

STATE OF NEW MEXICO

ALBUQUERQUE MUNICIPAL
SCHOOL DISTRICT No. 12

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR
ENDED JUNE 30, 2002



STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
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STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12

OFFICIAL ROSTER

JUNE 30, 2002

BOARD MEMBERS:

(as of June 30, 2002)

Leonard J. DeLayo, Jr.	President
Dolores Herrera	Vice-President
Matthew Archuleta	Secretary
John Emery	Member
Berna Facio	Member
Paula Maes	Member
Mary Lee Martin	Member

PRINCIPAL ADMINISTRATIVE OFFICIALS:

Joe Vigil	Superintendent
Michael J. Vigil	Superintendent for Business
Dr. Elizabeth Everitt	Superintendent of Education
Tom Garrity	Superintendent for Advancement
Diego Gallegos	Assistant Superintendent of Superintendent's Schools
Susie Peck	Assistant Superintendent of Cluster System

FINANCIAL SECTION



Independent Auditors' Report

Board of Education
Albuquerque Municipal School District No. 12
and
Mr. Domingo Martinez, CGFM,
New Mexico State Auditor

We have audited the accompanying financial statements of the governmental activities, each major fund, aggregate remaining fund information and the aggregate discretely presented component units of the Albuquerque Municipal School District No. 12, New Mexico (the District) as of and for the year ended June 30, 2002, which collectively comprise the District's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the District's nonmajor governmental fund and individual activities of the component units presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2002, as listed in the table of contents. These financial statements are the responsibility of the District's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In addition, as described in Note 1, the District adopted the provisions of the Governmental Standards Board Statement No. 34 Basic Financial Statements and Management's Discussion and Analysis-For State and Local Governments, as of July 1, 2002.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, aggregate remaining fund information and the aggregate discretely presented component units of the District as of June 30, 2002, and the respective changes in financial position, where applicable, thereof, and the budgetary comparison for each fund's and component unit's activities for the year then ended in conformity with accounting principles generally accepted in the United States of America. In



Board of Education
Albuquerque Municipal Schools District No. 12
and
Mr. Domingo Martinez, CGFM,
New Mexico State Auditor

addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund and individual activities of the component units of the District, as of June 30, 2002, and the respective changes in the financial position, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2003, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the basic financial statements taken as a whole. The accompanying schedules listed in the table of contents are presented for additional analysis and are not a required part of the basic financial statements. Additionally, the accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by US Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

Neff + Ricci LLP

Albuquerque, New Mexico
January 10, 2003

Albuquerque Municipal School District No. 12
Management Discussion and Analysis
For the Fiscal Year Ending June 30, 2002

This Management Discussion and Analysis (MD&A) of the fiscal performance of the Albuquerque Public School District for the period ending June 30, 2002 represents the school district's first year implementation of the Governmental Accounting Standards Board Rule 34 (GASB 34). The MD&A is intended to provide the reader of the district's financial statements an easy to understand overview of the financial position and results of operation for the year. This analysis is based on currently known facts as of the date of the auditors' report.

GASB 34 requires several new reports. First the reader will note this MD&A. Secondly, the reader will see two new statements; a Statement of Net Assets and a Statement of Activities. The discussion and analysis as well as the two new statements provide a review of the district's overall financial activities using the accrual basis of accounting for the year ended June 30, 2002. The focus of the analysis is directed on the school district as a whole and does not emphasize component units. Whenever possible the MD&A will provide multi-year comparisons of financial performance and other pertinent information through the use of tables and other graphics information.

In addition to the new reporting, this annual report consists of a series of detailed, audited financial statements and the notes to those statements. Also included is the Independent Auditors' Report, The Independent Auditors' Report on Compliance on Internal Control (Governmental Accounting Standards), The Independent Auditors' Report on Compliance with Requirements Applicable in each Major Program (OMB A-133), and a Schedule of Findings and Questioned Costs. These statements and information were included in past reporting by the district.

About Albuquerque Public Schools

Albuquerque Public Schools is the 31st largest school district in the United States. The district encompasses almost all of Bernalillo County and a small section of Sandoval County in the State of New Mexico. The geographical area of the district is approximately the same size as the State of Delaware.

There are 126 schools in the district with 80 elementary schools, 26 middle schools, 11 comprehensive high schools and 9 alternative schools. The district serves 85,213 students. Student population growth in the district has remained relatively flat over the past 10 years. During fiscal year 2002 ten (10) charter schools opened in Albuquerque. Even with the opening of these schools student membership remains as projected.

The enrollment trends over the last ten years can be seen in the following table.

	1993-94	1994-95 ⁽¹⁾	1995-96	1996-97	1997-98 ⁽²⁾	1998-99	1999-00	2000-01	2001-02	2002-03
Elementary School	42,686	39,360	39,280	39,091	38,681	38,161	37,578	37,441	41,143	41,119
Middle School	18,549	17,494	17,211	17,068	16,929	17,076	17,087	17,587	19,655	19,497
High School	22,946	23,348	23,767	24,026	23,126	22,158	22,109	21,855	24,192	23,764
Total	92,679	88,624	88,891	88,886	87,033	85,847	85,255	85,039	85,655	85,213
% Rate of Change	1.27%	-4.38%	0.31%	0.01%	-2.08%	1.36%	0.69%	0.25%	0.72%	0.52%

(1) Rio Rancho separated from APS Public School District Grades K-8

(2) Rio Rancho school district opened new high school

Though a stable and manageable student growth has allowed the district to plan for overall needs, student mobility between schools continues with Westside growth far exceeding the remainder of the district. As can be seen in the table above, the district's overall student growth rate remains very stable.

The school district is the only "urban" school district in the State of New Mexico. The district's economic and general population growth has provided an increasing property tax base. Through the property tax, voters authorize the district to fund two mill levies and debt service used to repay general obligation bonds. In general, the mill levies are used for facility maintenance and renewal. General obligation bonds fund new construction needs to meet student growth and mobility. The use of these funds is determined by the district's Facilities Master Plan (FMP). The FMP is a five year plan recommended by the district's Facilities Master Plan Committee and administration to be approved by the Board of Education.

Albuquerque Public Schools Accounting and Finance

This written analysis and the accompanying financial statements indicate that the Albuquerque Public Schools is in good financial position. Indicators such as bond ratings, fund balances, cash balances and budget management are all indicators of a positive financial direction and management. The district's finance and accounting staff bring a high level of technical financial expertise to the district. As an indication of this expertise the staff maintained three (3) Certified Public Accountants, two (2) MBA's and one (1) MPA along with a number of bachelor degreed staff.

In addition, to the finance and accounting staff, the district maintains an Internal Audit Department. The department reports directly to the Board of Education through its Audit Committee. The department audits various financial applications throughout the district assuring compliance with district financial policies and procedures. In addition, reviews of internal controls and systems are conducted to ensure the district is properly safeguarding its assets.

A vital part of the district's financial accountability system is the reporting process used by the Board of Education's Finance Committee and the Board of Education as a whole. The committee reviews all budget increases and decreases to all funds as well as all significant budget transfers. Financial discussions and reports are prepared for committee and full board review. All documents and meetings are open for public review.

Significant Financial Highlights for the Year Ending June 30, 2002

- The district has successfully implemented the new Financial Reporting and processes as required by the Governmental Accounting Standards Board Rule 34. The implementation includes complete accumulated and annual depreciation for capital assets.
- The district continues to maintain a strong AA2 rating from Moody's Investor Services and AA from Standard and Poor's on its General Obligation Bonds.
- The district lost a general obligation bond and mill levy election during the fiscal year. The district had historically sold general obligation bonds after election victories and the loss resulted in no bonds being sold and \$13,600,000 in outstanding bonds being redeemed through scheduled payments.
- The district refunded \$25,000,000 in general obligation bonds during the year. The refunding of these bonds will save the district 4 million dollars in interest expense.
- The implementation of GASB 34 requirements resulted in total capital assets being depreciated by \$305,346,499. This represents an accumulated year to date charge. After adjusting the beginning fiscal year 2002 total net asset balances for accumulated depreciation, overall total net assets increased by \$26,074,097 for the year ended June 30, 2002.
- The overall adjusted fund balance increased from \$156,050,215 for the year ended June 30, 2001 to \$177,192,557 for the year ended June 30, 2002. This is an increase of \$21,142,342 or 13.5%.
- Total revenues, exclusive of revenues from general obligation bond proceeds, increased from \$577,381,421 in the year ending June 30, 2001 to \$637,098,314 in the year ending June 30, 2002. This is an increase of \$55,716,893 reflecting an overall revenue growth of 10.3%. Revenues, inclusive of revenues from general obligation bond proceeds increased from \$602,381,421 to \$660,741,875.
- Total expenditures, inclusive of all capital expenditures from general obligation bond proceeds, increased from \$593,431,846 for the year ending June 30, 2001 to \$642,483,387 for the year ending June 30, 2002. This is an increase in expenditures

of \$49,051,541 or 8%. Significant revenues and expenditure growth occurred in general operating fund and in capital outlays.

Statement of Net Assets

Because of the GASB34 requirements this overall Statement of Net Assets, on page 3, is new to the financial statements of the Albuquerque Public Schools. This statement shows that the school district has total net assets of \$577,030,963. The school district had \$237,833,230 of cash and cash equivalents on hand as of June 30, 2002 as compared to \$63,409,803 in Accounts Payable and current liabilities of \$ 26,408,178. Net Assets totaling \$121,459,672 are "restricted" for debt service and capital projects. Net Assets totaling \$54,107,189 are "unrestricted".

Total Assets	
Cash Assets	237,833,230
Other Current Assets	22,946,796
Capital Assets	824,960,601
Depreciation	<305,346,499>
Total Assets	
	780,394,128
Accounts Payable	63,409,803
Other Current Liabilities	26,408,178
Long Term Liabilities	113,545,184
Total Liabilities	
	203,363,165
Net Assets	
Invested in Capital Assets	401,464,102
Restricted	121,459,672
Unrestricted	54,107,189
Total Net Assets	
	577,030,963

Because this statement is new to the Albuquerque Public Schools financial statements prior year information is unavailable. In future years, the Management Discussions and Analysis will include multi-year information in the presentation of this table.

GASB 34 rules now require public entities to depreciate capital assets. This statement includes an adjusted accumulated depreciation of the school district's capital assets in the

amount of \$305,346,499. The school district utilizes a "straight line" depreciation method in all cases and standardized lifetime tables in calculating this depreciation.

Statement of Activities

The Statement of Activities is also a new statement required by GASB34. This report compliments the Statement of Net Assets by showing the overall change in the school district's net assets for the fiscal year ending June 30, 2002. As of June 30, 2002 the school district had net assets of \$577,030,963.

Statement of Revenues and Expenditures

The Statement of Revenues and Expenditures and Changes in Fund Balances is not new to the school district's annual financial reports. This report guides the reader to a meaningful overall view for the district revenues, expenditures and fund balance, and changes to the fund balance. Total revenues from State, local and Federal sources were \$637,098,314. With the addition of \$23,643,561 in general obligation bond proceeds (Other Financing Sources) total revenues increase to \$660,741,875. Total expenditures for the school district were \$642,483,387. The total ending fund balance was \$177,192,557; an increase of \$21,137,134 from the prior year.

Multi-Year District Revenues and Expenditures

A multi-year view of overall school district revenues and expenditures indicates significant growth in both areas. The growth of both revenues and expenditures are commensurate with student growth, legislative initiatives to improve funding for teacher salaries, student needs and other education programs, as well as State and local increases in revenues for capital outlay purposes.

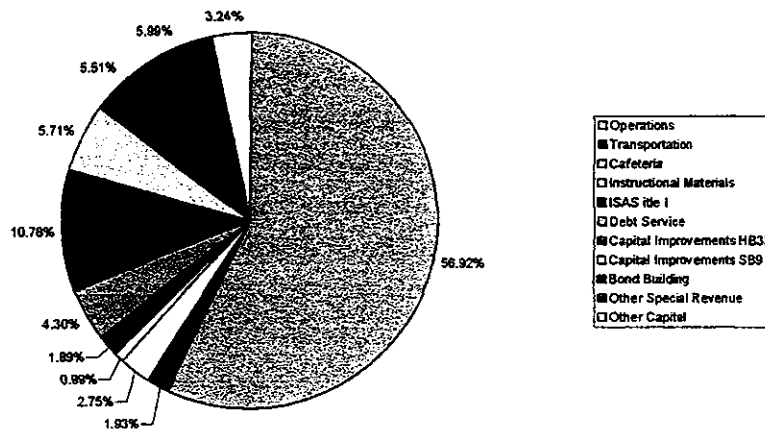
The Budget

School district budgets reflect the same growth as seen in the revenue and expenditures of the school district. The State of New Mexico school budget process is defined under state law and regulation. To enhance the process of developing a budget at the school district level, the Albuquerque Public Schools district utilizes goals and objectives defined by the Albuquerque Public Schools Board of Education, community input meetings, long term plans and input from various staff groups to develop the school district budget. School district priorities are well defined through this process.

GASB 34 does not require a statement presenting the overall result of the budget for each year; however, all major budgetary funds are required to be reported as a separate statement. Major budgetary funds in these reports are; The General Fund (Operations Fund), Transportation, Cafeteria, Instructional Materials, IASA Title I, Capital

Improvements HB33, Capital Improvements SB9, Debt Service, Bond Building. In addition, forty-three (43) non-major Special Revenue Funds and three (3) non-major capital project funds are also reported for their budgetary performance. Non-major funds included special Federal funds such as Bilingual and IDEA funds. Non-major capital project funds include Special State Appropriation fund and Special Building Local Fund. The following graphics and tables show the fiscal relationship of the major funds and the combined non-major funds.

Final Budget



The reader will note that the Operations Fund represents 56.92% of the total fund Dollar Amount. This fund provides the salary and benefits for the significant majority of the Instructional, Instructional Support and School Support, Maintenance and Administrative staff as well as classroom materials, special education consulting staff and fixed utility costs. Revenue from this fund is derived from the State Equalization Guarantee, which is the funding formula appropriated for education by the State Legislature. The operation Funds is explored later in the Management discussion and Analysis.

The following table examines the summary budget performance of the major and combined non-major funds for the fiscal year ending June 30, 2002. Detail budget performance is examined through the Budgetary Comparison Statement for each major funds and the Schedule of Revenues and Expenditures Budget and Actual for the combined Special Revenue Funds and Capital Projects Funds.

Major Funds Expenditure Budget Performance

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
General Fund	\$ 464,853,217	\$ 478,191,881	\$ 453,934,242	\$ 24,257,639
Transportation	15,069,478	16,178,272	16,133,809	44,463
Instructional Materials	6,510,140	8,326,124	7,331,015	995,109
Cafeteria	22,930,000	23,080,700	21,417,704	1,662,996
Title I	14,225,960	15,865,237	14,436,670	1,428,567
Debt Service	36,111,200	36,111,200	18,844,733	17,266,467
Capital Outlay HB33	96,632,639	90,603,772	35,920,965	54,682,807
Capital Outlay SB9	48,753,323	47,963,301	13,930,253	34,033,048
Bond Building	47,268,971	46,277,845	22,049,924	24,227,921

	Final Budget	Actual	Variance Positive (Negative)
Nonmajor Special Revenue Funds	\$ 50,299,537	\$ 28,195,894	\$ 22,103,643
Nonmajor Capital Funds	\$ 27,229,258	\$ 10,971,608	\$ 16,257,650

Combined Minor Funds Expenditure Budget Performance

All funds, with the exception of the Cafeteria funds fell within the regulatory criteria set by the State Department of Education and New Mexico Statute. Both the Manual of Procedures for Public School Accounting and NMSA 8-22-5, Annotated require that budget expenditures be within the authorization of the approved budget.

