)	-	(2,847,739)	(14,280)	(61,484)
Loans to other funds	-	-	-	-	-	-
Change due to held checks and payroll liabilities	<u>190,025</u>	<u>(8,004)</u>	<u>-</u>	<u>(15,648)</u>	<u>(31)</u>	<u>(10,402)</u>
Cash, June 30, 2021	\$ <u>5,185</u>	\$ <u>2,143,254</u>	\$ <u>667,830</u>	\$ <u>50,453</u>	\$ <u>147,749</u>	\$ <u>264,279</u>

SCHEDULE OF CASH RECONCILIATION (CONTINUED)
JUNE 30, 2021

	Bond Building 31100	Special Capital Outlay State 31400	Capital Improvement HB 33 31600	Cap. Improv. SB9 - State 31700	Cap. Improv. SB9 - Local 31701	Capital Improvements SB-9 State 31703
Cash, June 30, 2020	\$ 20,000,000	\$ -	\$ 3,000,000	\$ -	\$ 11,498,694	\$ 305,659
Add:						
2020-21 revenues	18,143,749	689,180	8,668,736	324,939	11,993,780	-
Receipt of prior year loans	-	-	7,000,000	-	-	-
Loans from other funds	-	124,327	2,349,021	294,199	7,000,000	-
Total cash available	38,143,749	813,507	21,017,757	619,138	30,492,474	305,659
Less:						
2020-21 expenditures	(6,883,569)	(577,734)	(9,494,638)	(324,812)	(9,388,343)	-
Change in accruals	-	-	-	-	-	-
Repayment of loans	(2,926,608)	(235,773)	(1,523,119)	(294,326)	(7,000,000)	-
Loans to other funds	(10,297,881)	-	(7,000,000)	-	-	-
Change due to held checks and payroll liabilities	(3,105,250)	-	-	-	-	-
Cash, June 30, 2021	\$ 14,930,441	\$ -	\$ 3,000,000	\$ -	\$ 14,104,131	\$ 305,659

SCHEDULE OF CASH RECONCILIATION (CONTINUED)
JUNE 30, 2021

	Ed Tech Equip Act Fund 31900	Debt Service Fund 41000	Ed Tech Debt Service Fund 43000	Total
Cash, June 30, 2020	\$ 8,258,867	\$ 34,294,602	\$ 11,762,494	\$ 99,428,728
Add:				
2020-21 revenues	23,978,917	30,317,595	10,845,247	240,495,222
Receipt of prior year loans	-	-	-	15,642,914
Loans from other funds	-	598	-	27,507,551
	<u>32,237,784</u>	<u>64,612,795</u>	<u>22,607,741</u>	<u>383,074,415</u>
Total cash available				
Less:				
2020-21 expenditures	(7,818,874)	(30,321,443)	(10,874,609)	(216,691,785)
Change in accruals	-	-	-	-
Repayment of loans	-	(297)	-	(15,594,651)
Loans to other funds	-	-	-	(27,543,609)
Change due to held checks and payroll liabilities	<u>(1,008,431)</u>	<u>3,105,250</u>	<u>992,130</u>	<u>(1,126,928)</u>
Cash, June 30, 2021	<u>\$ 23,410,479</u>	<u>\$ 37,396,305</u>	<u>\$ 12,725,262</u>	<u>122,117,442</u>



COMPONENT UNIT



JAG JARAMILLO
ACCOUNTING
GROUP
CREATING CLARITY FROM COMPLEXITY

Basic Financial Statements

THE ACADEMY OF TECHNOLOGY AND THE CLASSICS

STATEMENT OF NET POSITION

JUNE 30, 2021

	Governmental Activities
ASSETS	
Current assets	
Cash and cash equivalents	\$ 1,191,376
Accounts receivables	194,795
Prepaid expenses	118,252
Total current assets	1,504,423
Non-current assets	
Capital assets, net	11,212,043
Total assets	12,716,466
DEFERRED OUTFLOWS OF RESOURCES	
Related to pensions and OPEB	7,132,131
LIABILITIES	
Current liabilities	
Accounts payable	4,490
Accrued salaries and benefits	85,283
Compensated absences	49,117
Mortgage payable	123,506
Total current liabilities	262,396
Non-current liabilities	
Net pension liability	13,592,332
Net OPEB liability	1,822,326
Mortgage payable	3,204,433
Total non-current liabilities	18,619,091
Total liabilities	18,881,487
DEFERRED INFLOWS OF RESOURCES	
Related to pensions and OPEB	741,966
NET POSITION	
Net investment in capital assets	7,884,104
Restricted	1,006,348
Unrestricted (deficit)	(8,665,308)
Total net position	\$ 225,144

See Accompanying Notes.

THE ACADEMY OF TECHNOLOGY AND THE CLASSICS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

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	\$ 5,640,565	\$ -	\$ 199,005	\$ -	\$ (5,441,560)
Support services					
Students	306,141	-	-	-	(306,141)
Instruction	84	-	-	-	(84)
General administration	267,575	-	-	-	(267,575)
School administration	107,982	-	-	-	(107,982)
Central services	162,273	-	-	-	(162,273)
Operation & maintenance of plant	1,433,699	-	-	236,543	(1,197,156)
Student transportation	-	-	-	-	-
Food services operation	5,728	5,538	-	-	(190)
Non-instructional support	-	-	-	-	-
Facilities materials, supplies and other	-	-	-	-	-
Interest/amortization	158,769	-	-	-	(158,769)
Total governmental activities	\$ 8,082,816	\$ 5,538	\$ 199,005	\$ 236,543	(7,641,730)

General Revenues

Property taxes	584,835
State Equalization Guarantee	3,114,607
Transfers in of capital assets	-
Miscellaneous	597,262

Total general revenues 4,296,704

Changes in net position (3,345,026)

Net position, beginning	3,699,090
Restatement	(128,920)
Net position, beginning, restated	<u>3,570,170</u>

Net position - ending \$ 225,144

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 BALANCE SHEET – GOVERNMENTAL FUNDS
 JUNE 30, 2021

	Operational Fund			
	General* 11000	Instructional Materials* 14000	Food Services 21000	Athletics 22000
ASSETS				
Current assets				
Cash and cash equivalents	\$ 113,755	\$ 10,351	\$ 2,015	\$ -
Accounts receivable	-	-	-	-
Due from other funds	190,410	-	-	-
Prepaid expenses	-	-	-	-
Total current assets	\$ 304,165	\$ 10,351	\$ 2,015	\$ -
LIABILITIES AND FUND BALANCES				
Liabilities				
Current liabilities				
Accounts payable	\$ 3,369	\$ -	\$ -	\$ -
Accrued payroll liabilities	80,918	-	-	-
Interfund payables	-	-	-	-
Total current liabilities	84,287	-	-	-
FUND BALANCES				
Restricted	-	10,351	2,015	-
Unassigned	219,878	-	-	-
Total fund balances	219,878	10,351	2,015	-
Total liabilities and fund balances	\$ 304,165	\$ 10,351	\$ 2,015	\$ -

* Major fund

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 BALANCE SHEET – GOVERNMENTAL FUNDS (CONTINUED)
 JUNE 30, 2021

	IDEA-B Entitlement 24106	Charter Schools 24146	Teacher/Principal Training & Recruiting 24154	Carl D Perkins Secondary - Current 24174
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable	8,082	14,714	-	-
Due from other funds	-	-	-	-
Prepaid expenses	-	-	-	-
Total current assets	<u>\$ 8,082</u>	<u>\$ 14,714</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	17	-	-	-
Interfund payables	12,174	14,719	-	-
Total current liabilities	<u>12,191</u>	<u>14,719</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	-	-	-	-
Unassigned	(4,109)	(5)	-	-
Total fund balances	<u>(4,109)</u>	<u>(5)</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 8,082</u>	<u>\$ 14,714</u>	<u>\$ -</u>	<u>\$ -</u>

* Major fund

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 BALANCE SHEET – GOVERNMENTAL FUNDS (CONTINUED)
 JUNE 30, 2021

	CARES Act 24301	CARES/GEER - HEPA Filters 24306	CRRSA, ESSER II 24308	Local Grants 26000
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	34,550	-
Due from other funds	-	-	-	-
Prepaid expenses	-	-	-	-
Total current assets	\$ -	\$ -	\$ 34,550	\$ -
LIABILITIES AND FUND BALANCES				
Liabilities				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Interfund payables	-	-	34,550	-
Total current liabilities	-	-	34,550	-
FUND BALANCES				
Restricted	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities and fund balances	\$ -	\$ -	\$ 34,550	\$ -