The General Fund

The General Fund serves as the school district general fund. Because the General Fund revenues represent \$452,820,450 of the total \$660,741,875 in overall district revenues (inclusive of bond proceeds), the impact of this fund must be kept in context. The General Fund is predominately funded by revenues for the State of New Mexico Equalization Guarantee Formula. This fund pays for teaching staff, teaching support staff, special education support staff, maintenance staff, and administrative staff. The General Fund provides the predominant funding for athletics and summer school.

General Fund Revenues

Because the General Fund is the main fund whose expenditures are significantly related to the educational process, \$453,705,488 was expended in the year ending June 30, 2002. The most significant inter-fund expense was for the function notes as "Direct Instruction". This expenditure was \$282,829,747 and represents 62.34% of all General expenditures. Expenses included in this function are regular and special education teachers and assistants, benefits, payroll taxes, school supplies, training and miscellaneous instructional related contract services. Approximately 92.3% of all General Fund expenditures are made for employee salaries, payroll taxes and benefits.

The following discussion relates to the General Fund Budget and related functional expenditures for the year ending June 30, 2002. Direction Instruction represents 62.34% of all General Fund expenditures. Instruction expenditures account for regular education, special education, kindergarten teachers, and educational assistants salaries, payroll taxes, and benefits. Instructional Support represents 21.77% of General Fund expenditures and account for expenditures for school principals, program coordinators, counselors, school nursing staff, librarians, special education ancillary staff, and contact programs. The Office of the Superintendent and the Business Office represent the overhead support for the entire operations of the School District; these programs combined represent 2.68% of the total General Fund, Maintenance and Operations account for 11.75% of the General Fund expenditures. Included in the maintenance expenditures are salaries and benefits for maintenance staff, school custodians, fixed utility costs, maintenance and repairs, maintenance supplies and school custodial supplies. Because of the expansion of school facilities, this functional expenditure area has been increased to meet school needs. Additional support for maintenance supplies and projects comes from the voter approved two mill levy, which is also given a state matching grant. The General Fund also supports expenditures for school athletics and summer school.

Capital Assets

Because of prior year student growth and certain aging facilities, the school district has taken an aggressive approach towards investing in equipment and building new facilities as well as adding to and maintaining existing facilities. The district Five-Year Master Plan includes major upgrades and additions to schools.

General Long Term Debt

Article IX, Section 11 of the New Mexico Constitution limits the powers of a school district to incur general obligation debt beyond a school year. The school district can incur such debt for "the purpose of erecting, remodeling, making additions, and furnishing buildings or purchasing or improving school grounds, purchasing computer software or hardware for student use in public classrooms or any combination of these purposes." The approval of the debt is subject to a vote of the local electors and may not exceed 6% of the assessed valuation of the taxable property within the school district.

Assessed valuation in 2002 was \$9,415,384,004 which limits outstanding debt to \$564,923,040. At June 20, 2002 the District had \$118,150,000 of debt outstanding, which equates to 20.91% bonded to capacity. The district has structured its debt to allow for future bond issues without impacting the debt service mil levy. In addition, active management of debt service cash and principal maturities will allow the district to generate additional bonding capacity.

The school district has never defaulted on any of its debt or other obligations. The school district's total general obligation debt as of June 30, 2002 is presented in note 8 of the footnotes to the financial statements.

The school district recommends the Official Statement Dated October 23, 2002 to any reader wishing to know more about the school district's long term debt and community demographics. Copies may be obtained by contacting the individuals listed in this discussion and analysis.

Agency Funds

The school district, as a custodian, maintains and monitors special funds on behalf of schools and school activity groups. Agency funds maintained by the school district are to benefit a specific activity or interest and are generally raised by students for student use. While each school site is responsible for the administration of the agency funds, the custody and use of these funds are in accordance with State Department of Education regulations and School District Policy. The Statement of Changes in Net Assets and Liabilities, page 19, for the year ending June 30, 2002, shows the accumulated fund balance of all agency funds was \$4,431,917. This balance reflects an increase of \$254,131 during the fiscal year. Individual school site activity fund balances are found on page 95.

Future Trends

The economy and State Revenues: After many years of positive economic trends at the State and local level, the overall State economy is beginning to show signs of slowing. In general terms, while unemployment has dropped and tourism slowed, the economic weakness shown in other areas of the country has not been as severe in New Mexico. However, while not severe, income for Gross Receipts Taxes, the main revenue source for both State and local governments, has dropped. Significant revenues provided by the State Equalization formula to school districts for operation fund come from these taxes. While in recent months, the State has significantly reduced its estimates of these tax collections it is expected that legislative support for public education will remain strong and that while decreasing from prior years, revenue increases will still be appropriated. No revenue decreases should be seen in current year funding.

Public School Capital Outlay: The expansion of the economy and the rise in mineral, oil and natural gas prices provided the state with a windfall in mineral severance taxes. The legislature is tasked with appropriating from this revenue pool and a significant amount of the proceeds from this windfall were utilized to provide for capital projects statewide, including facilities for public education. The State of New Mexico investment in educational facilities during both the 2001 and 2002 fiscal years has been approximately \$100 million per year, statewide. Due to the recent slowing of the economy and falling

prices of minerals, it is expected that this revenue source will decrease significantly in coming years. It is anticipated that the State Legislature will continue the focus of resources to upgrade facilities at public schools.

Local Assessments General Obligation Bonds: Local property taxes serve as the revenue source for the repayment of general obligation bonds. Because of the growth of both residential and commercial assessed valuation for properties in the Albuquerque Public School District, the school district has undertaken an aggressive expansion program to add additional classroom space to the district.

Because of continued development in both the residential and commercial properties in the school district, it is expected that future assessed valuations will continue to increase. It is also expected that voter support for the Albuquerque Public Schools will continue to be strong and revenues from bond proceeds will continue to be an integral part of the school district capital funding plans in future years.

Contacting the Albuquerque Public Schools District

This financial report is designed to provide our community, taxpayers, investors, and creditors with an overview of the Albuquerque Public Schools District's financial condition and to provide accountability for the funds the school district receives. If you have questions about our report or about the operations of the Albuquerque Public School district, please contact:

Michael J. Vigil
Superintendent for Business
Albuquerque Public Schools
725 University Blvd. SE
Albuquerque, New Mexico 87106

STATE OF NEW MEXICO - ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF NET ASSETS
JUNE 30, 2002

	Governmental Activities	Component Units	Total
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	\$ 237,833,230	\$ 2,084,430	\$ 239,917,660
Receivables:			
Intergovernmental	17,437,427	120,517	17,557,944
Other	1,245,033	8,640	1,253,673
Supply inventories	4,264,336	-	4,264,336
Total current assets	260,780,026	2,213,586	262,993,612
Noncurrent assets:			
Capital assets	824,960,601	1,265,208	826,225,809
Less:			
Accumulated Depreciation	(305,346,499)	(368,208)	(305,714,707)
Total noncurrent assets	519,614,102	897,001	520,511,103
Total assets	780,394,128	3,110,587	783,504,715
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable and other current liabilities	63,409,803	369,561	63,779,364
Deferred revenue	7,837,006	30,000	7,867,006
Current portion of long-term obligations	18,571,172	60,362	18,631,534
Total current liabilities	89,817,981	459,923	90,277,904
Long-term obligations:			
Compensated absences	1,963,184	16,087	1,979,271
Insurance claims	7,087,000	-	7,087,000
Bonds payable	104,495,000	-	104,495,000
Total long-term obligations	113,545,184	16,087	113,561,271
Total liabilities	203,363,165	476,010	203,839,175
<u>NET ASSETS</u>			
Investment in capital assets, net of related debt	401,464,102	897,001	402,361,103
Restricted for:			
Debt Service	16,564,478	-	16,564,478
Capital projects	104,895,194	-	104,895,194
Unrestricted	54,107,189	1,737,576	55,844,765
Total net assets	577,030,963	2,634,577	579,665,540

See notes to financial statements

STATE OF NEW MEXICO - ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2002

ASSETS

General Fund	Transportation Fund	Instructional Materials Fund	Cafeteria	IASA Title I	Debt Service	Capital Improvements IBSS	Capital Improvements SB9	Bond Building	Non-major Funds	Total	Component Units	Grand Total
\$ 90,317,159	\$ 228,399	\$ 1,532,565	\$ 3,977,306	\$ 2,825,387	\$ 17,093,993	\$ 56,308,653	\$ 36,140,366	\$ 23,908,152	\$ 15,888,862	\$ 248,220,842	\$ 2,084,130	\$ 250,305,272
288,291	-	-	576,639	2	2,741,901	4,955,102	2,533,976	-	6,341,516	17,437,427	120,517	17,557,944
689,255	-	-	3,284	-	15,679	9,197	48,925	36,184	442,509	1,245,033	8,640	1,253,673
2,464,983	-	-	-	-	-	-	-	-	-	2,464,983	-	2,464,983
3,032,489	-	-	1,231,817	-	-	-	-	-	-	4,264,336	-	4,264,336
\$ 96,792,177	\$ 228,399	\$ 1,532,565	\$ 5,789,076	\$ 2,825,389	\$ 19,851,573	\$ 61,272,952	\$ 38,723,267	\$ 23,944,336	\$ 22,672,887	\$ 273,632,621	\$ 2,213,366	\$ 275,846,207

Total assets

LIABILITIES AND FUND BALANCES

Vouchers payable	\$ 689,490	\$ 4,061	\$ 186,089	\$ 338,063	\$ 138,356	\$ 2,836,695	\$ 3,468,243	\$ 1,298,958	\$ 1,762,563	\$ 1,923,238	\$ 12,685,756	\$ 369,461	\$ 13,055,317
Retainage payable	-	-	-	-	-	-	124,801	-	172,349	-	297,150	-	297,150
Cash overdrafts	-	-	-	-	-	-	-	-	-	10,387,612	-	-	10,387,612
Salaries and benefits payable	50,031,900	-	-	-	-	-	-	-	-	-	50,031,900	-	50,031,900
Compensated absences	1,616,172	-	-	-	-	-	-	-	-	-	1,616,172	-	1,616,172
Deferred revenue	231,251	-	-	795,717	577,663	2,392,434	4,288,374	2,211,602	-	4,764,433	15,261,494	30,000	15,291,494
Claims liability	3,300,000	-	-	-	-	-	-	-	-	-	3,300,000	-	3,300,000
Due to other funds	-	-	-	285,507	2,089,370	-	-	-	-	90,106	2,464,983	-	2,464,983
Other liabilities	394,997	-	-	-	-	-	-	-	-	-	394,997	-	394,997
Total liabilities	\$ 56,263,810	\$ 4,061	\$ 186,089	\$ 1,439,287	\$ 2,825,389	\$ 5,229,129	\$ 7,881,418	\$ 3,510,560	\$ 1,924,912	\$ 17,165,409	\$ 96,440,064	\$ 399,461	\$ 96,839,525

Total liabilities

FUND BALANCES

LOCAL GOVERNMENT FINANCE													
Reserved for:													
Inventory	3,032,489	-	-	1,231,847	-	-	-	-	-	-	4,264,336	-	4,264,336
Claims	2,001,000	-	-	-	-	-	-	-	-	-	2,001,000	-	2,001,000
Encumbrances	95,284	6,806	-	-	9,818	-	11,946,293	36,303	4,557,383	12,103,938	28,755,825	-	28,755,825
Unreserved, designated for subsequent year expenditures	10,691,000	-	-	-	(9,818)	14,622,444	-	-	-	699,648	26,003,274	1,814,025	27,817,299
Unreserved, undesignated, reported in:													
General fund	24,708,594	217,532	1,346,476	-	-	-	-	-	-	-	26,272,602	-	26,272,602
Special revenue funds	-	-	-	3,117,942	-	-	-	-	-	-	3,117,942	-	3,117,942
Capital projects funds	-	-	-	-	-	-	41,445,241	35,176,404	17,452,041	(7,296,108)	86,777,578	-	86,777,578
Total fund balances	40,528,387	224,338	1,346,476	4,349,789	-	14,622,444	53,391,534	35,212,707	22,009,424	5,507,478	177,192,557	1,814,025	179,006,582

Total liabilities and fund balances

\$ 96,792,177	\$ 228,399	\$ 1,532,565	\$ 5,789,076	\$ 2,825,389	\$ 19,851,573	\$ 61,272,952	\$ 38,723,267	\$ 23,944,336	\$ 22,672,887	\$ 273,632,621	\$ 2,213,366	\$ 275,846,207
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See notes to financial statements

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
JUNE 30, 2002

Governmental Funds

Component Units

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balances - governmental funds	\$ 177,192,557	\$ 1,814,025
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Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

Cost of capital assets:	\$ 824,960,601	\$ 1,265,209
Accumulated depreciation:	<u>(305,346,499)</u>	<u>(368,208)</u>
	519,614,102	897,001

Property taxes receivable will be collected during the year ended June 30, 2002, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.