* Major fund

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 BALANCE SHEET – GOVERNMENTAL FUNDS (CONTINUED)
 JUNE 30, 2021

	2012 GO Bond Student Library 27107	Instructional Materials Special Appro. 27109	STEM Professional Development 27135	Career Technical Education Program (Pilot) 27502
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ 2,740	\$ -	\$ -
Accounts receivable	-	-	23,000	30,912
Due from other funds	-	-	-	-
Prepaid expenses	-	-	-	-
Total current assets	\$ -	\$ 2,740	\$ 23,000	\$ 30,912
LIABILITIES AND FUND BALANCES				
Liabilities				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	39
Interfund payables	84	-	23,000	30,883
Total current liabilities	84	-	23,000	30,922
FUND BALANCES				
Restricted	-	2,740	-	-
Unassigned	(84)	-	-	(10)
Total fund balances	(84)	2,740	-	(10)
Total liabilities and fund balances	\$ -	\$ 2,740	\$ 23,000	\$ 30,912

* Major fund

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 BALANCE SHEET – GOVERNMENTAL FUNDS (CONTINUED)
 JUNE 30, 2021

	Private Dir Grants (Categorical) 29102	City/Country Grant 29107	Public School Capital Outlay 31200	Special Capital Outlay - State 31400
ASSETS				
Current assets				
Cash and cash equivalents	\$ 27,610	\$ 9,445	\$ 24,556	\$ -
Accounts receivable	-	-	-	75,000
Due from other funds	-	-	-	-
Prepaid expenses	-	-	-	-
Total current assets	\$ 27,610	\$ 9,445	\$ 24,556	\$ 75,000
LIABILITIES AND FUND BALANCES				
Liabilities				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Interfund payables	-	-	-	75,000
Total current liabilities	-	-	-	75,000
FUND BALANCES				
Restricted	27,610	9,445	24,556	-
Unassigned	-	-	-	-
Total fund balances	27,610	9,445	24,556	-
Total liabilities and fund balances	\$ 27,610	\$ 9,445	\$ 24,556	\$ 75,000

* Major fund

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 BALANCE SHEET – GOVERNMENTAL FUNDS (CONTINUED)
 JUNE 30, 2021

	Capital Improvements HB-33 31600	Capital Improvements SB-9 State 31700	Capital Improvements SB-9 Local* 31701	SB-9 State Match Cash 31703
ASSETS				
Current assets				
Cash and cash equivalents	\$ 150,216	\$ 32,498	\$ 580,834	\$ -
Accounts receivable	-	8,537	-	-
Due from other funds	-	-	-	-
Prepaid expenses	-	-	-	-
Total current assets	\$ 150,216	\$ 41,035	\$ 580,834	\$ -
LIABILITIES AND FUND BALANCES				
Liabilities				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	4,309	-	-	-
Interfund payables	-	-	-	-
Total current liabilities	4,309	-	-	-
FUND BALANCES				
Restricted	145,907	41,035	580,834	-
Unassigned	-	-	-	-
Total fund balances	145,907	41,035	580,834	-
Total liabilities and fund balances	\$ 150,216	\$ 41,035	\$ 580,834	\$ -

* Major fund

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 BALANCE SHEET – GOVERNMENTAL FUNDS (CONTINUED)
 JUNE 30, 2021

	Education Technology* 31900	ATC Foundation*	Total Governmental Funds
ASSETS			
Current assets			
Cash and cash equivalents	\$ 161,855	\$ 75,501	\$ 1,191,376
Accounts receivable	-	-	194,795
Due from other funds	-	-	190,410
Prepaid expenses	-	118,252	118,252
Total current assets	\$ 161,855	\$ 193,753	\$ 1,694,833
LIABILITIES AND FUND BALANCES			
Liabilities			
Current liabilities			
Accounts payable	\$ -	1,121	\$ 4,490
Accrued payroll liabilities	-	-	85,283
Interfund payables	-	-	190,410
Total current liabilities	-	1,121	280,183
FUND BALANCES			
Restricted	161,855	-	1,006,348
Unassigned	-	192,632	408,302
Total fund balances	161,855	192,632	1,414,650
Total liabilities and fund balances	\$ 161,855	\$ 193,753	\$ 1,694,833

* Major fund

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF
 NET POSITION
 JUNE 30, 2021

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Fund balances - total governmental funds	\$ 1,414,650
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	11,212,043
Pension and OPEB plans deferred outflows are not financial resources and, therefore, are not reported in the funds	7,132,131
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Compensated absences	(49,117)
Accrued interest	-
Net pension and OPEB liability	(15,414,658)
Mortgage payable	(3,327,939)
Pension and OPEB plans deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds	<u>(741,966)</u>
Net Position - Total Governmental Activities	<u>\$ 225,144</u>

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	Operational Fund			
	General*	Instructional Materials*	Food Services	Athletics
	11000	14000	21000	22000
REVENUES				
Interest income	\$ 734	\$ -	\$ -	\$ -
State grants	3,114,607	-	-	-
Federal grants	-	-	-	-
Property taxes	-	-	-	-
Miscellaneous income	459	-	5,538	3,658
Total revenues	3,115,800	-	5,538	3,658
EXPENDITURES				
Current				
Instruction	2,408,680	-	-	4,816
Support services				
Students	272,582	-	-	-
Instruction	-	-	-	-
General administration	261,731	-	-	-
School administration	107,982	-	-	-
Central services	162,273	-	-	-
Operation & maintenance of plant	159,938	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	5,728	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	3,373,186	-	5,728	4,816
Other financing sources (uses)				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(257,386)	-	(190)	(1,158)
Net changes in fund balances	(257,386)	-	(190)	(1,158)
Fund balances, beginning of year	606,184	10,351	2,205	1,158
Restatement	(128,920)	-	-	-
Fund balances, beginning of year, as restated	477,264	10,351	2,205	1,158
Fund balances, end of year	\$ 219,878	\$ 10,351	\$ 2,015	\$ -

* Major fund

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	IDEA-B Entitlement 24106	Charter Schools 24146	Teacher/Principal Training & Recruiting 24154	Carl D Perkins Secondary - Current 24174
REVENUES				
Interest income	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	35,429	14,714	12,612	5,588
Property taxes	-	-	-	-
Miscellaneous income	-	-	-	-
Total revenues	35,429	14,714	12,612	5,588
EXPENDITURES				
Current				
Instruction	20,478	11,229	12,612	5,588
Support services				
Students	21,159	3,490	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	41,637	14,719	12,612	5,588
Other financing sources (uses)				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(6,208)	(5)	-	-
Net changes in fund balances	(6,208)	(5)	-	-
Fund balances, beginning of year	2,099	-	-	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	2,099	-	-	-
Fund balances, end of year	\$ (4,109)	\$ (5)	\$ -	\$ -

* Major fund

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
 (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2021

	CARES Act 24301	CARES/GEER - HEPA Filters 24306	CRRSA, ESSER II 24308	Local Grants 26000
REVENUES				
Interest income	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	23,709	8,910	34,550	-
Property taxes	-	-	-	-
Miscellaneous income	-	-	-	-
Total revenues	23,709	8,910	34,550	-
EXPENDITURES				
Current				
Instruction	23,709	-	34,550	-
Support services				
Students	-	8,910	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	23,709	8,910	34,550	-
Other financing sources (uses)				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

* Major fund
 See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
 (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2021

	2012 GO Bond Student Library 27107	Instructional Materials Special Appro. 27109	STEM Professional Development 27135	Career Technical Education Program (Pilot) 27502
REVENUES				
Interest income	\$ -	\$ -	\$ -	\$ -
State grants	-	-	23,000	40,493
Federal grants	-	-	-	-
Property taxes	-	-	-	-
Miscellaneous income	-	-	-	-
Total revenues	-	-	23,000	40,493
EXPENDITURES				
Current				
Instruction	-	-	23,000	40,503
Support services				
Students	-	-	-	-
Instruction	84	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	84	-	23,000	40,503
Other financing sources (uses)				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(84)	-	-	(10)
Net changes in fund balances	(84)	-	-	(10)
Fund balances, beginning of year	-	2,740	-	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	-	2,740	-	-
Fund balances, end of year	\$ (84)	\$ 2,740	\$ -	\$ (10)

* Major fund

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
 (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2021

	Private Dir Grants (Categorical) 29102	City/Country Grant 29107	Public School Capital Outlay 31200	Special Capital Outlay - State 31400
REVENUES				
Interest income	\$ -	\$ -	\$ -	\$ -
State grants	-	-	153,006	75,000
Federal grants	-	-	-	-
Property taxes	-	-	-	-
Miscellaneous income	9,975	-	-	-
Total revenues	9,975	-	153,006	75,000
EXPENDITURES				
Current				
Instruction	9,370	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	204,007	75,000
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	9,370	-	204,007	75,000
Other financing sources (uses)				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	605	-	(51,001)	-
Net changes in fund balances	605	-	(51,001)	-
Fund balances, beginning of year	27,005	9,445	75,557	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	27,005	9,445	75,557	-
Fund balances, end of year	\$ 27,610	\$ 9,445	\$ 24,556	\$ -