7,424,488

Long-term and certain other liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long term and other liabilities at year end consist of:

Bonds payable	(118,150,000)	(60,362)
Claims liability	(7,087,000)	
Compensated absences	(1,963,184)	(16,087)
	<u>(127,200,184)</u>	

Total Net Assets

\$ 577,030,963

\$ 2,634,577

See notes to financial statements

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOLS DISTRICT NO. 12
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2002

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets	Component Units	Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions			
Governmental activities:							
Instruction	\$ 334,453,040	2,223,139	34,551,300		(297,678,601)	(5,240,173)	(302,918,774)
Instructional support	111,117,815		12,289,672		(98,828,143)	(1,090,507)	(99,918,650)
Administration	7,768,460		54,991		(7,713,459)	(366,969)	(8,080,428)
Pupil transportation services	16,416,611		16,321,838		(94,773)	(51,652)	(146,425)
Operation and maintenance of plant	53,333,277		149,721		(53,183,556)	(1,311,743)	(54,495,299)
Non-instructional support	1,302,459				(1,302,459)	(13,404)	(1,315,863)
Community services	4,178,307		2,906,888		(1,271,419)	(1,295)	(1,272,714)
Business/support services	5,568,672		726,729		(4,841,943)	(745,007)	(5,586,950)
Food services	22,866,937	9,249,066	13,878,682		260,811	(110,867)	149,944
Athletics	4,438,225	545,922	5,207		(3,887,066)	(44,221)	(3,931,317)
Capital outlay	41,448,558			8,221,292	(33,227,266)	(228,989)	(33,456,255)
Depreciation - unallocated	6,453,607				(6,453,607)	(279,764)	(6,733,371)
Interest on long-term obligations	5,151,482				(5,151,482)	-	(5,151,482)
Total governmental activities	614,497,440	12,018,127	80,885,028	8,221,292	(513,372,993)	(9,484,591)	(522,857,584)
General Revenues							
Taxes							
Property taxes, levied for general purposes					\$ 2,393,623	\$ -	\$ 2,393,623
Property taxes, levied for debt service					19,245,367	-	19,245,367
Property taxes, levied for capital projects					56,491,853	-	56,491,853
Federal and State aid not restricted to specific purpose							
General					441,099,757	10,130,695	451,230,452
Interest and investment earnings					5,403,324	3,478	5,406,802
Miscellaneous					11,851,842	67,698	11,919,540
Subtotal, general revenues					536,485,556	10,201,871	546,687,427
Change in net assets					23,112,573	717,280	23,829,853
Net assets - beginning					553,918,390	1,917,297	555,835,687
Net assets - ending					\$ 577,030,963	\$ 2,634,577	\$ 579,665,540

See notes to financial statements

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

	General Fund	Transportation Fund	Instructional Materials Fund	Cafeteria	IASA Title I	Debt Service	Capital Improvements HB33	Capital Improvements SEP	Bond Building	Non-major Funds	Total	Component Units	Grand Total
REVENUES:													
Local and county sources	\$ 10,686,779	\$ -	\$ -	\$ 9,249,066	\$ -	\$ 19,307,465	\$ 36,967,076	\$ 20,308,389	\$ 741,747	\$ 14,141,900	\$ 111,402,422	\$ -	\$ 111,402,422
State sources	441,099,757	16,321,838	7,432,032	-	14,422,982	-	-	-	-	8,221,292	487,497,901	12,393,222	499,891,123
Federal sources	1,033,914	-	-	13,294,811	-	-	-	-	-	23,283,395	37,614,120	-	37,614,120
U.S.D.A. commodities	-	-	-	583,871	-	-	-	-	-	-	583,871	-	583,871
Total revenues	452,820,450	16,321,838	7,432,032	23,127,748	14,422,982	19,307,465	36,967,076	20,308,389	741,747	45,648,387	637,098,314	12,393,222	649,491,536
EXPENDITURES:													
Current -													
Instruction	282,829,747	-	-	-	12,293,143	-	-	-	-	13,385,339	308,708,249	7,194,165	315,902,414
Instructional support	98,782,138	-	-	-	1,486,462	-	-	-	-	10,998,622	111,267,222	1,091,207	112,358,429
Administration	7,312,102	-	-	-	15,821	-	-	-	-	50,610	7,378,533	366,969	7,745,502
Public transportation services	301,187	16,115,424	-	-	-	-	-	-	-	-	16,416,611	174,108	16,590,719
Operation and maintenance of plant	53,322,600	-	-	-	126,147	-	-	-	-	23,574	53,472,321	1,311,743	54,784,064
Non-instructional support	1,300,635	-	-	-	217,070	-	-	-	-	-	1,517,705	16,468	1,534,173
Community services	1,282,469	-	-	-	-	-	-	-	-	2,689,318	4,189,357	1,295	4,190,652
Business/support services	4,840,267	-	-	-	284,339	-	-	-	-	442,300	5,566,966	745,007	6,312,003
Food services	-	-	-	22,892,191	-	-	-	-	-	-	22,892,191	44,221	23,016,019
Instructional materials	-	-	7,230,796	-	-	-	-	-	-	-	7,230,796	-	7,230,796
Athletics	3,632,489	-	-	-	-	-	-	-	-	551,129	4,183,618	-	4,183,618
Debt service	-	-	-	-	-	19,437,423	-	-	-	-	19,437,423	-	19,437,423
Capital outlay	102,454	-	-	-	-	-	35,117,384	14,250,995	19,937,342	11,031,660	80,440,035	923,316	81,363,351
Total expenditures	453,705,488	16,115,424	7,230,796	22,892,191	14,422,982	19,437,423	35,117,384	14,250,995	19,937,342	39,373,622	642,483,387	11,992,377	654,475,764
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(885,038)	206,414	201,236	235,557	-	(129,958)	1,849,692	6,057,394	(19,195,595)	6,275,425	(5,385,073)	404,373	(4,980,700)
OTHER FINANCING SOURCES:													
Operating transfers in	2,883,954	-	-	-	-	-	-	-	-	-	2,883,954	-	2,883,954
Proceeds from bond issues	-	-	-	-	-	-	-	-	23,643,561	-	23,643,561	-	23,643,561
Operating transfers out	(73,496)	-	-	-	-	-	-	73,496	-	-	-	-	-
Net change in fund balances	1,925,320	206,414	201,236	235,557	-	(129,958)	1,849,692	6,130,890	4,417,966	6,275,425	21,142,342	401,373	21,543,715
Fund balances - Beginning	38,603,017	17,924	1,145,240	4,114,232	-	14,752,402	51,542,042	29,081,817	17,561,438	(767,947)	156,050,215	1,409,653	157,459,868
Fund balances - Ending	\$ 40,528,337	\$ 224,338	\$ 1,346,476	\$ 4,349,789	\$ -	\$ 14,622,444	\$ 53,391,734	\$ 35,212,707	\$ 22,009,404	\$ 5,507,478	\$ 177,192,557	\$ 1,814,026	\$ 179,006,583

See notes to financial statements

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2002

	<u>Governmental Units</u>	<u>Component Units</u>
Total net change in fund balances-governmental funds	\$ 21,142,342	\$ 404,373
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceeds depreciation in the current period.		
	Depreciation expense (26,913,467)	(279,764)
	Capital outlays <u>40,706,724</u>	<u>592,671</u>
	13,793,257	312,907
Because some property taxes will not be collected for several month after the District's fiscal year ends, they are not considered "available" revenues in the governmental funds, and are instead counted as deferred tax revenues. They are, however, recorded as revenues in the statement of activities.		
	511,699	-
Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets and does not affect the statement of activities		
	14,192,690	-
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Bond proceeds for the year totaled:		
	(23,643,561)	-
Cash transfers made from reserves are shown as financing resources, but does not affect the statement of activities		
	<u>(2,883,854)</u>	<u>-</u>
Change in net assets of governmental activities	<u>\$ 23,112,573</u>	<u>\$ 717,280</u>

See notes to financial statements

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2002

	Agency Funds
ASSETS	
Cash and cash equivalents	<u>\$ 4,431,917</u>
Total Assets	<u>\$ 4,431,917</u>
LIABILITIES	
Deposits held for other	<u>\$ 4,431,917</u>
Total Liabilities	<u>\$ 4,431,917</u>

See notes to financial statements

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ 10,747,074	\$ 12,630,875	\$ 10,676,009	\$ 1,883,801	\$ (1,954,866)
State sources	438,473,320	442,227,216	441,099,757	3,753,896	(1,127,459)
Federal sources	1,132,823	1,256,028	1,033,914	123,205	(222,114)
Total revenues	450,353,217	456,114,119	452,809,680	5,760,902	(3,304,439)
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	2,810,358	-	2,810,358
Total revenues and other financing sources	450,353,217	456,114,119	455,620,038	5,760,902	(494,081)
BEGINNING CASH BALANCE BUDGETED	14,500,000	22,077,762			
Total revenues, other financing sources and beginning cash budgeted	\$ 464,853,217	\$ 478,191,881			
EXPENDITURES:					
Current:					
Instruction	\$ 295,317,150	\$ 296,443,676	\$ 283,084,730	\$ 1,126,526	\$ 13,358,946
Instructional support	98,927,322	103,286,745	98,769,929	4,359,423	4,516,816
Administration	7,281,453	8,320,226	7,320,580	1,038,773	999,646
Pupil transportation services	323,241	329,941	301,525	6,700	28,416
Operation and maintenance of plant	50,847,724	55,816,415	53,740,044	4,968,691	2,076,371
Non-instructional support	1,261,661	1,314,664	1,301,022	53,003	13,642
Community services	1,633,180	1,664,436	1,282,469	31,256	381,967
Non operating	2,236,087	2,236,087	-	-	2,236,087
Business/support services	3,998,954	5,054,318	4,440,678	1,055,364	613,640
Instructional materials	-	-	-	-	-
Food services	-	-	-	-	-
Federal programs	-	-	-	-	-
Athletics	3,026,445	3,591,035	3,590,811	564,590	224
Debt service	-	-	-	-	-
Capital outlay	-	134,338	102,454	134,338	31,884
Total expenditures	464,853,217	478,191,881	453,934,242	13,338,664	24,257,639
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 464,853,217	\$ 478,191,881	453,934,242	\$ 13,338,664	\$ 24,257,639
			<u>\$ 1,685,796</u>		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
TRANSPORTATION FUND
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual	Variance	
	Original	Final	Budgetary Basis	Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	15,069,478	16,141,962	16,321,838	1,072,484	179,876
Federal sources	-	-	-	-	-
Total revenues	15,069,478	16,141,962	16,321,838	1,072,484	179,876
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	15,069,478	16,141,962	16,321,838	1,072,484	179,876
BEGINNING CASH BALANCE BUDGETED	-	36,310			
Total revenues, other financing sources and beginning cash budgeted	\$ 15,069,478	16,178,272			
EXPENDITURES:					
Current:					
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional support	-	-	-	-	-
Administration	-	-	-	-	-
Pupil transportation services	15,069,478	16,178,272	16,133,809	1,108,794	44,463
Operation and maintenance of plant	-	-	-	-	-
Non-instructional support	-	-	-	-	-
Community services	-	-	-	-	-
Non operating	-	-	-	-	-
Business/support services	-	-	-	-	-
Instructional materials	-	-	-	-	-
Food services	-	-	-	-	-
Federal programs	-	-	-	-	-
Athletics	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	15,069,478	16,178,272	16,133,809	1,108,794	44,463
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 15,069,478	\$ 16,178,272	16,133,809	\$ 1,108,794	\$ 44,463
			\$ 188,029		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
INSTRUCTIONAL MATERIALS FUND
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual	Variance	
	Original	Final	Budgetary Basis	Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	6,510,140	7,005,599	7,432,032	495,459	426,433
Federal sources	-	-	-	-	-
Total revenues	6,510,140	7,005,599	7,432,032	495,459	426,433
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	6,510,140	7,005,599	7,432,032	495,459	426,433
BEGINNING CASH BALANCE BUDGETED	-	1,320,525			
Total revenues, other financing sources and beginning cash budgeted	\$ 6,510,140	\$ 8,326,124			
EXPENDITURES:					
Current					
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional support	-	-	-	-	-
Administration	-	-	-	-	-
Pupil transportation services	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Non-instructional support	-	-	-	-	-
Community services	-	-	-	-	-
Non operating	-	-	-	-	-
Business/support services	-	-	-	-	-
Instructional materials	6,510,140	8,326,124	7,331,015	1,815,984	995,109
Food services	-	-	-	-	-
Federal programs	-	-	-	-	-
Athletics	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	6,510,140	8,326,124	7,331,015	1,815,984	995,109
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 6,510,140	\$ 8,326,124	7,331,015	\$ 1,815,984	\$ 995,109
			\$ 101,017		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
CAFETERIA FUND
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual	Variance Positive (Negative)	
	Original	Final	Budgetary Basis	Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ 8,855,000	\$ 8,655,000	\$ 9,252,996	\$ -	\$ 597,996
State sources	-	-	-	-	-
Federal sources	12,275,000	11,885,004	13,198,112	(389,996)	1,313,108
Total revenues	20,930,000	20,540,004	22,451,108	(389,996)	1,911,104
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	20,930,000	20,540,004	22,451,108	(389,996)	1,911,104
BEGINNING CASH BALANCE BUDGETED	2,000,000	2,540,696			
Total revenues, other financing sources and beginning cash budgeted	\$ 22,930,000	23,080,700			
EXPENDITURES:					
Current:					
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional support	-	-	-	-	-
Administration	-	-	-	-	-
Pupil transportation services	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Non-instructional support	-	-	-	-	-
Community services	-	-	-	-	-
Non operating	-	-	-	-	-
Business/support services	-	-	-	-	-
Instructional materials	-	-	-	-	-
Food services	22,930,000	23,080,700	21,417,704	150,700	1,662,996
Federal programs	-	-	-	-	-
Athletics	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	22,930,000	23,080,700	21,417,704	150,700	1,662,996
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 22,930,000	\$ 23,080,700	21,417,704	\$ 150,700	\$ 1,662,996
			\$ 1,033,404		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
TITLE I FUND
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	14,225,960	15,865,237	15,208,931	1,639,277	(656,306)
Total revenues	<u>14,225,960</u>	<u>15,865,237</u>	<u>15,208,931</u>	<u>1,639,277</u>	<u>(656,306)</u>
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	<u>14,225,960</u>	<u>15,865,237</u>	<u>15,208,931</u>	<u>1,639,277</u>	<u>(656,306)</u>
BEGINNING CASH BALANCE BUDGETED	-	-			
Total revenues, other financing sources and beginning cash budgeted	<u>\$ 14,225,960</u>	<u>15,865,237</u>			
EXPENDITURES:					
Grant					
Instruction	\$ 12,223,165	\$ 13,332,187	\$ 12,298,454	\$ 1,109,022	\$ 1,033,733
Instructional support	1,525,280	1,781,447	1,494,794	256,167	286,653
Administration	294,855	331,940	300,205	37,085	31,735
Pupil transportation services	-	-	-	-	-
Operation and maintenance of plant	154,660	179,363	126,147	24,703	53,216
Non-instructional support	-	-	-	-	-
Community services	28,000	240,300	217,070	212,300	23,230
Non operating	-	-	-	-	-
Business/support services	-	-	-	-	-
Instructional materials	-	-	-	-	-
Food services	-	-	-	-	-
Federal programs	-	-	-	-	-
Athletics	-	-	-	-	-
Post service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>14,225,960</u>	<u>15,865,237</u>	<u>14,436,670</u>	<u>1,639,277</u>	<u>1,428,567</u>
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	<u>\$ 14,225,960</u>	<u>\$ 15,865,237</u>	<u>14,436,670</u>	<u>\$ 1,639,277</u>	<u>\$ 1,428,567</u>
			<u>\$ 772,261</u>		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual	Variance Positive (Negative)	
	Original	Final	Budgetary Basis	Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ 19,483,832	\$ 19,483,832	\$ 19,545,651	\$ -	\$ 61,819
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Total revenues	19,483,832	19,483,832	19,545,651	-	61,819
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	19,483,832	19,483,832	19,545,651	-	61,819
BEGINNING CASH BALANCE BUDGETED	16,627,368	16,627,368			
Total revenues, other financing sources and beginning cash budgeted	\$ 36,111,200	36,111,200			
EXPENDITURES:					
Current					
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional support	-	-	-	-	-
Administration	-	-	-	-	-
Pupil transportation services	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Non-instructional support	-	-	-	-	-
Community services	-	-	-	-	-
Non operating	-	-	-	-	-
Business/support services	-	-	-	-	-
Instructional materials	-	-	-	-	-
Food services	-	-	-	-	-
Federal programs	-	-	-	-	-
Athletics	-	-	-	-	-
Debt service	36,111,200	36,111,200	18,844,733	-	17,266,467
Capital outlay	-	-	-	-	-
Total expenditures	36,111,200	36,111,200	18,844,733	-	17,266,467
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 36,111,200	\$ 36,111,200	18,844,733	\$ -	\$ 17,266,467
			\$ 700,918		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
CAPITAL IMPROVEMENTS - HB33 FUND
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual	Variance	
	Original	Final	Budgetary Basis	Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ 36,641,611	\$ 36,641,611	\$ 37,570,555	\$ -	\$ 928,944
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Total revenues	36,641,611	36,641,611	37,570,555	-	928,944
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	36,641,611	36,641,611	37,570,555	-	928,944
BEGINNING CASH BALANCE BUDGETED	59,991,028	53,962,161			
Total revenues, other financing sources and beginning cash budgeted	\$ 96,632,639	90,603,772			
EXPENDITURES:					
Current					
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional support	-	-	-	-	-
Administration	-	-	-	-	-
Pupil transportation services	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Non-instructional support	-	-	-	-	-
Community services	-	-	-	-	-
Non operating	-	-	-	-	-
Business/support services	-	-	-	-	-
Instructional materials	-	-	-	-	-
Food services	-	-	-	-	-
Federal programs	-	-	-	-	-
Athletics	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	96,632,639	90,603,772	35,920,965	(6,028,867)	54,682,807
Total expenditures	96,632,639	90,603,772	35,920,965	(6,028,867)	54,682,807
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 96,632,639	\$ 90,603,772	35,920,965	\$ (6,028,867)	\$ 54,682,807
			\$ 1,649,590		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
CAPITAL IMPROVEMENTS - SB9 FUND
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual	Variance	
	Original	Final	Budgetary Basis	Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ 18,533,850	\$ 18,607,346	\$ 20,584,500	\$ 73,496	\$ 1,977,154
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Total revenues	18,533,850	18,607,346	20,584,500	73,496	1,977,154
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	18,533,850	18,607,346	20,584,500	73,496	1,977,154
BEGINNING CASH BALANCE BUDGETED	30,219,473	29,355,955			
Total revenues, other financing sources and beginning cash budgeted	\$ 48,753,323	47,963,301			
EXPENDITURES:					
Current:					
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional support	-	-	-	-	-
Administration	-	-	-	-	-
Pupil transportation services	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Non-instructional support	-	-	-	-	-
Community services	-	-	-	-	-
Non operating	-	-	-	-	-
Business/support services	-	-	-	-	-
Instructional materials	-	-	-	-	-
Food services	-	-	-	-	-
Federal programs	-	-	-	-	-
Athletics	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	48,753,323	47,963,301	13,930,253	(790,022)	34,033,048
Total expenditures	48,753,323	47,963,301	13,930,253	(790,022)	34,033,048
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 48,753,323	\$ 47,963,301	13,930,253	\$ (790,022)	\$ 34,033,048
			\$ 6,654,247		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
BOND BUILDING FUND
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ 1,700,000	\$ 1,700,000	\$ 773,551	\$ -	\$ (926,449)
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Total revenues	1,700,000	1,700,000	773,551	-	(926,449)
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	22,500,000	23,076,561	23,643,561	576,561	567,000
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	24,200,000	24,776,561	24,417,112	576,561	(359,449)
BEGINNING CASH BALANCE BUDGETED	23,068,971	21,501,284			
Total revenues, other financing sources and beginning cash budgeted	\$ 47,268,971	46,277,845			
EXPENDITURES:					
Current:					
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional support	-	-	-	-	-
Administration	-	-	-	-	-
Pupil transportation services	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Non-instructional support	-	-	-	-	-
Community services	-	-	-	-	-
Non operating	-	-	-	-	-
Business/support services	-	-	-	-	-
Instructional materials	-	-	-	-	-
Food services	-	-	-	-	-
Federal programs	-	-	-	-	-
Athletics	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	47,268,971	46,277,845	22,049,924	(991,126)	24,227,921
Total expenditures	47,268,971	46,277,845	22,049,924	(991,126)	24,227,921
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 47,268,971	\$ 46,277,845	22,049,924	\$ 24,227,921	\$ 24,227,921
			\$ 2,387,188		