* Major fund

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
 (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2021

	Capital Improvements HB-33 31600	Capital Improvements SB-9 State 31700	Capital Improvements SB-9 Local* 31701	SB-9 State Match Cash 31703
REVENUES				
Interest income	\$ -	\$ -	\$ -	\$ -
State grants	-	8,537	-	-
Federal grants	-	-	-	-
Property taxes	245,460	-	339,375	-
Miscellaneous income	-	-	-	-
Total revenues	245,460	8,537	339,375	-
EXPENDITURES				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	2,450	-	3,394	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	372,057	8,537	122,000	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	374,507	8,537	125,394	-
Other financing sources (uses)				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(129,047)	-	213,981	-
Net changes in fund balances	(129,047)	-	213,981	-
Fund balances, beginning of year	274,954	41,035	366,853	-
Restatement	-	-	-	-
Fund balances, beginning of year, as restated	274,954	41,035	366,853	-
Fund balances, end of year	\$ 145,907	\$ 41,035	\$ 580,834	\$ -

* Major fund

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

	Education Technology* 31900	ATC Foundation*	Total Governmental Funds
REVENUES			
Interest income	\$ -	\$ 110	\$ 844
State grants	-	-	3,414,643
Federal grants	-	-	135,512
Property taxes	-	-	584,835
Miscellaneous income	285,326	297,000	601,956
Total revenues	285,326	297,110	4,737,790
EXPENDITURES			
Current			
Instruction	-	-	2,594,535
Support services			
Students	-	-	306,141
Instruction	-	-	84
General administration	-	-	267,575
School administration	-	-	107,982
Central services	-	-	162,273
Operation & maintenance of plant	-	30,361	190,299
Student transportation	-	-	-
Food services operations	-	-	5,728
Capital outlay	278,460	-	1,060,061
Debt service			
Principal	-	103,051	103,051
Interest	-	158,769	158,769
Total expenditures	278,460	292,181	4,956,498
Other financing sources (uses)			
Operating transfers	-	-	-
Proceeds from bond issues	-	-	-
Total other financing sources (uses)	-	-	-
Excess (deficiency) of revenues over (under) expenditures	6,866	4,929	(218,708)
Net changes in fund balances	6,866	4,929	(218,708)
Fund balances, beginning of year	154,989	187,703	1,762,278
Restatement	-	-	(128,920)
Fund balances, beginning of year, as restated	154,989	187,703	1,633,358
Fund balances, end of year	\$ 161,855	\$ 192,632	\$ 1,414,650

* Major fund

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 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, 2021

	Governmental Funds
Amounts reported for governmental activities in the Statement of Activities are different because:	
Net changes in fund balances - total governmental funds	\$ (218,708)
Charter pension and OPEB contributions	378,587
Additional GASB 68 and 75 pension and OPEB expenses	(3,417,718)
<p>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 depreciation exceeds capital outlays for the period.</p>	
Capital outlays	145,553
Depreciation expense	(328,892)
Transfer in of capital assets from primary government	-
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.</p>	
Increase in accrued compensated absences	(6,899)
Principal payments on debt	<u>103,051</u>
Changes in Net Position - Total Governmental Activities	\$ <u>(3,345,026)</u>

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 SCHEDULE OF BUDGET COMPARISONS – BUDGETARY BASIS – GENERAL FUND (11000)
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Interest Income	\$ 14,255	\$ 14,255	\$ 734	\$ (13,521)
State grants	3,193,712	3,114,607	3,114,607	-
Federal grants	-	-	-	-
Miscellaneous	10,000	10,000	459	(9,541)
Total revenues	3,217,967	3,138,862	3,115,800	(23,062)
EXPENDITURES				
Current				
Instruction	2,683,734	2,604,629	2,407,899	196,730
Support services				
Students	300,397	300,397	272,582	27,815
Instruction	-	-	-	-
General administration	322,926	322,926	261,731	61,195
School administration	133,787	133,787	107,982	25,805
Central services	175,035	175,035	162,273	12,762
Operation & maintenance of plant	224,487	224,487	159,938	64,549
Student transportation	-	-	-	-
Other support services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	3,840,366	3,761,261	3,372,405	388,856
Excess (deficiency) of revenues over (under) expenditures	(622,399)	(622,399)	(256,605)	365,794
Other financing sources				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Total other financing sources	-	-	-	-
Net changes in fund balances	\$ (622,399)	\$ (622,399)	(256,605)	\$ (256,605)
Fund balances, beginning of year			606,184	
Fund balances, end of year			\$ 349,579	
Reconciliation to GAAP Basis				
Adjustments to revenues			0	
Adjustments to expenditures			(781)	
Changes in fund balances			\$ (257,386)	

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 SCHEDULE OF BUDGET COMPARISONS – BUDGETARY BASIS – INSTRUCTIONAL FUND (14000)
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Interest Income	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances, beginning of year			10,351	
Fund balances, end of year			<u>\$ 10,351</u>	
Reconciliation to GAAP Basis				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Changes in fund balances			<u>\$ -</u>	

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 SCHEDULE OF BUDGET COMPARISONS – BUDGETARY BASIS – TEACHER/PRINCIPAL TRAINING RECRUITING
 FUND (24154)
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
REVENUES				
Interest Income	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	12,612	12,612	12,612	-
Miscellaneous	-	-	-	-
Total revenues	<u>12,612</u>	<u>12,612</u>	<u>12,612</u>	<u>-</u>
EXPENDITURES				
Current				
Instruction	-	15,658	12,612	3,046
Support services				
Students	-	3,484	-	3,484
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>19,142</u>	<u>12,612</u>	<u>6,530</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,612</u>	<u>(6,530)</u>	<u>-</u>	<u>6,530</u>
Other financing sources				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ 12,612</u>	<u>\$ (6,530)</u>	<u>-</u>	<u>\$ -</u>
Fund balances, beginning of year	-	-	-	(11,556)
Fund balances, end of year	<u>\$ 12,612</u>	<u>\$ (6,530)</u>	<u>\$ -</u>	<u>\$ 6,530</u>
Reconciliation to GAAP Basis				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
Changes in fund balances			<u>\$ -</u>	

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS
 JUNE 30, 2021

	Custodial Funds
ASSETS	
Cash	\$ 90,449
Total assets	<u>\$ 90,449</u>
LIABILITIES	
Accounts payable and accrued liabilities	<u>\$ 1,335</u>
Total liabilities	<u>1,335</u>
NET POSITION	
Restricted for student organizations	<u>89,114</u>
Total net position	<u>89,114</u>
Total liabilities and net position	<u>\$ 90,449</u>

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS
JUNE 30, 2021

	Custodial Funds
Additions	
Charges for services	\$ 95,378
Total additions	<u>95,378</u>
Deductions	
Current	
Instruction	<u>97,319</u>
Total deductions	<u>97,319</u>
Change in net position	<u>(1,941)</u>
Net position, beginning of year, as originally stated	-
Implementation of new accounting standard (Note 17G)	<u>91,055</u>
Net position, beginning of year, as restated	<u>91,055</u>
Net position - end of year	<u>\$ 89,114</u>

See Accompanying Notes.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS

SCHEDULE OF THE CHARTER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY – EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN

Last 10 Fiscal Years* (Unaudited)

	Fiscal Year Measurement Date	2021 2020	2020 2019	2019 2018	2018 2017	2017 2016	2016 2015	2015 2014
Charter's proportion of the net pension liability		0.06707%	0.06502%	0.06153%	0.06197%	0.06056%	0.06209%	0.10700%
Charter's proportionate share of the net pension liability		\$ 13,592,332	\$ 4,926,762	\$ 7,316,736	\$ 6,887,016	\$ 4,358,160	\$ 4,021,729	\$ 3,505,021
Charter's covered payroll		\$ 2,248,569	\$ 2,152,975	\$ 1,860,810	\$ 1,709,067	\$ 1,764,053	\$ 1,695,256	\$ 1,693,182
Charter's proportionate share of the net pension liability as a percentage of its covered employee payroll		604%	229%	393%	403%	247%	237%	207%
Plan fiduciary net position as a percentage of total pension liability		0.00%	64.13%	52.17%	52.95%	61.58%	63.97%	66.54%

* Governmental Accounting Standards Board Statement No. 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the District is not available prior to fiscal year 2015, the year the statement's requirements became effective.

See Notes to Required Supplementary Information.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 SCHEDULE OF THE CHARTER'S PENSION CONTRIBUTIONS – EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN
 Last 10 Fiscal Years* (Unaudited)

	June 30,						
	2021	2020	2019	2018	2017	2016	2015
Statutory required contributions	\$ 329,875	\$ 227,423	\$ 265,461	\$ 238,559	\$ 245,203	\$ 240,351	\$ 332,508
Contributions in relation to contractually required contributions	\$ 329,875	\$ 227,423	\$ 265,461	\$ 238,559	\$ 245,203	\$ 240,351	\$ 332,508
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

*Governmental Accounting Standards Board Statement No. 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the District is not available prior to fiscal year 2015, the year the statement's requirements became effective.

See Notes to Required Supplementary Information.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 SCHEDULE OF THE CHARTER'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY – RETIREE HEALTH CARE
 AUTHORITY (RHCA) OPEB PLAN
 Last 10 Fiscal Years* (Unaudited)

	Fiscal Year Measurement Date	2021 2020	2020 2019	2019 2018	2018 2017
Charter's proportion of the net OPEB liability		0.04340%	0.04212%	0.03951%	0.04111%
Charter's proportionate share of the net OPEB liability		\$ 1,822,326	\$ 1,365,694	\$ 1,718,035	\$ 1,862,971
Charter's covered-employee payroll		\$ 1,865,383	\$ 1,757,638	\$ 1,695,223	\$ 1,712,498
Charter's proportionate share of the net OPEB liability as a percentage of its covered employee payroll		97.69%	77.70%	101.35%	108.79%
RHCA Plan fiduciary net position as a percentage of the total pension liability		16.50%	18.92%	13.14%	11.34%

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District will present information for available years.

See Notes to Required Supplementary Information.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 SCHEDULE OF THE CHARTER'S PROPORTIONATE SHARE OF OPEB CONTRIBUTIONS – RETIREE HEALTH CARE
 AUTHORITY (RHCA) OPEB PLAN
 Last 10 Fiscal Years* (Unaudited)

	June 30,			
	2021	2020	2019	2018
Contractually required contribution	\$ 46,188	\$ 37,283	\$ 61,741	\$ 130,543
Contributions in relation to the contractually required	<u>\$ 46,188</u>	<u>\$ 37,283</u>	<u>\$ 60,987</u>	<u>\$ 65,518</u>
Charter's proportion of the net OPEB liability	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 754</u>	<u>\$ 65,025</u>
Employer's covered employee payroll	\$ 2,310,381	\$ 1,757,638	\$ 1,695,223	\$ 1,712,498
Contributions as a percentage of covered employee payroll	2.00%	2.12%	3.60%	3.83%

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District will present information for available years.

See Notes to Required Supplementary Information.

Notes to Required Supplementary Information (Unaudited)

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS

JUNE 30, 2021

ERB PLAN

Changes in benefit provisions. There were no modifications to the benefit provisions that were reflected in the actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020.

Changes in assumptions and methods. Actuarial assumptions and methods are set by the Board of Trustee upon recommendations made by the Plan's actuary. The Board adopted new assumptions on April 21, 2020 in conjunction with the six-year actuarial experience study period ending June 30, 2019. At that time, the Board adopted a number of economic assumption changes, including a decrease in the inflation assumption from 2.50% to 2.30%. The 0.20% decrease in the inflation assumption also led to decreases in the nominal investment return assumption from 7.25% to 7.00% and the assumed annual wage inflation rate from 3.25% to 3.00%. These new assumptions are reflected as changes in assumptions along with the change in single discount rate between June 30, 2019 and June 30, 2020.

RHCA Plan

Changes in benefit provisions. There were no modifications to the benefit provisions that were reflected in the actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020.

Changes in assumptions and methods. In the June 30, 2019 actuarial valuation (rolled forward to the measurement date of June 30, 2020), changes in assumptions and differences between expected and actual experience include adjustments resulting from a decrease in the discount rate from 4.16% to 2.86%, changes in medical carrier election assumptions based on recent enrollment, and updated Medicare Advantage trends to reflect 2020 and 2021 premiums.

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY FOR PUBLIC FUNDS
 JUNE 30, 2021

Name of Depository	Description of Pledged Collateral	CUSIP	Fair / Par Market Value June 30, 2021	Name & Location of Safekeeper
Wells Fargo Bank	FREDDIE MAC POOL #RA4211	3133KKVC0	\$ 2,170,527	Wells Fargo Bank
			\$ 2,170,527	

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS
 JUNE 30, 2021

<u>Bank Account Type</u>	<u>Amount</u>
Enterprise-Operational Checking	\$ 1,402,387
Petty Cash	-
Foundation	
Enterprise-Checking and Savings	\$ 50,018
Enterprise-lockbox	23,258
Charles Schwab	<u>2,225</u>
Total	75,501
Reconciling Items	<u>(196,063)</u>
Reconciled balance, June 30, 2021	1,281,825
Less: Custodial Funds	<u>90,449</u>
Total governmental funds	<u>\$ 1,191,376</u>

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
SCHEDULE OF CASH RECONCILIATION
JUNE 30, 2021

	Operational Account 11000	Instructional Materials 14000	Food Services Account 21000	Athletics Account 22000	Non-Instruction Account 23000
Cash, June 30, 2020	\$ 588,796	\$ 10,351	\$ 2,205	\$ 1,158	\$ -
Add:					
2020-21 revenues	3,115,800	-	5,538	3,658	-
Repayment of loans	29,754	-	-	-	-
Loans from other funds	-	-	-	-	-
Cash reclassified	-	-	-	-	-
Total cash available	3,734,350	10,351	7,743	4,816	-
Less:					
2020-21 expenditures	(3,372,405)	-	(5,728)	(4,816)	-
Repayment of loans	-	-	-	-	-
Change in accruals	(57,780)	-	-	-	-
Loans to other funds	(190,410)	-	-	-	-
Cash, June 30, 2021	\$ 113,755	\$ 10,351	\$ 2,015	\$ -	\$ -

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
SCHEDULE OF CASH RECONCILIATION (CONTINUED)
JUNE 30, 2021

	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000	State Direct 28000
Cash, June 30, 2020	\$ -	\$ -	\$ -	\$ 2,913	\$ -
Add:					
2020-21 revenues	100,538	-	-	81,805	-
Repayment of loans	-	-	-	-	-
Loans from other funds	26,893	-	-	-	-
Cash reclassified	-	-	-	-	-
Total cash available	127,431	-	-	84,718	-
Less:					
2020-21 expenditures	(141,725)	-	-	(63,503)	-
Repayment of loans	-	-	-	-	-
Change in accruals	14,294	-	-	(18,475)	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2021	\$ -	\$ -	\$ -	\$ 2,740	\$ -

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 SCHEDULE OF CASH RECONCILIATION (CONTINUED)
 JUNE 30, 2021

	Local or State Fund 29000	Bond Building 31100	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvement HB 33 31600
Cash, June 30, 2020	\$ 36,450	\$ -	\$ 9,006	\$ -	\$ 280,926
Add:					
2020-21 revenues	9,975	-	219,557	-	245,460
Repayment of loans	-	-	-	-	-
Loans from other funds	-	-	-	-	-
Cash reclassified	-	-	-	-	-
Total cash available	46,425	-	228,563	-	526,386
Less:					
2020-21 expenditures	(9,370)	-	(204,007)	-	(374,507)
Repayment of loans	-	-	-	-	-
Change in accruals	-	-	-	-	(1,663)
Loans to other funds	-	-	-	-	-
Cash, June 30, 2021	\$ 37,055	\$ -	\$ 24,556	\$ -	\$ 150,216

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 SCHEDULE OF CASH RECONCILIATION (CONTINUED)
 JUNE 30, 2021

	Cap. Improv. SB9 State 31700	Cap. Improv. SB9 Local 31701	SB-9 State Match Cash 31703	Education Technology Account 31900	ATC Foundation
Cash, June 30, 2020	\$ 41,035	\$ 366,853	\$ -	\$ 154,989	\$ 65,842
Add:					
2020-21 revenues	-	339,375	9,498	285,326	297,110
Repayment of loans	-	-	-	-	-
Loans from other funds	-	-	-	-	-
Cash reclassified	-	-	-	-	-
Total cash available	41,035	706,228	9,498	440,315	362,952
Less:					
2020-21 expenditures	(8,537)	(125,394)	-	(278,460)	(292,181)
Repayment of loans	-	-	-	-	-
Change in accruals	-	-	(9,498)	-	4,730
Loans to other funds	-	-	-	-	-
Cash, June 30, 2021	\$ 32,498	\$ 580,834	\$ -	\$ 161,855	\$ 75,501

THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS
 SCHEDULE OF CASH RECONCILIATION (CONTINUED)
 JUNE 30, 2021

	Custodial Funds	Total
Cash, June 30, 2020	\$ 92,390	\$ 1,652,914
Add:		
2020-21 revenues	-	4,713,640
Repayment of loans	-	29,754
Loans from other funds	-	26,893
Cash reclassified	-	-
Total cash available	92,390	6,423,201
Less:		
2020-21 expenditures	(1,941)	(4,882,574)
Repayment of loans	-	-
Change in accruals	-	(68,392)
Loans to other funds	-	(190,410)
Cash, June 30, 2021	\$ 90,449	\$ 1,281,825

SFPS

Santa Fe Public Schools
Striving for Excellence



COMPLIANCE SECTION

Milagro Middle School

JAG JARAMILLO
ACCOUNTING
GROUP

CREATING CLARITY FROM COMPLEXITY



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Board of Education
Santa Fe Public Schools
Santa Fe, New Mexico and

Mr. Brian Colón, Esq.
New Mexico State Auditor
Santa Fe, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund and major special revenue fund of the Santa Fe Public Schools (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents. We have also audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information and the budgetary comparisons for the general fund and major special revenue funds of the discretely presented component unit, presented as supplementary information, as defined by the Governmental Accounting Standards Board (GASB) as of and for the year ended June 30, 2021, as listed in the Table of Contents, and have issued our report thereon dated November 15, 2021.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of District's internal control. Accordingly, we do not express an opinion on the effectiveness of District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be a material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct,

internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2021-001 and 2021-002 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2021-003 and 2021-004 to be significant deficiencies.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of non-compliance or other matters that is required to be reported under *Government Auditing Standards* as item 2021-005.

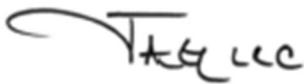
We noted a matter that is required to be reported per Section 12-6-5 NMSA 1978 that we have described in the accompanying Schedule of Section 12-6-5 NMSA Findings as item 2021-006.

DISTRICT'S RESPONSE TO FINDINGS

The District's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Jaramillo Accounting Group LLC (JAG)
Albuquerque, New Mexico
November 15, 2021



FEDERAL FINANCIAL ASSISTANCE





REPORT OF INDEPENDENT AUDITOR'S ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Board of Education
Santa Fe Public Schools
Santa Fe, New Mexico and

Mr. Brian Colón, Esq.
New Mexico State Auditor
Santa Fe, New Mexico

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

We have audited Santa Fe Public Schools' (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for compliance with the requirements of law's regulations, contracts, and grants applicable to its federal programs.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

OPINION ON EACH OF THE MAJOR FEDERAL PROGRAMS

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs for the year ended June 30, 2021.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Jaramillo Accounting Group LLC (JAG)
Albuquerque, New Mexico
November 15, 2021

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

Federal Grantor or Pass-Through Grantor / Program Title	Assistance Listings Number	Pass-through Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Education				
Indian Education Grants to Local Educational Agencies	84.060		\$ -	\$ 89,859
Pass-through State of New Mexico Public Education Dept.				
Title I Grants to Local Educational Agencies	84.010	24101/24190/ 24193	<u>10,713</u>	<u>3,341,133</u>
<i>Special Education Cluster</i>				
Special Education Grants to States	84.027	24106/24115/ 24132	33,039	2,945,607
Special Education Preschool Grants	84.173	24109	-	47,687
Total Special Education Cluster			<u>33,039</u>	<u>2,993,294</u>
Education for Homeless Children and Youth	84.196	24113	-	51,697
New Mexico Charter School Program	84.282	24146		14,608
21st Century Community Learning Centers	84.287	24119	-	1,038,679
English Language Acquisition State Grants	84.365	24153	-	204,306
Supporting Effective Instruction State Grants	84.367	24154	-	643,170
Comprehensive Literacy Development	84.371	24194	-	560,906
Student Support and Academic Enrichment Program	84.424	24189	-	246,402
COVID-19 Education Stabilization Fund	84.425	24301/24305/ 24306/24308/ 24312		7,189,197
Career and Technical Education - Basic Grants to States	84.048	24174/24176	-	129,067
Subtotal - Pass-through State of New Mexico PED			<u>43,752</u>	<u>16,412,459</u>
Pass-through State of New Mexico Higher Education				
Department Gaining Early Awareness and Readiness				
for Undergraduate Programs	84.334	25205	-	353,109
Total U.S. Department of Education			<u>43,752</u>	<u>16,855,427</u>
U.S. Department of Agriculture				
<i>Child Nutrition Cluster</i>				
Pass-through State of New Mexico Children, Youth, and Families Department				
Summer Food Service Program for Children	10.559	21000	-	178,373
Pass-through State of New Mexico Public Education Dept.				
School Breakfast Program	10.553	21000	-	299,960
National School Lunch Program	10.555	21000	-	1,020,644
Pass-through State of New Mexico Human Services Dept.				
Non-Cash Assistance				
National School Lunch Program (Commodities)	10.555	21000	-	239,540
Total Child Nutrition Cluster			<u>-</u>	<u>1,738,517</u>
Rural Development, Forestry and Communities	10.672		-	-
Total U.S. Department of Agriculture			<u>-</u>	<u>1,738,517</u>

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021**

Federal Grantor or Pass-Through Grantor / Program Title	Assistance Listings Number	Pass-through Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Health and Human Services				
Pass-through State of New Mexico Department of Health Cooperative Agreements to Promote Adolescent Health through School-Based Drug-Free Communities Support Program Grants	93.276	25181	-	53,108
Total U.S. Department of Health and Human Services			-	53,108
U.S. Department of Defense				
ROTC Language and Culture Training Grants	12.357		-	91,427
U.S. Department of Interior				
Indian Education Assistance to Schools	15.130		-	22,531
Total Federal Financial Assistance			<u>\$ 43,752</u>	<u>\$ 18,761,010</u>

See Notes to Schedule of Expenditures of Federal Awards.

Notes to Schedule of Expenditures of Federal Awards

JUNE 30, 2021

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Santa Fe Public Schools (District) under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in financial position of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3. SUBRECIPIENTS

During the year ended June 30, 2021, the District had the following subrecipients:

Santo Nino	84.010	Title I	\$10,713
Private Schools	84.027	IDEA-B	\$33,039

NOTE 4. NONCASH FEDERAL ASSISTANCE

The District receives USDA Commodities for use in sponsoring the National School Lunch program. Per USDA guidance (FPI-18-2), donated USDA commodities should be grouped with the National School Lunch Program and use the same Assistance Listings Number as the National School Lunch Program. The value of commodities received for the year ended June 30, 2021 was \$239,540. Commodities are recorded as revenues and expenditures in the Food Service fund.

NOTE 5. INDIRECT COST RATE

During the year ended June 30, 2021, the New Mexico Public Education Department reimbursed the District for indirect costs at 2.98%.

NOTE 6. RECONCILIATION OF FEDERAL REVENUE TO FEDERAL EXPENDITURES

Federal expenditures as reported on Schedule of Expenditure of Federal Awards	\$ 18,761,010
District as contractor relationship:	
Medicaid (Fund 25153)	2,154,008
Indirect cost recovery (Fund 11000)	548,631
Reporting differences	<u>(96,417)</u>
Federal revenue as reported in the financial statements	<u>\$ 21,367,232</u>

Summary Schedule of Prior Audit Findings

JUNE 30, 2021

Finding No.	Description	Current Year Status
-------------	-------------	---------------------

**PRIMARY GOVERNMENT
SANTA FE PUBLIC SCHOOLS**

Financial Statement Findings

<u>Original</u>	<u>Prior Year</u>		
2019-001	2020-002	Internal Control over Financial Close and Reporting	Modified and Repeated
2018-004	2020-001	Bank Reconciliations and Clearing Accounts	Modified and Repeated
2020-003	2020-003	Negative Cash Balances in Activity Funds	Modified and Repeated

Federal Awards Findings

2017-003	2020-004	21 st Century Payroll	Resolved
2018-007	2020-005	Student Nutrition Verification	Resolved
2019-006	2020-006	Title I and Special Education Payroll	Resolved
2019-007	2020-007	Title I and Special Education Disbursements	Resolved

Section 12-6-5 NMSA 1978 Findings

2017-004	2020-008	Compliance with School Personnel Act	Modified and Repeated
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**COMPONENT UNIT
ACADEMY FOR TECHNOLOGY & THE CLASSICS CHARTER SCHOOL**