NOTES TO FINANCIAL STATEMENTS

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2002

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the Albuquerque Public School District No. 12, Albuquerque, New Mexico ("District") conform to generally accepted accounting principles and general practice for public schools. The following is a summary of the District's significant accounting policies. In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement #34 "Basic Financial Statements and Management Discussion and Analysis for State and Local Governments." In June 2001, the GASB approved Statement No. 37 "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus" and Statement No. 38 "Certain Financial Statement Note Disclosures". Statement 37 clarifies and modifies Statement No. 34 and should be implemented simultaneously with Statement No. 34. Statement No. 38 modifies, establishes and rescinds certain financial statement disclosure requirements.

The District implemented the provisions of GASB numbers 34, 37 and 38 effective July 1, 2001. As part of Statement No. 34, there is a new reporting requirement regarding the local government's infrastructure (roads, bridges, etc.) The District does not own any infrastructure assets and therefore is unaffected by this requirement.

A. Reporting Entity:

The District was formed in the late 1800's. The District currently operates with a team of four superintendents and seven elected board members. The District provides educational services to approximately 85,000 students.

The financial statements include all funds that are controlled by, or dependent on, the District. Control by or dependence on the District was determined on the basis of budget adoption, taxing authority, outstanding debt secured by general obligations of the District, or the obligation of the District to finance any deficits that may occur. KANW, a public radio station, is included in the reporting entity. KANW also prepares separate audited financial statements that are audited by independent auditors in accordance with requirements set forth by the Corporation for Public Broadcasting. The results of this audit are on file at the radio station.

KNME-TV is a non-profit television station jointly formed by the District and the University of New Mexico and has a separate governing board from that of the District. KNME-TV provides educational programming to the residents of New Mexico. It is excluded from the reporting entity because the District does not have the ability to exercise influence over daily operations and approve budgets; however, some funding is provided by the District as well as by the University of New Mexico, private grants, gifts and contributions. KNME-TV maintains separate accounting records and has its own separately audited financial statements. During fiscal year 2002, the District provided \$20,000 to KNME-TV.

Learning Community, Southwest Secondary, Robert F. Kennedy, Public Academy for Performing Arts, and Nuestros Valores East Mountain High School, 21st Century Middle School, Amy Biehl Middle School, and South Valley Middle School are all dependent charter schools formed under NMSA 22-8A and as such are presented here as discrete component units. They are presented as component units since their operating budgets and charters are presented and approved by the Districts board. Individual school financial information can be obtained by contacting each schools board.

B. Basis of Presentation - Fund Accounting

The accounts of the District are organized on the basis of funds. The operations of each fund are accounted for with a separate set of self-balancing accounts. The following fund types are used by the District:

Governmental Funds

Governmental funds include the following fund types:

General Fund – The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than those for capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds are created as required and authorized by the State Department of Education. The Cafeteria Fund and the various Federal program funds are treated as Special Revenue Funds because the major revenue sources in these funds (Federal revenues) have specific restricted uses.

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

Capital Projects Funds – Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. Property sales are recorded when the parties are bound by the terms of the contract, all consideration (including adequate cash) has been exchanged and all conditions precedent to closing have been performed. Until a sale has been recorded, revenues are deferred and payments received are reflected as escrow deposits.

Under the requirements of GASB 34, 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 following (in addition to the General Fund), which include funds that were not required to be presented as major, but were presented at the discretion of management:

Transportation Fund – This fund 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.

Instructional Materials Fund – This fund is used to account for the monies received from the State Department of Education for the purposes of purchasing instructional materials (books, manual, periodicals, etc.) used in the education of the students.

Cafeteria Fund – This fund is to account for cash and foodstuffs that provide nutritionally adequate breakfasts and lunches to eligible school age children. (Public Law (P.L.) 100-435)

IASA Title I Fund – This fund is to provide compensatory education services to educationally deprived school children (including private school pupils) in low-income areas. (P.L. 103-382)

Debt Service Fund – This fund is used to account for the accumulation of resources and payment of General Long-Term Debt principal and interest

Bond Building Capital Project Fund – This fund is used to account for the funds provided from the District's bond issues. Resources are used for the purpose of erecting, remodeling, making additions to, or furnishing public school buildings and purchasing or improving public school grounds. Financing is provided by ad valorem taxes as specified by Article 15 of the Finance of Counties, Municipalities and School Districts Act.

Capital Improvements HB33 Fund – This fund is to account for the costs relating to erecting, remodeling, making additions to, providing equipment for, or furnishing public school buildings and purchasing or improving public school grounds. Financing is provided through property taxes as specified by Article 26 of the Public School Buildings Act (House Bill 33).

Capital Improvements SB9 Fund – This fund is to account for resources from locally assessed property taxes and amounts matched by the District to provide for capital outlay and/or repair and maintenance of property, plant and equipment. Financing is provided by delinquent property taxes as specified by Article 25 of the Public School Capital Improvement Act

Fiduciary Funds

Agency Funds -- Agency Funds are used to account for assets held by the District as an agent for individuals, private organizations or other governments. Agency Funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. These funds relate primarily to the activities of individual schools. While these funds are under the supervision of the District and enhance the District's educational programs, they are funds of the individual schools and/or their student bodies and are not available for use by the District.

Financial Statement Presentation

The District follows the State of New Mexico Department of Education (SDE) guidelines related to financial reporting presentation. The SDE modifies the reporting of functional expenditure categories from year to year.

C. Basis of Accounting

District-Wide Financial Statements (DWFS)

The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the DWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Net assets and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Non-exchange Transactions."

Program Revenues

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.

Allocation of indirect expenses

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 not charged to a specific function is identified as unallocated on the Statement of Activities. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds

Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. The modified accrual basis of accounting is followed by the governmental fund types and agency funds for financial statement purposes. Under the modified accrual basis of accounting,

revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become measurable and available to pay liabilities of the current.

Those revenues susceptible to accrual are property taxes, gross receipts taxes, state shared taxes, investment income and charges for services. In accordance with GASB Statement 33, estimated property, gross receipts and other taxes that are not available are recorded as both accounts receivable and deferred revenue. Grant revenues are recognized as revenues when the related costs are incurred. All other revenues are recognized when they are received and are not susceptible to accrual, because they are usually not measurable until payment is actually received. Expenditures are recorded as liabilities when they are incurred. Any effect of interfund activity has been eliminated from the district-wide financial statements.

Revenues:

Property taxes are collected by the Bernalillo and Sandoval County Treasurers, and remitted to the District. Property tax revenue is recognized at the time of receipt or earlier if accrual criteria are met. The District's accounting policy is to defer property taxes that are not collected within 60 days after fiscal year end since delinquent property taxes are not available to finance current fiscal year District operations. Delinquent property taxes collected in future periods will be recognized as revenue when collected.

Expenditures:

Grant expenditures in excess of receipts are recorded as a receivable from the funding source, and grant receipts in excess of expenditures are recorded as deferred revenue. Revenue for grants is recognized based upon the expenditures recorded. Grants are usually revocable only for failure to comply with prescribed compliance requirements.

Expenditures are recorded when the related fund liability is incurred, except interest on general long-term debt which is recognized when due, and certain compensated absences and claims which are recognized when expected to be liquidated with expendable available financial resources.

Other Financing Sources (Uses):

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Fiduciary Funds

The agency funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. These funds are used to account for assets that the District holds for others in an agency capacity.

D. Budgets and Budgetary Accounting

The District follows these procedures in establishing the budgetary data:

1. Subsequent to January 31 and prior to June 1, the District Superintendent submits to the District's Board of Education a proposed budget for the fiscal year which commences the following July 1. The budget includes proposed expenditures and the means of financing them.
2. The proposed budget is presented at meetings subject to the Open Meetings Act of New Mexico, and the public is invited to comment.

3. The District is required to submit to the State Department of Education School Budget & Financial Analysis Unit (SBFAU) a proposed budget for the fiscal year which commences the following July 1. In March, this unit notifies the District of the due date.
4. Based on criteria set by the SBFAU, the District undergoes either a formal technical review or a more informal phone review each year. Subsequent to this action, the local Board approves the budget by June 20, and SDE approves it by June 30.
5. All intra-function transfers of budget amounts are approved by the District's Board of Education. Inter-function transfers within funds require the additional approval of the SBFAU. In addition, SBFAU controls budgeted expenditure amounts by function.
6. Formal budgetary integration is employed during the year for the General Fund, Special Revenue Funds and Capital Projects Funds. Budgetary amounts for the Debt Service Fund are based upon general obligation bond indenture provisions.
7. Budgets for the General Fund, Special Revenue Funds and Capital Projects Funds are adopted on a basis consistent with the "Manual of Procedures for Uniform Financial Accounting and Budgeting for School Districts".
8. Budgeted amounts are as originally adopted or as amended by the SBFAU. Unspent general appropriations lapse at year-end unless they have been encumbered.

For budgetary purposes, expenditures include amounts paid in the fiscal year, adjusted for the effects of liabilities paid within ten days of fiscal year-end, and unpaid salaries and benefits attributable to services provided during the school year.

E. Encumbrances

Encumbrances represent commitments in the form of purchase orders and contracts for goods and services not yet received. Encumbrances are reported as reservations of fund balance as the commitments will be honored in subsequent years. Encumbrances do not constitute expenditures or liabilities.

F. Fund Balance

The District designates the portion of the year-end fund balance, not otherwise designated or reserved, for subsequent years' expenditures. These designations are established to earmark resources for specific future use and to indicate that the fund balance does not represent available expendable resources.

G. Cash and Cash Equivalents

Policies regarding cash and cash equivalents are approved by the District's Board of Education and are governed by New Mexico statute. Such policies allow deposits or investments in certificates of deposit, savings accounts, overnight repurchase agreements, various obligations of the U.S. Government or its agencies and the New Mexico State Treasurer's Local Government Short Term Investment Fund. Such deposits and investments must be made through a state or Federally chartered bank or savings and loan association which is insured by the FDIC and which is within the geographic boundaries of the District, or with the New Mexico State Treasurer.

Collateral is required for at least 50% of deposits that are not insured by the FDIC, with the exception of repurchase agreements. These are required to have collateral of at least 102%. Obligations that may be pledged as collateral are obligations of the U.S. Government, its agencies, and state and local governments. Collateral is held in safekeeping at depository institutions in the name of the District.

The district has investments in the State Treasurer external investment pool (the Local Government Investment Pool). The investments are valued at fair value based on quoted market prices as of the valuation date. The State Treasurer Local Government Investment Pool is not SEC registered. Section 6-10-10-I, NMSA 1978,

empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the United States government or by its departments or agencies are either direct obligations of the United States or are backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts fund were invested. Participation in the local government investment pool is voluntary.

H. Supply Inventories

Supply inventories are valued at the lower of average cost or market and consist of educational supplies, purchased and donated commodities. Donated inventories, received at no cost under a program supported by the Federal government, are recorded at the lower of their estimated fair market value at the date of receipt or current market value.

The food commodities received from the Federal government (passed through from the State) are recorded as revenues and expenditures as they are consumed. Quantities on hand at year-end are recorded as inventory with an offsetting credit to deferred revenue. Such revenue is recognized when the inventoried items are consumed.

Purchased inventories are recorded as expenditures at the time individual inventory items are used. Reported inventories are offset by a fund balance reservation which indicates that they do not constitute available expendable resources.