Financial Statement Findings

None

Section 12-6-5 NMSA 1978 Findings

None

Schedule of Findings and Questioned Costs

JUNE 30, 2021

SECTION I: SUMMARY OF AUDITOR'S RESULTS

Financial Statement:

- | | |
|--|------------|
| 1. Type of auditor's report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Non-compliance material to financial statements noted? | No |

Federal Awards:

- | | | | | | | | |
|--|---|--|--------|--------------------------------|--------|---|--|
| 1. Internal control over major programs: | | | | | | | |
| a. Material weakness identified? | No | | | | | | |
| b. Significant deficiencies identified not considered to be material weaknesses? | No | | | | | | |
| 2. Type of auditor's report issued on compliance for major programs | Unmodified | | | | | | |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? | No | | | | | | |
| 4. Identification of major programs: | | | | | | | |
| <table border="0" style="margin-left: 40px;"> <tr> <td style="text-align: center;"><u>Assistance Listings Number</u></td> <td style="text-align: center;"><u>Assistance Listings Program Title</u></td> </tr> <tr> <td style="text-align: center;">84.425</td> <td style="text-align: center;">Educational Stabilization Fund</td> </tr> <tr> <td style="text-align: center;">84.287</td> <td style="text-align: center;">21st Century Community Learning Centers</td> </tr> </table> | <u>Assistance Listings Number</u> | <u>Assistance Listings Program Title</u> | 84.425 | Educational Stabilization Fund | 84.287 | 21 st Century Community Learning Centers | |
| <u>Assistance Listings Number</u> | <u>Assistance Listings Program Title</u> | | | | | | |
| 84.425 | Educational Stabilization Fund | | | | | | |
| 84.287 | 21 st Century Community Learning Centers | | | | | | |
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$750,000 | | | | | | |
| 6. Auditee qualified as low-risk auditee? | No | | | | | | |



SECTION II: FINANCIAL STATEMENT FINDINGS

2021-001	(2018-004) BANK RECONCILIATIONS – MODIFIED AND REPEATED
Type of Finding	Material Weakness
Condition	<p>The District required material entries identified by the auditors in order for cash per the general ledger balance to agree with the year-end bank reconciliations.</p> <ul style="list-style-type: none"> • The District missed an \$11,958,505 entry to reclass a cash transfer out that should have been recorded as bond proceeds. • An Interfund receivable and payable with a cash effect of \$10,297,881 was necessary to be recorded in order to represent the proper cash balance within the general fund and a capital projects fund. • Overall cash per the District’s general ledger was \$81,533 higher than the bank reconciliations at year end. <p>The District has made significant progress on this finding during FY21 by correcting the clearing accounts, implementing monthly reconciliations within the general ledger software bank reconciliation module, and old reconciling items were researched and properly cleared.</p>
Criteria	<p>NMAC 6.20.2.11 states that every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization, and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP.</p> <p>Per 6.20.2.11(B)(6) NMAC, and Regulation SBE-6, the reports sent to the New Mexico Public Education Department (PED) must agree to the general ledger. Per the New Mexico State Audit Rule, the audit report of each school district shall include a cash reconciliation schedule which reconciled the cash balance as of the end of the previous fiscal year to the cash balance at the end of the current fiscal year.</p>
Effect	The District is not in compliance with laws and regulations, which could result in late audits and materially incorrect balances.
Cause	The District’s controls over accurate account reconciliations, review, and approval did not identify the above variances.
Recommendation	We recommend the District fully staff Finance positions, provide substantial training to the staff, and develop monthly close processes including a strong review and approval process. We highly recommend hiring a consultant (governmental CPA) for this. All processes and balances must be closely monitored for risks and compliance periodically throughout the year. Structure and accountability are necessary to ensure timely and accurate financial statements.
Management Response	<p>Corrective Action: The District has updated reconciliation procedures for transactions to take place in the bank reconciliation module. Safeguarding of assets are upheld through internal controls for transactions. Transactions that are reconciling items are noted on supplemental documents for clearing accounts based on application functionality. Management will continue to work with outside consultant to conduct a deep review of internal practices to ensure proper statement of cash.</p>
	Due Date of Completion: June 30, 2022
	Responsible Party: Comptroller

SECTION II: FINANCIAL STATEMENT FINDINGS (CONTINUED)

2021-002	(2019-001) INTERNAL CONTROLS OVER FINANCIAL CLOSE AND REPORTING – MODIFIED AND REPEATED
Type of Finding	Material Weakness
Condition	<p>The District does not have adequate controls over their year-end financial close and reporting process. The Finance team should be able to accurately and timely prepare their financial statements. This includes a strong monthly close process and the ability to prepare accurate underlying data and the schedules for cash, modified accrual, and full accrual statements.</p> <ul style="list-style-type: none"> • Cash accounts required material adjustments to be properly reflected at year end (See Finding 2021-001) • Cash Transfers were not recorded timely. • Activity fund balances with a negative balance (See Finding 2021-003) • Seven funds with negative fund balances at year end. (See Footnote 9) • The District did not provide journal entries to rollforward fund balances and net assets on the modified accrual and full accrual basis. <p>The District has made significant progress during FY21 by providing accurate accounts receivable and payable listings and timely and accurate PBCs.</p>
Criteria	<p>There are several key underlying accounting standards to an organization designing and implementing an effective financial close and reporting process. Auditors are required to identify and communicate internal control weaknesses according to Statement on Auditing Standards (SAS) AU Section 325 Communication of Internal Control Related Matters Identified in an Audit, which includes:</p> <ul style="list-style-type: none"> • The auditor cannot be a part of a client’s internal control because becoming part of a client’s internal control impairs auditor independence. • The auditor’s work is independent of the client’s internal control over financial reporting and the auditor cannot be a compensating control for the client; and • A system of internal control over the financial reporting does not stop at the general ledger; it includes controls over the presentation of the financial statements. • Financial reporting is considered a significant process of internal control and should be performed by the District’s staff or under the supervision of District’s staff. <p>The auditing standards require the auditor to obtain the auditees’ agreement to correct material misstatements in their financial statements before the financial statements are issued. This agreement is fulfilled up front in the engagement letter by getting the auditee to agree to doing this. Additionally, at the end of the audit, the auditee also fulfills this obligation when they sign the audit representation letter.</p> <p>To achieve this, the auditee must provide the auditor cash basis trial balances that are free of material misstatement, all the receivables and payables (modified accrual entries) and then, at a minimum, all the correct supporting information for the full accrual statements (accrued compensated absences, bond debt, capital asset detail along with the accumulated depreciation and depreciation expense, property tax receivable, etc.). The auditee must fully understand how all the adjustments flow through the trial balances that link into the final product (the financial statements).</p> <ol style="list-style-type: none"> 1. Cash basis. Have a thorough process in place to give the auditors the correct (free of material adjustments) cash basis trial balances of each fund. Every number should be checked, including balance sheet accounts, revenues, expenses, transfers, and fund balances.

2. **Modified accrual basis.** Take ownership for and agree that the modified accrual basis adjustments (primarily receivables and payables) proposed to the auditor from the District’s detail to the cash basis trial balances are materially correct. A modified accrual basis trial balance is simply the cash basis trial balance plus receivables and payables at year-end. The modified accrual basis trial balances are grouped by category and then used to create all the individual funds presented in the annual financial report.
3. **Full accrual basis.** Starting with the above final modified accrual basis trial balances then take ownership for all the adjustments from the total modified basis to the full accrual basis (the entity-wide statements at the very front of the annual financial report).

NMAC 6.20.2.12 requires that the District “create and maintain ... financial reports which facilitate the discharge of assigned responsibilities and monitors activities at each level of the organizational structure.”

New Mexico Manual of Procedures for Public School Accounting and Budget (PSAB), Supplement 5, Financial Statements. “The financial statements are the responsibility of the district. The IPA must provide the adjusting entries and supporting documentation to the district for any differences between the district’s records and the financial reports in the audit. The district should review and approve the audit draft prior to it being submitted to the state auditor.”

The State Auditor Rule (2.2.2, NMAC) requires the school district to maintain adequate accounting records to prepare financial statements in accordance with Generally Accepted Accounting Principles (GAAP) and cooperate with the Independent Public Accountant (IPA) by providing in a timely manner the information required to express an opinion on the agency’s financial statements. Districts should familiarize themselves with the contents of the annual audit. If the IPA prepares the financial statements, this fact must be disclosed in notes to the financial statements and may result in an audit finding if there is “ineffective oversight of the financial reporting and internal control processes by those charged by governance.” (Statement of Auditing Standards, SAS 115).

Financial Standards for New Mexico Public Schools and School Districts, 6.20.2.14 NMAC. “In accordance with GASB 34, school districts shall use a full accrual basis of accounting in preparation of annual financial statements and cash basis of accounting for budgeting and reporting.”