I. Compensated Absences

Employees of the District earn both sick leave and vacation leave as a function of service. Beginning July 1, 1998, the District implemented a policy that permits employees to sell back excess sick leave. Employees that retire after July 1, 1999 will receive payment as follows:

- 1) Any unused sick leave accrued in the current fiscal year.
- 2) Ten percent of all remaining sick leave accrued.

Employees that are not retiring can request payment for twenty percent of sick leave in excess of 60 days. Payment for this leave will take place after the close of the current fiscal year.

In the event of termination or retirement, employees can be paid for accumulated vacation leave up to 176 hours. Accordingly, accumulated vacation leave is recorded as if fully vested. The vested vacation leave payable is calculated using current pay levels and is recorded in the governmental funds to the extent it will be paid with currently available financial resources.

Certain employees of the District (primarily school teachers and principals) work nine months of the 12-month fiscal year. The District disburses payroll to such employees throughout the entire 12-month period. Accordingly, salaries payable in the accompanying financial statements include accrued salaries for services performed through June 30, 2002 for these employees. The accrued salaries will be paid within two months after the end of the fiscal year.

J. Capital Assets

Capital assets are recorded at historical cost and depreciated over their estimated useful lives (with no salvage value). The District defines capital assets as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Computer equipment and business machines	5 years
General equipment and musical instruments	8 years
Vehicles, trucks and trailers	8 years
Furniture, major appliances, large equipment	10 years
Improvements to land	20 years
Improvements to buildings	20 years
Portable school buildings	25 years
Buildings	40 years

GASB Statement 34 requires the recording and depreciation of infrastructure assets, which include roads, bridges, traffic signals, etc. The District did not own any infrastructure assets as of June 30, 2002. Depreciation was allocated to the various functions based upon originating purchasing source where identifiable. Unallocated depreciation was recorded in the statement of activities

K. Deferred Revenues

The District reports deferred revenues on its Statement of Net Assets and various fund balance sheets. Deferred revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

L. Long-term Liabilities

For district-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds are amortized from the date of adoption of GASB Statement No. 34.

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 an other 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.

M. Fund Balances of Fund Financial Statements

Reservations of fund balance represent amounts that are not appropriable for expenditures or legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The District designates the portion of the year end fund balance, not otherwise designated or reserved, for subsequent years' expenditures. These designations are established to earmark resources for specific future use and to indicate that the fund equity does not represent available spendable resources.

N. Restricted Net Assets

For the district-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset used are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

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

N. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or 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. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

O. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(3) CASH AND CASH EQUIVALENTS:

Cash and cash equivalents consist of the following at June 30, 2002:

	Governmental Activities	Component Units
Cash on hand	\$ 200	\$ -
Demand deposits, savings accounts and certificates of deposit	3,370,654	2,084,430
New Mexico State Treasurer's Local Government Short Term Investment Fund	206,546,000	-
Repurchase agreements	27,916,376	-
Total cash and cash equivalents	\$ 237,833,230	\$ 2,084,430

The carrying amount of deposits in banks differs from the bank balances due to timing differences. At June 30, 2002 bank deposits were \$ 10,943,258 of which \$ 300,000 was covered by Federal depository insurance, with the remaining \$ 10,643,258 covered by collateral held by the District's agent in the District's name (GASB 3 Category 1). Amounts held by the State of New Mexico Local Government Short Term Investment Fund and amounts invested in repurchase agreements are collateralized by the underlying investments (GASB 3 Category 3). As described in Note 12, at June 30, 2002, the District had accumulated \$19,700,000 of cash, which is restricted for payment of workers' compensation claims and property and casualty claims. In addition, agency funds had \$4,431,917 of deposits which were covered by Federal depository insurance. The component units had \$2,804,430 of which \$900,000 was covered by Federal depository insurance, and the remainder was uncollateralized. Please see findings in the respective charter schools.

(4) ACCOUNTS RECEIVABLE:

Accounts receivables are recorded in the various governmental funds. They consist of amounts receivable from local governments relating to various grant agreements and property taxes receivable.

Accounts receivable consist of the following:

	<u>Total</u>
Property taxes	\$ 10,563,380
Intergovernmental – grants	
Federal	2,892,723
State	3,981,324
Other	<u>1,245,033</u>
Total	<u>\$ 18,682,460</u>

The District does not record an allowance for doubtful accounts as management believes all amounts are collectible.

(5) INVENTORIES:

Components of the inventory balances are as follows:

Warehouse supplies	\$ 3,032,489
Food items	721,231
Non-food items	242,626
Commodities	<u>267,990</u>
Total	<u>\$ 4,264,336</u>

(6) CAPITAL ASSETS

	<u>Balance</u> <u>June 30, 2001</u>	<u>Total</u> <u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2002</u>
Governmental activities:					
Land and land improvements	\$ 98,949,001	\$ 1,393,062	\$ 7,852,134	\$ 3,652,509	\$ 96,142,438
Buildings and building improvements	572,377,308	17,597,188	1,247,748	37,120,584	625,847,332
Furniture, fixtures and equipment	60,327,049	5,352,427	6,318,489	1,631,528	60,992,515
Construction in progress	40,319,679	44,063,258	-	(42,404,621)	41,978,316
Total general fixed assets	<u>771,973,037</u>	<u>68,405,935</u>	<u>15,418,371</u>	<u>-</u>	<u>824,960,601</u>
Less: accumulated depreciation					
Land improvements	24,508,540	3,511,084	-	-	28,019,624
Buildings and building improvements	239,490,122	16,948,775	-	-	256,438,897
Furniture, fixtures and equipment	14,434,370	6,453,608	-	-	20,887,978
Total depreciation	<u>278,433,032</u>	<u>26,913,467</u>	<u>-</u>	<u>-</u>	<u>305,346,499</u>
Governmental activities					
Capital assets, net	<u>\$ 493,540,005</u>	<u>\$ 41,492,468</u>	<u>\$ 15,418,371</u>	<u>\$ -</u>	<u>\$ 519,614,102</u>

(7) ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities at June 20, 2002 consisted of:

	<u>Total</u>
Salaries and benefits payable	\$ 50,031,900
Accounts payable	12,685,756
Other accrued liabilities	692,147
Total	<u>\$ 63,409,803</u>

(8) LONG TERM LIABILITIES

Long term liabilities, including current portion, at June 30 are as follows:

	Balance June 30, 2001	Additions	Reductions	Balance June 30, 2002	Current Portion	Long-Term Portion
General obligation bonds	\$109,250,000	\$50,850,000	\$41,950,000	\$118,150,000	\$13,655,000	\$104,495,000
Compensated absences						
Vacation Leave	3,860,985	-	281,629	3,579,356	1,616,172	1,963,184
Sick Leave	2,999,833	-	2,999,833	-	-	-
Estimated claims liability (Note 13)	8,930,000	1,457,000	-	10,387,000	3,300,000	7,087,000
	<u>\$125,040,818</u>	<u>\$52,307,000</u>	<u>\$45,231,462</u>	<u>\$132,116,356</u>	<u>\$18,571,172</u>	<u>\$113,545,184</u>

General Obligation Bonds

On February 2, 1993, the voters of the District authorized issuance of general (ad valorem) obligation bonds totaling \$66,500,000. In February 1996 an additional \$67,500,000 of bonds were authorized, and in February of 1999, \$75,000,000 of bonds were authorized. The bonds are secured by the District's full faith and credit and are general obligations of the District payable from ad valorem taxes to be levied, without limitation as to rate or amount, against all taxable property within the District. Interest on all issues is payable semiannually on February 1 and August 1. Principal is payable annually on August 1. The proceeds of the bonds are being used for the purpose of erecting, remodeling, making additions to and furnishing school buildings, and purchasing and improving school grounds.

General obligation bonds issued and outstanding at June 30, 2002 are as follows:

Date of Issue	Original Issue	Amount Outstanding	Interest Rates	Final Maturity Date
September 1, 1994	21,500,000	1,000,000	4.45%-5.95%	August 1, 2008
September 1, 1995	17,500,000	1,050,000	4.45%-5.30%	August 1, 2008
August 1, 1996	22,500,000	1,750,000	5.00%-6.50%	August 1, 2012
August 1, 1997	22,500,000	13,350,000	4.50%-5.00%	August 1, 2013
September 2, 1998	22,500,000	10,450,000	4.00%-4.75%	August 1, 2014
August 1, 1999	27,500,000	20,000,000	4.50%-6.00%	August 1, 2014
August 1, 2000	25,000,000	19,700,000	4.75%-5.75%	August 1, 2015
August 22, 2001	50,850,000	50,850,000	4.00%-5.00%	August 1, 2016
	<u>\$ 209,850,000</u>	<u>\$ 118,150,000</u>		

Summary of Annual Debt Service Requirements

The annual debt service requirements on the obligations outstanding at June 30, 2002 are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2003	\$ 13,655,000	\$ 5,367,180	\$ 19,022,180
2004	7,010,000	4,920,105	11,930,105
2005	6,290,000	4,607,005	10,897,005
2006	6,570,000	4,282,580	10,852,580
2007	6,835,000	3,952,230	10,787,230
2008-2012	37,850,000	14,348,875	52,198,875
2013-2016	39,940,000	4,436,765	44,376,765
	<u>\$ 118,150,000</u>	<u>\$ 41,914,740</u>	<u>\$ 160,064,740</u>

Operating Leases

The District leases various equipment under short-term cancelable operating leases. Rental expense for the year ended June 30, 2002, was \$623,082.

(9) REFUNDED BONDS:

The District has refunded various bond issues by issuing refunding bonds, the proceeds of which have been placed in escrow and used to purchase securities of the United States Government and related agencies at various interest rates and maturities sufficient to meet all debt service requirements of the refunded debt. The liability for the refunded bonds and the related securities and escrow accounts are not included in the accompanying financial statements as the District satisfied its obligation for payment of the refunded debt upon completion of the refunding transactions. Refunded debt outstanding at June 30, 2002 totaled \$22,129,991.

(10) PROPERTY TAXES:

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied each year on July 1 on the taxable valuation of property located in the District as of the preceding January 1. The taxable valuations for the various classes of property are determined by the Bernalillo and Sandoval Counties Assessors and the State of New Mexico Department of Taxation and Revenue at one-third of assessed valuation. Property in the District for the fiscal year 2002 tax levy had a taxable value of \$ 8,666,925,087. The rate of taxes for operating purposes for all taxing jurisdictions is limited by the State Constitution to 20 mills (\$20 per \$1,000 assessed valuation), of which the District's House Bill 33 portion, by state regulation, is limited to 15 mills. Taxes are payable in two equal installments due on November 10 and April 10 and become delinquent after 30 days. Property taxes receivable at June 30, 2002 are as follows:

General Fund	\$ 288,291
Capital Projects	7,533,188
Debt Service	<u>2,741,901</u>
Total	<u>\$ 10,563,380</u>

In tax year 1999, Bernalillo County implemented new software for property taxes. Due to implementation problems, the District has not been able to gather information for the receivable as of June 30, 2002. The District has estimated property taxes by multiplying the tax levy by the taxable value, and discounting the receivable by the County's suggested historical collection rate of 92%. The receivable is estimated to be \$1,022,725 and a corresponding amount is recorded as deferred revenue.

(11) CONTINGENT LIABILITIES:

A number of legal claims are presently pending against the District. It is the opinion of the District's management, after consulting with outside legal counsel, that final settlement of these matters will not exceed estimated defense and liability accruals, and will not result in any material adverse effect on the financial position of the District.

The District receives revenues from various Federal and State grant programs, which are subject to review and approval as to allowable expenditures by the respective grantor agencies. Any settlements or expenditures arising from a final review are recognized in the period agreed upon by the agency and the District.

(12) RETIREMENT PLAN:

Employees of the District participate in a defined benefit retirement plan through the Educational Retirement Act (ERA) of New Mexico, as part of the cost-sharing multiple employer public employee retirement system. Information pertaining to the actuarially computed present value of vested accumulated plan benefits and non-vested accumulated plan benefits, the plan's net assets available for benefits, the assumed rate of return used in computing the present value, and ten-year historical trend information presenting ERA's progress in accumulating sufficient assets to pay benefits when due is not available for individual government agencies participating in the plan. Actuarial pension data for the State of New Mexico, as employer, is provided at the state-wide level in a separately issued audit report of the ERB, P.O. Box 26129, Santa Fe, New Mexico, 87502.

Retirement Eligibility

The benefit for retirement at age 60, or after 25 years of service before age 60, is an annual sum equal to the "final average salary" multiplied by the total number of years of service credit times 2.35%.

A member is eligible to retire when:

1. the member's age and earned service credit add up to the sum of 75 or more, or
2. the member is age 65 or more with at least five years of earned service credit, or
3. the member has earned allowed service credit totaling 25 or more years.

A further requirement to be eligible to retire is that one must be a "member" having at least one year of employment after July 1, 1957, and at least five years of contributory employment. Eligible members who have one year of employment after July 1, 1957, but less than the required five years, may contribute to the fund for each year needed. The cost of such contributions is 15.2% of the average salary of the last five years for each year of contributory employment needed, plus 3% compound interest from July 1, 1957, to the date of payment.

When a member has completed five or more years of "earned service credit" and has made contributions for at least five years, the member may terminate employment, leave his/her contributions in the retirement fund and retire (1) when the member's age and years of "earned service credit" (covered employment in New Mexico) add up to 75 or more, or (2) the member may retire at age 65, if he/she has at least five years of "earned service credit".

Funding Policy

Covered employees are required by state statute to contribute 7.6% of their gross compensation. The District is required by state statute to contribute 8.65% of covered payroll costs.

Beginning January 1, 2002, employees who had 12 consecutive months retired from the ERA system were allowed to return to work and were not subjected to the ERA deduction. Employers were however required to pay the 8.65%.

The contribution requirement for the year ended June 30, 2002 was \$57,789,057, which consisted of \$30,761,572 from the District and \$27,027,485 from employees. In addition, the District contributed \$27,512 for return to work employees.

The contribution requirement for the year ended June 30, 2001 was \$54,278,564, which consisted of \$28,054,381 from the District and \$24,648,249 from employees.

The contribution requirement for the year ended June 30, 2000 was \$50,162,661, which consisted of \$26,701,982 from the District and \$23,460,679 from employees.

The payroll for employees covered by ERA for the year ended June 30, 2002 was \$355,625,111 the total payroll for all employees of the District was \$363,820,398.

(13) RETIREE HEALTH CARE ACT CONTRIBUTIONS:

The Retiree Health Care Act (Section 10-7c-1 to 10-7c-16, NMSA 1978) provides comprehensive core group health insurance for persons who have retired from certain public service in New Mexico. The purpose is to provide eligible retirees, their spouses, dependents, and surviving spouses and dependents with health insurance consisting of a plan, or optional plans, of benefits that can be purchased by funds flowing into the Retiree Health Care Fund and by co-payments or out-of-pocket payments of eligible retirees.

Moneys flow to the Retiree Health Care Fund on a pay-as-you-go basis from eligible employers and eligible retirees. Eligible employers are institutions of higher education, school districts, or other entities participating in the public school insurance authority and state agencies, state courts, magistrate courts, municipalities or counties, which are affiliated under or covered by the Educational Retirement Act, the Magistrate Retirement Act, or the Public Employees Retirement Act.

Eligible retirees are: (1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the Retiree Health Care Act on the person's behalf, unless that person retires on or before July 1, 1995, in which event the time period required for employee and employer contributions shall become the period of time between July 1, 1990, and the date of retirement; or (2) retirees defined by the act who retired prior to July 1, 1990.

Each participating employer makes contributions to the fund in the amount of one percent of each participating employee's annual salary. Each participating employee contributes to the fund an amount equal to one-half of one percent of the employee's salary. Each participating retiree pays a monthly premium of fifty-six dollars (\$56.00) for the basic single plan and an additional participation fee of five dollars (\$5.00) if the eligible participant retired prior to July 1, 1990, and made no contributions to the plan.

Contributions from participating employers and participating employees become the property of the Retiree Health Care Fund and are not refundable under any circumstances, including termination of employment or termination of the participating employer's operation or participation in the Retiree Health Care Act. The employer, employee, and retiree contributions are required to be remitted to the Retiree Health Care Authority on a monthly basis. During fiscal year 2002, the District remitted \$3,559,432 in employer contributions and \$1,779,698 in employee contributions for regular employees, and \$1,779,716 in employer contributions for return to work employees. During fiscal year 2001, the District remitted \$3,243,525 in employer contributions and \$1,621,772 in employee contributions. During fiscal year 2000, the District remitted \$3,086,934 in employer contributions and \$1,543,506 in employee contributions.

Information concerning the Retiree Health Care Authority, premiums paid, claims paid and total participant contributions for fiscal year ending June 30, 2002 can be obtained from their annual financial report on file with the RHCA at 810 West San Mateo, Suite D, Santa Fe, New Mexico, 87505.

(14) RISK MANAGEMENT:

The District is self-insured for workers' compensation claims, property and casualty claims which are not covered by an insurance policy which covers claims in excess of \$300,000, \$100,000 and \$250,000,

respectively, up to a limit of \$10,000,000. Estimated liabilities for such claims are recorded in the General Fund to the extent they are expected to be paid with available expendable financial resources. Remaining amounts are recorded as long term liabilities.

Liabilities for estimated claims at June 30, 2002 are summarized as follows:

Workers' compensation	\$ 1,632,000
Property and casualty	5,448,000
Estimated incurred but not reported claims	<u>3,307,000</u>
Total liabilities	<u>\$ 10,387,000</u>

At June 30, 2002, the District accrued estimated short term claims liability of \$3,300,000 in the General Fund (workers' compensation liability of \$1,900,000 and property and casualty claims of \$1,400,000). The remaining long term portion of the liability of \$7,087,000 is recorded in the General Fund. See note 8 for breakout of current versus long term portion.

In order to continue to self-insure for workers' compensation claims, the Workers' Compensation Administration requires that the District restrict cash balances in an amount equal to the estimated workers' compensation claims liability, including incurred but not reported claims. The required restricted balance at June 30, 2002 is \$3,401,000. This amount is restricted as a liability.

(15) COMMITMENTS:

The District contracts with outside vendors for construction and renovation of various facilities. At June 30, 2002 contracts encumbering capital funds totaled \$45,183,596 which is anticipated to be paid over the next two years.

(16) INVESTIGATION:

An investigation is being conducted by the State of New Mexico's Office of the State Auditor to determine if a charter school has followed proper procedures in their financial activities.

(17) BUDGETARY BASIS OF ACCOUNTING:

The actual results of operations are presented in the Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) -All Governmental Fund Types in accordance with the budgetary basis of accounting to provide a meaningful comparison of actual results to the budget.

Budgetary comparisons are presented in the balanced presentation format whereby the excess (deficiency) of revenues over expenditures is reflected as Beginning Cash Balance budgeted. The major differences between the budgetary basis and the GAAP basis are:

1. Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP); and
2. Generally, expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP). However, budgetary expenditures include amounts paid within ten days of fiscal year end and salaries and benefits attributable to services provided during the fiscal year. The non-budgeted accounts and funds primarily consist of the adjustment to record the state instructional materials credit.

A reconciliation of GAAP revenues and expenditures to the budgetary basis is shown below:

	General Fund	Transportation Revenue	Instructional Materials	Cafeteria	IASA Title I	Debt Service	Capital Improvements HB33	Capital Improvements SB9	Bond Building	Other Non-major
REVENUES:										
Budgetary Basis	\$455,620,038	\$16,321,838	\$7,432,032	\$22,451,108	\$15,208,931	\$19,545,651	\$37,570,555	\$20,657,996	\$24,417,112	\$41,576,538
Reclassifying adjustments										
Deferred revenues										
Accruals	(510,939)		-	92,769	(577,663)	(238,186)	(603,479)	(276,111)	(31,804)	4,072,049
Non-budgeted accounts/funds	521,709									
Commodities inventory				583,871						
GAAP Basis	\$455,630,808	\$16,321,838	\$7,432,032	\$23,127,748	\$14,422,982	\$19,307,465	\$36,967,076	\$20,381,885	\$24,385,308	\$45,648,587
EXPENDITURES:										
Budgetary Basis	\$453,934,242	\$16,133,809	\$7,331,015	\$21,417,704	\$14,436,670	\$18,844,733	\$35,920,965	\$13,930,253	\$22,049,924	\$39,167,502
Reclassifying adjustments										
Accruals	(262,098)	(18,385)	(100,219)	410,780	(13,688)	592,690	(803,381)	320,742	(2,112,582)	205,660
Non-budgeted accounts/funds	33,344									
Commodities inventory				1,063,707						
GAAP Basis	\$453,705,488	\$16,115,424	\$7,230,796	\$22,892,191	\$14,422,982	\$19,437,423	\$35,117,584	\$14,250,995	\$19,937,342	\$39,373,162

SPECIAL REVENUE FUNDS – NON MAJOR

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Title I Migrant - To establish and improve state programs to meet the special education needs of the children of migratory workers in agriculture and fishing. (P.L. 103-382)

Title I Capital Expense - To cover capital expenses incurred by the Title I basic program in serving eligible private schools. (P.L. 103-382)

Title I Program Improvement - To support Title I schools that have not achieved any one of the desired outcomes or goals of the program. (P.L. 103-382)

Individual with Disabilities Education Act (IDEA - B) - To assure the availability of free, appropriate education and support services for all handicapped children. (P.L. 94-142)

Technology and Literacy Challenge Fund – This grant will provide funds for professional development, hardware and software which will support technology-based instruction for K-12 students. (P.L. 103-382)

IDEA-B Discretionary/Transition - To infuse experiential methods into classroom curriculum and support services to promote success for all students in inclusive and special education settings. (P.L. 105-17)

IDEA - B Preschool - To identify and deliver special education and related services to handicapped children three to five years of age. (P.L. 94-142 and P.L. 99-457)

Improving America's Schools Act (IASA) Title VI - To support a broad range of school improvement programs. (P.L. 100-297, formerly Chapter II of the Education Consolidation and Improvement Act, P.L. 97-297)

Education of Homeless Children - To reduce barriers to public education for homeless children and youth. (P.L. 100-77)

IASA Title II-A (Math/Science) - To improve content knowledge and teaching skills and techniques of elementary and secondary mathematics and science teachers. (P.L. 100-297)

Title VII Emergency Immigrant Education Act - To give financial support to local school districts with high concentrations of immigrant children. (P.L. 98-511)

Carl Perkins Vocational & Applied Technology - To help support vocational services and establish a comprehensive link between the secondary schools and the Technical Vocational Institute (TVI). (P.L. 98-524)

Learn & Serve - Grants awarded to schools to implement service learning programs. (National and Community Trust Act 1993)

Goals 2000- To implement a unified student-centered model that provides a seamless curriculum that addresses the individual learning needs of general education, bilingual, limited English proficient and disabled students. (Goals 2000: Educate America Act P.L. 103-227)

Title IV Drug Free & Community Education - To enhance strategies which support the District's goals, as well as continue to provide violence and substance abuse prevention/intervention. (P.L. 103-382)

Character Education - To provide for the development of character education programs in public schools in conjunction with the greater Albuquerque community. (P.L. 103-382)

Colorado State University (CSU) - A subcontract with CSU for the purpose of collecting data on Mexican-American dropouts. (Award in pursuant to the authority of 42USC241 42CFR52)

IASA Bilingual Education /Bilingual Ed Program Enhancement – To contribute to the overall systemic improvement of dual language bilingual education services for Limited English Proficient (LEP) students. Programs include both Spanish/English and Navajo/English languages. (P.L. 103-382)

Indian Education Act (Title IX) - To develop and implement elementary and secondary school projects that meet the special educational and culturally-related academic needs of Indian children. (P.L. 100-297, formerly Title IV, Indian Education Act, P.L. 92-318)

BIA PL 93-638 /Johnson O'Malley- To provide assistance in meeting the specialized and unique educational needs of all eligible Indian students. (P.L. 93-638 and P.L. 100-427)

Title XX Social Services Block Grants - To provide a variety of social services to reduce or eliminate the economic dependency of the poor. (P.L. 100-203)

Federal Impact Aid-Special Education/Indian Education - To provide maintenance and operating aid to school districts whose enrollments or revenues have been adversely affected by Federal activities. (P.L. 81-874 and P.L. 100-297)

Medicaid - To provide 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. (P.L. 105-33)

Preventative Health Block Grant - To teach students alternatives to violent interpersonal behavior. Students who are trained in peer mediation skills will model these skills and will assist fellow students in resolving conflicts and disputes utilizing non-violent methods. (P.L. 105-285)

Drug Free Schools - To establish and operate programs of drug and alcohol abuse prevention, early intervention, rehabilitation referral, and education. (P.L. 100-297)

GRADS/Children, Youth and Families – These funds will provide continuation of the GRADS program at Rio Grande High School. It is based on curriculum, developed to enhance parenting skills and decrease the dropout rate of pregnant teens.

Comprehensive School Reform Demonstration (CSRD) – To provide financial incentives for schools in need of substantially improving student achievement to implement comprehensive school reform programs based on reliable research and effective practices. (P.L. 103-382)

Reading Excellence Act Grant(REA)/Armijo ES – The Armijo ES tutoring program will be infused into all of the major components of school reform, including classroom teaching and learning, parent and family involvement, professional development and administrative infrastructure support.

21st Century Community Learning Centers – To provide for three Family Focus centers attached to APS school sites. The sites integrate literacy education programs with technology for academic enhancement activities helping to meet or exceed local and state standards in reading and math in an extended day setting. (P.L. 103-382)

(STAR) Supporting Teachers With Anytime/Anywhere Resources – Los Padillas received funding to purchase the necessary technology hardware to implement the project in a Lab setting. The goal of Los Padillas ES is to have staff, parents and community members utilize STAR-Online. Star-Online is an online, self-paced, modular learning network for teachers.

Smaller Learning Communities Implementation Grant – The district's Smaller Learning Communities Project is a comprehensive effort enabling large high schools to create and expand organizational structures and instructional programs that define smaller instructional programs that define smaller learning communities for students.

Drug and Violence Prevention - To provide risk reduction interaction with children; school based coordinators to provide linkages necessary for students who have been identified through screening, referral and assessment as needing risk reduction interventions and other services.

Job Training Partnership Act (JTPA) - To help prepare disadvantaged, unskilled youths and adults for entering the labor force by supporting job training and work-related activities. (P.L. 97-300 and P.L. 99-496)

Presidential Award for Teaching Excellence in Math/Science - Recognizes an outstanding District teacher and supplements other resources available for science and mathematics education. (National Science Foundation Act of 1950)

Child Care Block Grant - The Title I Even Start project focuses on family literacy and parent/child interaction. Adult literacy training is provided through TVI and the Mayor's Commission on Adult Literacy. This grant will provide child care for the adults who are attending an educational or vocational training activity and are eligible through Title I Even Start. (P.L. 103-382)

Public School Charter - Major expenditures will provide for the expansion of technological capabilities at Taylor Middle School. The moneys will be used to purchase needed equipment to integrate technology across the curriculum. This focus will ensure that Taylor's disadvantaged students, who don't have access to the latest technology at home, will have opportunities to develop skills. The program will include a training component to develop the technological skills for Taylor's teaching staff. (P.L. 103-382)

Athletics - To account for income and disbursements of athletic events.

State, Local and Private Grants - State, local and private grants to provide supplementary educational services, materials and equipment to eligible students and staffs in the public schools and private non-profit schools operating within the District's attendance area.

Class Size Reduction – To assist local educational reform efforts which are consistent with and support statewide reform efforts under goals 2000: Educate America Act. (P.L. 105-277)

Safe and Drugfree Schools and Communities – To establish risk reduction interaction with children. (P.L. Safe & Drug Free Schools & Communities Act of 1994)

Magnet Schools Assistance – To fund a comprehensive educational initiative utilizing Magnet Schools as the centerpiece of school change and systemic reform. (P.L. 100-297)

FTE Earmark Grant Awards – To expand access to the Child Development facility, which provides comprehensive, community-based services for children ages six weeks to fifth grade. (P.L. 103-382)

After School Learning Centers – To create after school and summer school programs that will provide significant literacy-based learning opportunities for children and youth that contribute to reduced drug use and violence. (P.L.103-382)

Workforce Investment – To implement a Summer Youth Employment Program for youth with disabilities. Participants will be APS special education students. Students will be placed at job sites in the community followed by staff contracted for this program. Funding will be used primarily to pay salary and benefits for Transition Teachers and Community Support Assistants for the summer. (P.L.105-220)

Professional Development Training All Teachers – To increase the learning qualifications related to the teaching of English Language Learners (ELLs); to improve teaching practices of bilingual/ESL general education and Special Education teachers; to improve ELLs academic achievement and ability to meet standards. (P.L. 103-382)

Tobacco Use Prevention and Control Program – To conduct a district-wide policy review; a peer education initiative; a family involvement initiative and an overall program evaluation.