New Mexico Manual of Procedures for Public School Accounting and Budget (PSAB), Supplement 2, Internal Control Structure. “The Financial Management System (FMS) generally produces reports containing operational, financial, and compliance related information recorded on a cash basis of accounting, making it possible to efficiently manage the cash functions of the school district. Additional software is generally needed to convert from a cash basis to an accrual basis of accounting required by Generally Accepted Accounting Practices (GAAP) and Generally Accepted Governmental Auditing Standards (GAGAS).

Effect	There were material misstatements in the fund trial balances. Without completely reconciled records, this causes extra time to audit and work through issues with management.
Cause	This was generally caused by turnover of key employees in prior years, lack of training, and ineffective internal controls relating to the financial close and reporting process.
Recommendation	We recommend management evaluate all aspects of the financial close and reporting process and establish effective internal controls and procedures to ensure timely and accurate financial statements and supporting schedules. <i>We continue to highly recommend in-depth training on governmental accounting standards and systems such as GASB and COSO.</i> We also recommend that the District track and record modified and full accrual entries separately for financial reporting purposes. Finally, we recommend reconciling all balance sheet accounts by fund every month and performing analytical reviews of the income statements within a week of the close of the previous month. Structure and accountability are key factors to success in this process.
Management Response	Corrective Action: Santa Fe Public Schools management followed the audit work plan as established with the auditors for interim PBC working items as well as final PBC documents. The District worked with a consultant throughout the year to assist in the training and further development of staff.

Management is working on an internal audit work plan to compile drafted schedules and reconciliations to adhere with auditing framework. Additional applications and tools for closeout procedures and compilation are being considered.

Due Date of Completion: June 30, 2022

Responsible Party: Chief Financial Officer

SECTION II: FINANCIAL STATEMENT FINDINGS (CONTINUED)

2021-003	(2020-003) NEGATIVE CASH BALANCES IN ACTIVITY FUNDS - MODIFIED AND REPEATED
Type of Finding	Significant Deficiency
Condition	<p>As of June 30, 2021, there was a total of \$265,431 negative cash involving 42 different activity funds. The District reported these amounts as year end balances per the G/L for various activity/athletic cash account balances taken from various funds numbering 23004 through 23957.</p> <p>The District has made progress by reducing the deficit by \$21,149 and reducing the number of deficit activity funds by nine.</p>
Criteria	<p>NMSA 1978 Section 6-10-2 Public money; cash books; daily balance; public record. It is the duty of every public official or agency of this state that receives or disburses public money to maintain a cash record in which is entered daily, in detail, all items of receipts and disbursements of public money. The cash record shall be balanced daily so as to show the balance of public money on hand at the close of each day’s business. Except as may be otherwise provided by law, the cash record is a public record and is open to public inspection.</p> <p>NM Public Education Department (PED) Manual of Procedures – PSAB Supplement 18 – Student Activity & Athletics. No activity fund account shall ever be permitted to incur a deficit. Financial records of student activity funds must be in accordance with generally accepted accounting principles and an adequate internal control structure established and maintained, as well as audit trails, in the same manner as the school district’s regular funds.</p>
Effect	<p>The District does not have the funds available to make each class and activity whole. It is not allowable to provide operational public funds to outside individuals or entities; therefore, it is unknown at this point exactly how the cash account balances will be restored.</p>
Cause	<p>In previous years the District did not have proper internal controls over the budgeting, expenditure, and reconciliation of activity funds in place to ensure that no activity fund accounts were permitted to incur a deficit.</p>
Recommendation	<p>We recommend the District assess the risks associated with the activity accounts and put into place strong controls and accountability to detect and prevent any future activity cash account deficits. The District’s policy does allow old accounts to revert to others and we recommend analysis of those old accounts.</p>
Management Response	<p>Corrective Action: Current PED guidance does not require the District to budget activity funds. In the aggregate, activity funds have a positive fund balance. Guidelines outlined in the NMPED Manual of Procedures – PSAB 18 outlines the general management of funds and the requirements to maintain sufficient operating cash balances. Cash balance deficits are a result of non-budgetary requirements and cash flow.</p>
	Due Date of Completion: June 30, 2022
	Responsible Party: Chief Financial Officer

SECTION II: FINANCIAL STATEMENT FINDINGS (CONTINUED)

2021-004	BUDGETARY CONDITIONS
Type of Finding	Significant Deficiency
Condition	<p>The District has expenditure functions where actual expenditures exceeded budgetary authority:</p> <ul style="list-style-type: none"> • Fund 22000 Instruction Services \$42,531 • Fund 31701 Instruction Services 450 • Fund 41000 Support Services 48,050 • Fund 43000 Support Services 8,389 • Fund 45000 Support Services 301 • Fund 31600 Support Services 10,597 • Fund 31701 Support Services 14,726
Criteria	Per NMAC 6.20.2.9(A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2 NMSA 1978, and procedures of the department in preparing, submitting, maintaining, and reporting budgetary information. Budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.
Effect	The District is out of compliance with New Mexico state statute and the control established by the use of budgets has been compromised, which could result in deficit fund balances and unnecessary usage of operating funds to cover the over-expenditures.
Cause	The necessary budget adjustment request (BAR) was not submitted timely to allow for proper budgetary allowance within the affected funds.
Recommendation	We recommend the District continue its reconciling the budget between the Public Education Department’s Operating Budget Management System and Visions to the function level weekly, and closely monitor their budgetary review by the governing council or finance committee at the end of each quarter and have the governing council approve the necessary budgetary adjustments to ensure funds are not over expended.
Management Response	<p>Corrective Action: The District currently reconciles budget between the Public Education Department’s Operating Budget Management System and Visions to the fund level weekly, and budget and actuals quarterly. We will expand the OBMS to Visions reconciliation to the function level.</p> <p>Due Date of Completion: June 30, 2022</p> <p>Responsible Party: Director of Budget & Finance</p>

SECTION II: FINANCIAL STATEMENT FINDINGS (CONTINUED)

2021-005	CAPITAL PROJECT RESTRICTED FUNDS TEMPORARILY USED TO PAY OPERATING EXPENSES
Type of Finding	Other Non-Compliance
Condition	On May 28, 2021, the District’s General Operating Fund borrowed \$8,000,000 from a capital projects fund (Bond Building Fund # 31100) in order to cover operating expenses of the General Operating Fund. The borrowing occurred as the General Operating Fund had an insufficient amount of cash to cover upcoming operating and payroll expenses. On July 15, 2021, the General Operating Fund paid back the capital projects fund the \$8,000,000 it had borrowed.
Criteria	Capital Project Funds are not allowed to fund operations.
Effect	The District is out of compliance with New Mexico state statute as well as general obligation bonding requirements that do not allow Capital Project monies to be used for funding operations.
Cause	Requests for reimbursement were not processed by the oversight agency in a timely manner. PED was also late reimbursing Requests for Reimbursements (RFR) and transferring June SEG. This caused a cash shortfall in the operating fund. In order to meet ongoing operations, the District utilized cash from its Capital Projects Fund to pay operating expenses.
Recommendation	We recommend the District establish a sufficient amount of operating cash balances to fund all general operating cash requirements. This may include producing future cashflow projections in order to estimate the required amount of cash balances to be maintained in order to ensure Capital Project monies are not used other than for their restricted purpose.
Management Response	Corrective Action: Due to the SEG being several weeks late and RFR’s being outstanding for periods of time, the District was not funded for upcoming operating expenses. The District had to borrow money from capital projects, which was returned when the SEG and outstanding RFR’s were deposited. The District will work on carrying a higher cash balance to accommodate unforeseen events in the future.
	Due Date of Completion: June 30, 2022
	Responsible Party: Chief Financial Officer