Occupational Safety and Health Administration (OSHA) Employee Assistance Program (EAP) – To account for funds that enable the Employee Assistance Program to expand its efforts in supporting the District in providing a drug-free work place for all employees. (Anti Drug Abuse Act of 1988)

Special Ed Innovation and Development – To pay for teacher planning and release time, staff development activities and instructional materials (P.L. 103-382)

STATE OF NEW MEXICO - ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
 COMBINING BALANCE SHEET - BY FUND TYPE
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2002

	Non Major <u>Special Revenue</u>	Non Major <u>Capital Projects</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 2,957,202	\$ 12,931,660	\$ 15,888,862
Receivables:			
Property taxes	-	44,110	44,110
Governmental	2,714,396	3,583,010	6,297,406
Other receivables	20	442,489	442,509
Due from other funds	-	-	-
Total assets	<u>\$ 5,671,618</u>	<u>\$ 17,001,269</u>	<u>\$ 22,672,887</u>
<u>LIABILITIES AND FUND BALANCES</u>			
LIABILITIES:			
Vouchers payable	\$ 861,169	\$ 1,062,069	\$ 1,923,238
Cash Overdrafts	-	10,387,612	10,387,612
Retainage payable	-	-	-
Salaries payable	-	-	-
Due to other funds	90,106	-	90,106
Deferred Revenue -			
Federal projects	4,720,343	-	4,720,343
Delinquent property taxes	-	44,110	44,110
Escrow Deposits	-	-	-
Other liabilities	-	-	-
Total liabilities	<u>5,671,618</u>	<u>11,493,791</u>	<u>17,165,409</u>
FUND BALANCES:			
Reserved for encumbrances	-	12,103,938	12,103,938
Unreserved, designated for subsequent years' expenditures	-	699,648	699,648
Unreserved, undesignated		(7,296,108)	(7,296,108)
Total fund balances	<u>-</u>	<u>5,507,478</u>	<u>5,507,478</u>
Total liabilities and fund balances	<u>\$ 5,671,618</u>	<u>\$ 17,001,269</u>	<u>\$ 22,672,887</u>

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
NONMAJOR GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BY FUND TYPE
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Non Major Special Revenue</u>	<u>Non Major Capital Projects</u>	<u>Total</u>
REVENUES:			
Local and county sources	5,056,107	9,085,793	14,141,900
State sources	-	8,221,292	8,221,292
Federal sources	23,285,395	-	23,285,395
U.S.D.A. commodities	-	-	-
Instructional materials	-	-	-
	<hr/>		
Total revenues	28,341,502	17,307,085	45,648,587
EXPENDITURES:			
Current -			
Instruction	13,585,359	-	13,585,359
Instructional support	10,998,622	-	10,998,622
Administration	50,610	-	50,610
Pupil transportation services	-	-	-
Operation and maintenance of plant	23,574	-	23,574
Non-instructional support	-	-	-
Community services	2,689,818	-	2,689,818
Business/support services	442,390	-	442,390
Food services	-	-	-
Instructional materials	-	-	-
Athletics	551,129	-	551,129
Debt service	-	-	-
Capital outlay	-	11,031,660	11,031,660
	<hr/>		
Total expenditures	28,341,502	11,031,660	39,373,162
EXCESS (DEFICIENCY) OF			
REVENUES OVER EXPENDITURES	-	6,275,425	6,275,425
<hr/>			
Net change in fund balances	-	6,275,425	6,275,425
Fund balance - Beginning	-	(767,947)	(767,947)
<hr/>			
Fund balance - Ending	\$ -	\$ 5,507,478	\$ 5,507,478

STATE OF NEW MEXICO
 ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2002

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ASSETS

Cash and cash equivalents

Receivables:

Intergovernmental

Other

Due from other funds

Supply inventories

Total assets

LIABILITIES AND FUND BALANCES

LIABILITIES:

Vouchers payable

Cash overdrafts

Salaries and benefits payable

Deferred revenue-Federal projects

Due to other funds

Total liabilities

FUND BALANCES:

Fund balances:

Reserved for:

Inventories

Encumbrances

Unreserved, designated for subsequent years' expenditures

Total fund balances

Total liabilities and fund balances

	IASA Title I Migrant	IASA Title I Capital	IASA Title I Program Improvement	IDEA-B Entitlement	IDEA-B Competitive	IDEA-B Preschool	IASA Title VI	Education of Homeless
\$	13,099	\$ 26,621	\$ (78,189)	\$ 479,879	\$ (10,995)	\$ 123,241	\$ 3,881	\$ 2,078
	-	-	84,392	-	16,961	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total assets	13,099	26,621	6,203	479,879	5,966	123,241	3,881	2,078
	(1,625)	(484)	6,203	187,751	5,966	2,117	2,755	182
	-	-	-	-	-	-	-	-
	14,724	27,105	-	292,128	-	121,124	1,128	1,896
	-	-	-	-	-	-	-	-
Total liabilities	13,099	26,621	6,203	479,879	5,966	123,241	3,881	2,078
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total fund balances	-	-	-	-	-	-	-	-
Total liabilities and fund balances	\$ 13,099	\$ 26,621	\$ 6,203	\$ 479,879	\$ 5,966	\$ 123,241	\$ 3,881	\$ 2,078

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2002

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	IASA Title II (Math/Science)	Emergency Immigrant	Carl Perkins Vocational Tech	Learn & Serve	Goals 2000	Drug Free & Comm. Ed.	Tech & Literacy Challenge	IDEA-B Preschool Competitive
ASSETS								
Cash and cash equivalents	\$ (168,588)	\$ (63,746)	\$ (291,963)	\$ 245	\$ 2,795	\$ 6,304	\$ (17,469)	\$ -
Receivables:								
Intergovernmental	199,265	86,419	303,862	-	-	-	20,295	689
Other	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Supply inventories	-	-	-	-	-	-	-	-
Total assets	<u>30,676</u>	<u>22,673</u>	<u>11,899</u>	<u>245</u>	<u>2,795</u>	<u>6,304</u>	<u>2,828</u>	<u>689</u>
LIABILITIES AND FUND BALANCES								
LIABILITIES:								
Vouchers payable	30,676	22,673	11,899	\$ -	-	\$ 3,405	\$ 2,828	689
Cash overdrafts	-	-	-	-	-	-	-	-
Salaries and benefits payable	-	-	-	-	-	-	-	-
Deferred revenue-Federal projects	-	-	-	245	2,795	2,899	-	-
Due to other funds	-	-	-	-	-	-	-	-
Total liabilities	<u>30,676</u>	<u>22,673</u>	<u>11,899</u>	<u>245</u>	<u>2,795</u>	<u>6,304</u>	<u>2,828</u>	<u>689</u>
FUND BALANCES:								
Fund balances:								
Reserved for:								
Inventories	-	-	-	-	-	-	-	-
Encumbrances	-	-	-	-	-	-	-	-
Unreserved, designated for subsequent years' expenditures	-	-	-	-	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 30,676</u>	<u>\$ 22,673</u>	<u>\$ 11,899</u>	<u>\$ 245</u>	<u>\$ 2,795</u>	<u>\$ 6,304</u>	<u>\$ 2,828</u>	<u>\$ 689</u>

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2002

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	Title I Comprehensive School Reform	Class Size Reduction Act	Reading Excellence	Colorado State University	IASA Bilingual Ed	Indian Ed Title IX	Title XX
ASSETS							
Cash and cash equivalents	\$ 154,133	\$ (207,956)	\$ 60,529	-	\$ (182,925)	\$ (104,571)	\$ 174,185
Receivables:							
Intergovernmental	-	248,735	-	-	224,434	145,928	-
Other	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Supply Inventories	-	-	-	-	-	-	-
Total assets	154,133	40,779	60,529	-	41,509	41,357	174,185
LIABILITIES AND FUND BALANCES							
LIABILITIES:							
Vouchers payable	\$ 22,598	\$ 40,779	\$ 10,207	-	\$ 41,509	\$ 41,357	\$ 5,810
Cash overdrafts	-	-	-	-	-	-	-
Salaries and benefits payable	-	-	-	-	-	-	-
Deferred revenue-Federal projects	131,535	-	50,322	-	-	-	168,375
Due to other funds	-	-	-	-	-	-	-
Total liabilities	154,133	40,779	60,529	-	41,509	41,357	174,185
FUND BALANCES:							
Fund balances:							
Reserved for:							
Inventories	-	-	-	-	-	-	-
Encumbrances	-	-	-	-	-	-	-
Unreserved, designated for subsequent years' expenditures	-	-	-	-	-	-	-
Total fund balances	-	-	-	-	-	-	-
Total liabilities and fund balances	\$ 154,133	\$ 40,779	\$ 60,529	-	\$ 41,509	\$ 41,357	\$ 174,185

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2002

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	Johnson O'Malley	NSF Pres Teaching Award	General Ed "STAR" Schools	Spec Ed Innov & Dev	Federal Impact Aid- Special Ed.	Federal Impact Aid- Indian Ed.	Medicaid
ASSETS							
Cash and cash equivalents	\$ (70,422)	\$ 168	\$ 1	\$ 735	\$ 486,282	\$ 36,906	\$ 3,643,240
Receivables:							
Intergovernmental	71,991	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Supply Inventories	-	-	-	-	-	-	-
Total assets	\$ 1,569	\$ 168	\$ 1	\$ 735	\$ 486,282	\$ 36,906	\$ 3,643,240
LIABILITIES AND FUND BALANCES							
LIABILITIES:							
Vouchers payable	\$ 1,569	\$ -	\$ -	\$ -	\$ -	\$ 507	\$ 82,804
Cash overdrafts	-	-	-	-	-	-	-
Salaries and benefits payable	-	-	-	-	-	-	-
Deferred revenue-Federal projects	-	168	1	735	486,282	36,399	3,560,436
Due to other funds	-	-	-	-	-	-	-
Total liabilities	\$ 1,569	\$ 168	\$ 1	\$ 735	\$ 486,282	\$ 36,906	\$ 3,643,240
FUND BALANCES:							
Fund balances:							
Reserved for:							
Inventories	-	-	-	-	-	-	-
Encumbrances	-	-	-	-	-	-	-
Unreserved, designated for subsequent years' expenditures	-	-	-	-	-	-	-
Total fund balances	-	-	-	-	-	-	-
Total liabilities and fund balances	\$ 1,569	\$ 168	\$ 1	\$ 735	\$ 486,282	\$ 36,906	\$ 3,643,240

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2002

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ASSETS

Cash and cash equivalents	\$	106	\$	588	\$	(27)	\$	(22,810)	\$	(383,055)	\$	1,684	\$	1
Receivables:														
Intergovernmental	-		-		301			23,534		396,078		-		-
Other	-		-		-			-		-		-		-
Due from other funds	-		-		-			-		-		-		-
Supply Inventories	-		-		-			-		-		-		-
Total assets	\$	106	\$	588	\$	274	\$	724	\$	13,023	\$	1,684	\$	1

LIABILITIES AND FUND BALANCES

LIABILITIES:	\$	-	\$	-	\$	274	\$	724	\$	13,023	\$	-	\$	-
Vouchers payable	-		-		-			-		-		-		-
Cash overdrafts	-		-		-			-		-		-		-
Salaries and benefits payable	-		-		-			-		-		-		-
Deferred revenue-Federal projects	106		588		-			-		-		1,684		1
Due to other funds	-		-		-			-		-		-		-
Total liabilities		106		588		274		724		13,023		1,684		1

FUND BALANCES:

Fund balances:														
Reserved for:														
Inventories	-		-		-			-		-		-		-
Encumbrances	-		-		-			-		-		-		-
Unreserved, designated for subsequent years' expenditures	-		-		-			-		-		-		-
Total fund balances		-		-		-		-		-		-		-
Total liabilities and fund balances	\$	106	\$	588	\$	274	\$	724	\$	13,023	\$	1,684	\$	1

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2002

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<u>ASSETS</u>																	
Cash and cash equivalents	\$	1	\$	(33,228)	\$	(163,484)	\$	(8,209)	\$	(30,955)	\$	(149,172)	\$	(177,657)	\$	4,463	
Receivables:																	
Intergovernmental	-			37,536		213,308		9,829		54,383		204,538		-		-	
Other	-			-		-		-		-		-		-		-	
Due from other funds	-			-		-		-		-		-		-		-	
Supply inventories	-			-		-		-		-		-		-		-	
Total assets		<u>1</u>		<u>4,308</u>		<u>49,824</u>		<u>1,420</u>		<u>23,428</u>		<u>55,366</u>		<u>(177,657)</u>		<u>4,463</u>	
<u>LIABILITIES AND FUND BALANCES</u>																	
LIABILITIES:																	
Vouchers payable	\$	(29)		\$	4,308	\$	49,824	\$	1,420	\$	23,428	\$	55,366	\$	7,315	\$	-
Cash overdrafts	-			-		-		-		-		-		-		-	-
Salaries and benefits payable	-			-		-		-		-		-		-		-	-
Deferred revenue-Federal projects		30		-		-		-		-		-		(184,972)		4,463	
Due to other funds	-			-		-		-		-		-		-		-	-
Total liabilities		<u>1</u>		<u>4,308</u>		<u>49,824</u>		<u>1,420</u>		<u>23,428</u>		<u>55,366</u>		<u>(177,657)</u>		<u>4,463</u>	
<u>FUND BALANCES:</u>																	
Fund balances:																	
Reserved for:																	
Inventories	-			-		-		-		-		-		-		-	-
Encumbrances	-			-		-		-		-		-		-		-	-
Unreserved, designated for subsequent years' expenditures	-			-		-		-		-		-		-		-	-
Total fund balances		<u>-</u>		<u>-</u>		<u>-</u>		<u>-</u>		<u>-</u>		<u>-</u>		<u>-</u>		<u>-</u>	<u>-</u>
Total liabilities and fund balances	\$	<u>1</u>		<u>4,308</u>		<u>49,824</u>		<u>1,420</u>		<u>23,428</u>		<u>55,366</u>		<u>(177,657)</u>		<u>4,463</u>	

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STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2002

	Special Capital Outlay- Local	Special Capital Outlay- State	Public School Capital Outlay	Totals 2002
<u>ASSETS</u>				
Cash and cash equivalents	\$ 12,021,573	\$ -	\$ 910,087	\$ 12,931,660
Receivables:				
Governmental	442,489	3,583,010		4,025,499
Property taxes	-	-	44,110	44,110
Due from other funds	-	-	-	-
Total assets	<u>\$ 12,464,062</u>	<u>\$ 3,583,010</u>	<u>\$ 954,197</u>	<u>\$ 17,001,269</u>
<u>LIABILITIES AND FUND EQUITY</u>				
LIABILITIES:				
Vouchers payable	\$ 396,022	\$ 455,608	\$ 210,439	\$ 1,062,069
Salaries and benefits payable	-	-	-	-
Cash overdrafts	-	10,387,612	-	10,387,612
Deferred revenue -				
Delinquent property taxes	-	-	44,110	44,110
Other Liabilities	-	-	-	-
Total liabilities	<u>396,022</u>	<u>10,843,220</u>	<u>254,549</u>	<u>11,493,791</u>
FUND BALANCES:				
Reserved for encumbrances	12,068,040	35,898	-	12,103,938
Unreserved:				
Designated for subsequent years' expenditures	-	-	699,648	699,648
Undesignated	-	(7,296,108)	-	(7,296,108)
Total fund balances	<u>12,068,040</u>	<u>(7,260,210)</u>	<u>699,648</u>	<u>5,507,478</u>
Total liabilities and fund balances	<u>\$ 12,464,062</u>	<u>\$ 3,583,010</u>	<u>\$ 954,197</u>	<u>\$ 17,001,269</u>