Schedule of Section 12-6-5 NMSA 1978 Findings

JUNE 30, 2021

2021-006	(2017-004) COMPLIANCE WITH SCHOOL PERSONNEL ACT – MODIFIED AND REPEATED
Type of Finding	Other Matter
Condition	<p>During our testing of 10 employee contracts, 4 contracts were not executed no later than ten days before the first day of the school year and 1 contract was not provided. During our testing of School Personnel Act, we noted that 5 new hires completed required training in detection and reporting of child abuse and neglect, including sexual abuse and assault; however, none of the 5 received required training in substance abuse.</p> <p>The District did make progress on this finding in fiscal year 2021 with one less exception than prior year.</p>
Criteria	<p>Per NMAC 6.20.2.11 Internal Control Structure Standards, every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe guarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP.</p> <p>22-10A-23(B) NMSA 1978 states that delivery of the written acceptance of reemployment by a certified school instructor creates a binding employment contract between the certified school instructor and the local school board or the governing authority of the state agency until the parties enter into a formal written employment contract. Written employment contracts between local school boards or governing authorities of state agencies and certified school instructors shall be executed by the parties not later than ten days before the first day of a school year.</p> <p>Section 22-10A-32 Item A NMSA 1978 states that all licensed school employees shall be required to complete training in the detection and reporting of child abuse and neglect, including sexual abuse and assault and substance abuse. Except as otherwise provided in this subsection, this requirement shall be completed within the licensed school employee's first year of employment by a school district. Licensed school employees hired prior to the 2014-2015 school year shall complete the sexual abuse and assault component of the required training during the 2014-2015 school year.</p>
Effect	The District is at higher risk for misappropriation of assets if it is unable to confirm that pay rates have been approved by management. The District may be at higher risk that classrooms and other services are not staffed as planned. Additionally, the District is not in compliance with Section 22-10A-32 Item A, NMSA 1978.
Cause	This is due to a lack of controls over compliance in this area.
Recommendation	Management should perform a risk assessment and design and implement strong controls over payroll compliance.
Management Response	<p>Corrective Action: The Human Resources Department does recognize the legal requirement stated on Section 22-10A- 23(b) of the School Personnel Act that “written employment contracts between local school boards or governing authorities of state agencies and certified school instructors shall be executed by the parties not later than ten days before the first day of a school year.” As often our Collective Bargaining Agreement slows our process. The Human Resources Department does acknowledge the training requirements related to substance abuse under the statutes cited above. Current trainings provided by the District cover detection and reporting of child abuse and neglect, including sexual abuse and assault. We understand the need to mitigate risk of failing to detect and report substance abuse and the District has taken corrective action for staff members to undergo proper training.</p> <p>Due Date of Completion: June 30, 2022</p> <p>Responsible Party: Executive Director of Human Resources</p>

Exit Conference

JUNE 30, 2021

An exit conference was held on November 11, 2021. The following individuals were in attendance:

REPRESENTING SANTA FE PUBLIC SCHOOLS:

HILARIO "LARRY" CHAVEZ
Superintendent

ROBERT L. MARTINEZ II
Chief Financial Officer

EVELYN VALENCIA
Deputy Chief Financial Officer

KATE NOBLE
President, Board of Education

CARMEN GONZALES
Board Member

MARGO SHIRLEY
Audit Committee Member

REPRESENTING THE ACADEMY FOR TECHNOLOGY AND THE CLASSICS CHARTER SCHOOL:

LARRY MIRABAL
ATC/Chair

CHRISTINE GARCIA
Business Manager

JASON MORGAN
Principal

REPRESENTING JARAMILLO ACCOUNTING GROUP LLC (JAG):

AUDREY J. JARAMILLO, CPA, CFE, J.M.
Managing Partner

SCOTT ELIASON, CPA
Partner

SHAWN MORTENSEN, CPA
Audit Manager/Director

JAG, the District's independent public auditor, assisted the District in the preparation of the accompanying financial statements. The financial statements; however, are the responsibility of the District's management.



OTHER INFORMATION



CORRECTION ACTION PLAN



November 15, 2021

US Department of Education

Santa Fe Public Schools respectfully submits the following corrective action plan for the year ended June 30, 2021.

Name and address of independent public accounting firm:

**Jaramillo Accounting Group LLC
4700 Lincoln Rd NE
Albuquerque, New Mexico 87109**

Audit period:

June 30, 2021

The findings from the June 30, 2021 Schedule of Findings and Questioned Costs are discussed below. **The Corrective Action Plan does not include the corrective actions for our discretely presented component unit, The Academy for Technology and the Classics Charter School (ATC). ATC does not have federal funds in excess of \$750,000.** The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS - FINANCIAL STATEMENT AUDIT - DISTRICT

MATERIAL WEAKNESS

2021-001 (PREVIOUSLY REPORTED AS 2018-004) BANK RECONCILIATIONS – REPEATED AND MODIFIED

RECOMMENDATION

We recommend the District fully staff Finance positions, provide substantial training to the staff, and develop monthly close processes including a strong review and approval process. We highly recommend hiring a consultant (governmental CPA) for this. All processes and balances must be closely monitored for risks and compliance periodically throughout the year. Structure and accountability are necessary to ensure timely and accurate financial statements.

MANAGEMENT RESPONSE

Corrective Action: The District has updated reconciliation procedures for transactions to take place in the bank reconciliation module. Safeguarding of assets are upheld through internal controls for transactions. Transactions that are reconciling items are noted on supplemental documents for clearing accounts based on application functionality. Management will continue to work with outside consultant to conduct a deep review of internal practices to ensure proper statement of cash.

Due Date of Completion: June 30, 2022

Responsible Party(ies): Comptroller

2021-002 (PREVIOUSLY REPORTED AS 2019-001) INTERNAL CONTROLS OVER FINANCIAL CLOSE AND REPORTING – REPEATED AND MODIFIED

RECOMMENDATION

We recommend management evaluate all aspects of the financial close and reporting process and establish effective internal controls and procedures to ensure timely and accurate financial statements and supporting schedules. *We continue to highly recommend in-depth training on governmental accounting standards and systems such as GASB and COSO.* We also recommend that the District track and record modified and full accrual entries separately for financial reporting purposes. Finally, we recommend reconciling all balance sheet accounts by fund every month and performing analytical reviews of the income statements within a week of the close of the previous month. Structure and accountability are key factors to success in this process.

MANAGEMENT RESPONSE

Corrective Action: Santa Fe Public Schools management followed the audit work plan as established with the auditors for interim PBC working items as well as final PBC documents. The District worked with a consultant throughout the year to assist in the training and further development of staff. Management is working on an internal audit work plan to compile drafted schedules and reconciliations to adhere with auditing framework. Additional applications and tools for closeout procedures and compilation are being considered.

Due Date of Completion: June 30, 2022

Responsible Party(ies): Chief Financial Officer

SIGNIFICANT DEFICIENCY

2021-003 NEGATIVE CASH BALANCES IN ACTIVITY FUNDS

RECOMMENDATION

We recommend the District assess the risks associated with the activity accounts and put into place strong controls and accountability to detect and prevent any future activity cash account deficits. The District's policy does allow old accounts to revert to others and we recommend analysis of those old accounts.

MANAGEMENT RESPONSE

Corrective Action: Current PED guidance does not require the District to budget activity funds. In the aggregate, activity funds have a positive fund balance. Guidelines outlined in the NMPED Manual of Procedures – PSAB 18 outlines the general management of funds and the requirements to maintain sufficient operating cash balances. Cash balance deficits are a result of non-budgetary requirements and cash flow.

Due Date of Completion: June 30, 2022

Responsible Party(ies): Chief Financial Officer

2021-004 BUDGETARY CONDITIONS

RECOMMENDATION

We recommend the District continue its reconciling the budget between the Public Education Department's Operating Budget Management System and Visions to the function level weekly, and closely monitor their budgetary review by the governing council or finance committee at the end of each quarter and have the governing council approve the necessary budgetary adjustments to ensure funds are not over expended.

MANAGEMENT RESPONSE

Corrective Action: The District currently reconciles budget between the Public Education Department's Operating Budget Management System and Visions to the fund level weekly, and budget and actuals quarterly. We will expand the OBMS to Visions reconciliation to the function level.

Due Date of Completion: June 30, 2022

Responsible Party(ies): Director of Budget & Finance

NON-COMPLIANCE

2021-005 CAPITAL PROJECT RESTRICTED FUNDS TEMPORARILY USED TO PAY OPERATING EXPENSES

RECOMMENDATION

We recommend the District establish a sufficient amount of operating cash balances to fund all general operating cash requirements. This may include producing future cashflow projections in order to estimate the required amount of cash balances to be maintained in order to ensure Capital Project monies are not used other than for their restricted purpose.

MANAGEMENT RESPONSE

Corrective Action: Due to the SEG being several weeks late and RFR's being outstanding for periods of time, the District was not funded for upcoming operating expenses. The District had to borrow money from capital projects, which was returned when the SEG and outstanding RFR's were deposited. The District will work on carrying a higher cash balance to accommodate unforeseen events in the future.

Due Date of Completion: June 30, 2022

Responsible Party(ies): Chief Financial Officer

If the US Department of Education has questions regarding this plan, please call me at 505-469-9984.

Sincerely yours,



Robert L. Martinez II, MBA
Chief Financial Officer

JARAMILLO ACCOUNTING GROUP LLC (JAG)

CERTIFIED PUBLIC ACCOUNTANTS

4700 LINCOLN RD NE, ALBUQUERQUE, NM 87109

T: 505.323.2035

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