STATE OF NEW MEXICO

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NON-MAJOR SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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	IASA Title I Migrant	IASA Title I Capital	IASA Title I Program Improvement	IDEA-B Enrollment	IDEA-B Competitive	IDEA-B Preschool	IASA Title VI	Education of Homeless
REVENUES:								
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	49,000	35	198,155	7,698,094	72,175	277,825	400,981	35,108
Government subsidies	-	-	-	-	-	-	-	-
U.S.D.A. commodities	-	-	-	-	-	-	-	-
Total revenues	49,000	35	198,155	7,698,094	72,175	277,825	400,981	35,108
EXPENDITURES:								
Current -								
Instruction	21,827	-	173,106	2,604,925	43,884	175,833	10	34,377
Instructional support	17,647	-	22,015	4,201,374	18,727	95,763	392,702	-
Administration	50	34	354	16,492	101	726	469	35
Salaries, wages and benefits	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	-	-	-
Community services	8,484	-	-	728,709	8,067	-	-	-
Business/support services	992	1	2,680	146,594	1,396	5,503	7,780	696
Athletics	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	49,000	35	198,155	7,698,094	72,175	277,825	400,981	35,108
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	-	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	-	-	-	-	-	-	-	-
TRANSFER OF FUND BALANCES	-	-	-	-	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
 ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	IASA Title II (Math/Science)	Emergency Immigrant	Carl Perkins Vocational Tech	Learn & Serve	Goals 2000	Drug Free & Comm. Ed.	Tech & Literacy Challenge	IDEA-B Preschool Competitive
REVENUES:								
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	569,830	426,093	939,284	-	45,055	643,723	180,581	689
Government subsidies	-	-	-	-	-	-	-	-
U.S.D.A. commodities	-	-	-	-	-	-	-	-
Total revenues	569,830	426,093	939,284	-	45,055	643,723	180,581	689
EXPENDITURES:								
Current -								
Instruction	480,740	219,844	892,833	-	31,454	53,563	174,342	631
Instructional support	77,485	148,980	37,234	-	12,988	576,573	3,372	-
Administration	473	849	783	-	-	884	185	25
Salaries, wages and benefits	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	1,099	-	-	-	-	-	-
Community services	-	47,049	-	-	-	-	-	-
Business/support services	11,132	8,272	8,334	-	635	12,723	2,682	13
Athletics	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	569,830	426,093	939,284	-	45,055	643,723	180,581	689
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	-	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	-	-	-	-	-	-	-	-
TRANSFER OF FUND BALANCES	-	-	-	-	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
 ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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	Title I Comprehensive School Reform	Class Size Reduction Act	Reading Excellence	Colorado State University	IASA Bilingual Ed	Indian Ed Title IX	Title XX
REVENUES:							
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	363,673	3,477,067	34,767	-	1,012,263	586,941	422,757
Government subsidies	-	-	-	-	-	-	-
U.S.D.A. commodities	-	-	-	-	-	-	-
Total revenues	363,673	3,477,067	34,767	-	1,012,263	586,941	422,757
EXPENDITURES:							
Current -							
Instruction	285,861	3,116,138	24,493	-	708,280	442,108	400,183
Instructional support	90,611	289,810	9,671	-	272,389	68,639	9,438
Administration	-	3,026	106	-	2,132	698	600
Salaries, wages and benefits	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-	-
Food	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	3,549	-	-
Community services	-	-	-	-	6,199	65,055	4,160
Business/support services	7,201	68,093	497	-	19,704	10,443	8,376
Athletics	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Total expenditures	363,673	3,477,067	34,767	-	1,012,263	586,941	422,757
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	-	-	-
FUND BALANCES AT BEGINNING OF YEAR	-	-	-	-	-	-	-
TRANSFER OF FUND BALANCES	-	-	-	-	-	-	-
FUND BALANCES AT END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
 ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2002

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REVENUES:									
	Johnson O'Malley	NSF Pres Teaching Award	General Ed "STAR" Schools	Spec Ed Innov & Dev	Federal Impact Aid- Special Ed.	Federal Impact Aid- Indian Ed.	Medical		
Local and county sources	\$ -	-	-	-	-	-	-		
Federal sources	175,401	-	690	-	108,822	29,359	2,385,834		
Government subsidies	-	-	-	-	-	-	-		
U.S.D.A. commodities	-	-	-	-	-	-	-		
Total revenues	175,401	-	690	-	108,822	29,359	2,385,834		
EXPENDITURES:									
Current -									
Instruction	166,714	-	678	-	108,822	16,168	133,788		
Instructional support	3,972	-	-	-	-	3,584	2,192,043		
Administration	1,047	-	-	-	-	507	3,619		
Salaries, wages and benefits	-	-	-	-	-	-	-		
Supplies	-	-	-	-	-	-	-		
Purchased services	-	-	-	-	-	-	-		
Food	-	-	-	-	-	-	-		
Operation and maintenance of plant	-	-	-	-	-	-	-		
Community services	250	-	-	-	-	9,102	9,908		
Business/support services	3,418	-	12	-	-	-	-		
Athletics	-	-	-	-	-	-	46,478		
Capital outlay	-	-	-	-	-	-	-		
Total expenditures	175,401	-	690	-	108,822	29,359	2,385,834		
EXCESS/(DEFICIENCY) OF REVENUES									
OVER EXPENDITURES	-	-	-	-	-	-	-		
FUND BALANCES AT BEGINNING OF YEAR	-	-	-	-	-	-	-		
TRANSFER OF FUND BALANCES	-	-	-	-	-	-	-		
FUND BALANCES AT END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

STATE OF NEW MEXICO

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NON-MAJOR SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2002

Page 5 of 6

REVENUES:									
	Drug & Violence Prevention	Safe & Drug S & C	Magnet Schools Assistance	Bilingual Ed Prgm Enhancement	Public School Charter	21st Century	Prof Dev Training All Teachers		
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Federal sources	1,691	127,474	854,801	65,307	-	54,232	95,039		
Government subsidies	-	-	-	-	-	-	-		
U.S.D.A. commodities	-	-	-	-	-	-	-		
Total revenues	1,691	127,474	854,801	65,307	-	54,232	95,039		
EXPENDITURES:									
Current -									
Instruction	1,357	836	557,925	11,015	-	4,993	87,867		
Instructional support	301	121,901	277,793	6,220	-	47,731	5,039		
Administration	-	233	2,188	-	-	-	251		
Salaries, wages and benefits	-	-	-	-	-	-	-		
Supplies	-	-	-	-	-	-	-		
Purchased services	-	-	-	-	-	-	-		
Food	-	-	-	-	-	-	-		
Operation and maintenance of plant	-	2,124	-	-	-	480	-		
Community services	-	-	-	48,587	-	-	-		
Business/support services	33	2,380	16,897	1,485	-	1,028	1,882		
Athletics	-	-	-	-	-	-	-		
Capital outlay	-	-	-	-	-	-	-		
Total expenditures	1,691	127,474	854,801	65,307	-	54,232	95,039		
EXCESS/(DEFICIENCY) OF REVENUES									
OVER EXPENDITURES	-	-	-	-	-	-	-		
FUND BALANCES AT BEGINNING OF YEAR	-	-	-	-	-	-	-		
TRANSFER OF FUND BALANCES	-	-	-	-	-	-	-		
FUND BALANCES AT END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

Page 6 of 6

REVENUES:									
	Smaller Learning Communities	Workforce Investment Act	Tobacco Use & Prevention	After School Learning Cntrs	FTE Earmark Grant	Athletics	State, Local and Private Grants	Total	
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 545,922	\$ 4,510,185	\$	5,056,107
Federal sources	1,067,266	28,133	73,033	535,738	243,312	5,207	-	23,285,395	
Government subsidies	-	-	-	-	-	-	-	-	
U.S.D.A. commodities	-	-	-	-	-	-	-	-	
Total revenues	1,067,266	28,133	73,033	535,738	243,312	551,129	4,510,185	28,341,502	
EXPENDITURES:									
Current -									
Instruction	842,537	28,133	22,969	-	232,115	-	1,504,881	13,585,326	
Instructional support	203,420	-	46,600	315,674	5,604	-	1,421,334	10,998,622	
Administration	1,900	-	135	1,060	800	-	10,903	50,643	
Salaries, wages and benefits	-	-	-	-	-	-	-	-	
Supplies	-	-	-	-	-	-	-	-	
Purchased services	-	-	-	-	-	-	-	-	
Food	-	-	-	-	-	-	-	-	
Operation and maintenance of plant	-	-	-	1,367	-	-	5,049	23,574	
Community services	-	-	-	207,257	-	-	1,558,899	2,689,818	
Business/support services	19,409	-	1,329	10,380	4,793	-	9,119	442,390	
Athletics	-	-	-	-	-	551,129	-	551,129	
Capital outlay	-	-	-	-	-	-	-	-	
Total expenditures	1,067,266	28,133	73,033	535,738	243,312	551,129	4,510,185	28,341,502	
EXCESS/(DEFICIENCY) OF REVENUES									
OVER EXPENDITURES	-	-	-	-	-	-	-	-	
FUND BALANCES AT BEGINNING OF YEAR	-	-	-	-	-	-	-	-	
TRANSFER OF FUND BALANCES	-	-	-	-	-	-	-	-	
FUND BALANCES AT END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Special Capital Outlay- Local	Special Capital Outlay- State	Public School Capital Outlay	Totals 2002
REVENUES:				
Local Sources:				
District school tax levy	\$ -	\$ -	\$ 538,082	\$ 538,082
Earnings from investments	238,962	-	-	238,962
Sale of property	8,232,616	-	-	8,232,616
Miscellaneous	-	-	76,133	76,133
State sources	-	8,221,292	-	8,221,292
Total revenues	8,471,578	8,221,292	614,215	17,307,085
EXPENDITURES:				
Administration	-	-	-	-
Capital outlay	7,245,502	3,497,957	288,201	11,031,660
Total expenditures	7,245,502	3,497,957	288,201	11,031,660
EXCESS OF REVENUES OVER EXPENDITURES	1,226,076	4,723,335	326,014	6,275,425
OTHER FINANCING SOURCES:				
Operating transfer for debt service	-	-	-	-
Proceeds from general obligation bonds	-	-	-	-
Total other financing sources	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	1,226,076	4,723,335	326,014	6,275,425
FUND BALANCES AT BEGINNING OF YEAR	10,841,964	(11,983,545)	373,634	(767,947)
FUND BALANCES AT END OF YEAR	\$ 12,068,040	\$ (7,260,210)	\$ 699,648	\$ 5,507,478

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

	IASA TITLE I MIGRANT			IASA TITLE I CAPITAL EXPENSE			IASA TITLE I PROGRAM IMPROVEMENT			IDRA-B ENTITLEMENT		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:												
Local and county sources												
State sources												
Federal sources	50,000	57,952	7,952	33,614	(47,000)	(80,614)	393,914	131,850	(262,064)	16,491,213	7,537,166	(8,954,047)
Total revenues	50,000	57,952	7,952	33,614	(47,000)	(80,614)	393,914	131,850	(262,064)	16,491,213	7,537,166	(8,954,047)
OTHER FINANCING SOURCES:												
Proceeds from general obligation bonds												
Operating transfer in (out)												
Total revenues and other financing sources	50,000	57,952	7,952	33,614	(47,000)	(80,614)	393,914	131,850	(262,064)	16,491,213	7,537,166	(8,954,047)
BEGINNING CASH BALANCE BUDGETED												
Total revenues, other financing sources and beginning cash budgeted	\$ 50,000			\$ 33,614			\$ 393,914			\$ 16,491,213		
EXPENDITURES:												
Current:												
Instruction	\$ 21,850	\$ 21,827	\$ 23	\$ 32,853	\$ -	\$ 32,853	\$ 335,681	\$ 173,106	\$ 162,575	\$ 5,570,695	\$ 2,604,925	\$ 2,965,770
Instructional support	17,650	17,647	3	761	-	761	30,482	22,015	8,467	9,133,154	4,143,317	4,989,837
Administration	1,042	1,042	-	-	35	(35)	7,442	3,034	4,408	321,694	163,086	158,608
Pupil transportation services	-	-	-	-	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	-	-	-	-	-	-	-
Non-instructional support	-	-	-	-	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-	-	-	-
Non operating	9,458	8,484	974	-	-	-	-	-	-	1,465,670	738,709	736,961
Business/support services	-	-	-	-	-	-	20,309	-	20,309	-	-	-
Instructional materials	-	-	-	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-	-	-
Federal programs	-	-	-	-	-	-	-	-	-	-	-	-
Athletics	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	50,000	49,000	1,000	33,614	35	33,579	393,914	198,155	195,759	16,491,213	7,640,037	8,851,176
Other financing uses:												
Operating transfers out												
Total expenditures and other financing uses	\$ 50,000	\$ 49,000	\$ 1,000	\$ 33,614	\$ 35	\$ 33,579	\$ 393,914	\$ 198,155	\$ 195,759	\$ 16,491,213	\$ 7,640,037	\$ 8,851,176

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

	IDEA-B COMPETITIVE			IDEA-B PRESCHOOL			IASA TITLE VI			EDUCATION OF HOMELESS		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:												
Local and county sources												
State sources												
Federal sources	112,068	94,761	(17,307)	733,663	458,528	(275,135)	468,293	463,920	(4,373)	35,500	43,362	7,862
Total revenues	112,068	94,761	(17,307)	733,663	458,528	(275,135)	468,293	463,920	(4,373)	35,500	43,362	7,862
OTHER FINANCING SOURCES:												
Proceeds from general obligation bonds												
Operating transfer in (out)												
Total revenues and other financing sources	112,068	94,761	(17,307)	733,663	458,528	(275,135)	468,293	463,920	(4,373)	35,500	43,362	7,862
BEGINNING CASH BALANCE BUDGETED												
Total revenues, other financing sources and beginning cash budgeted	\$ 112,068	\$ -	\$ -	\$ 733,663	\$ -	\$ -	\$ 468,293	\$ -	\$ -	\$ 35,500	\$ -	\$ -
EXPENDITURES:												
Current:												
Instruction	\$ 71,080	\$ 43,884	\$ 27,196	\$ 527,361	\$ 175,833	\$ 351,528	\$ -	\$ 10	\$ -	\$ 34,447	\$ 34,377	\$ 70
Instructional support	24,241	18,727	5,514	188,827	95,763	93,064	458,641	392,702	65,939	-	-	-
Administration	2,163	1,497	666	15,129	6,229	8,900	9,642	8,249	1,393	1,053	731	322
Pupil transportation services	-	-	-	-	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	-	-	-	-	-	-	-
Non-instructional support	-	-	-	-	-	-	-	-	-	-	-	-
Community services	14,584	8,067	6,517	2,346	-	2,346	-	-	-	-	-	-
Non operating	-	-	-	-	-	-	-	-	-	-	-	-
Business/support services	-	-	-	-	-	-	-	-	-	-	-	-
Instructional materials	-	-	-	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-	-	-
Federal programs	-	-	-	-	-	-	-	-	-	-	-	-
Athletics	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	112,068	72,175	39,893	733,663	277,825	455,838	468,293	400,961	67,332	35,500	35,108	392
Other financing uses:												
Operating transfers out												
Total expenditures and other financing uses	\$ 112,068	\$ 72,175	\$ 39,893	\$ 733,663	\$ 277,825	\$ 455,838	\$ 468,293	\$ 400,961	\$ 67,332	\$ 35,500	\$ 35,108	\$ 392

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

	IASA TITLE II-A MATH/SCIENCE			TITLE VII EMERGENCY IMMIGRANT ED			CARL PERKINS VOCATIONAL			LEARN AND SERVE		
	Budget	Actual	Variance (Unfavorable)	Budget	Actual	Variance (Unfavorable)	Budget	Actual	Variance (Unfavorable)	Budget	Actual	Variance (Unfavorable)
REVENUES:												
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	747,092	444,080	(303,012)	859,445	386,594	(472,851)	1,179,544	858,367	(321,177)	12,229	8,810	(3,419)
Total revenues	747,092	444,080	(303,012)	859,445	386,594	(472,851)	1,179,544	858,367	(321,177)	12,229	8,810	(3,419)
OTHER FINANCING SOURCES:												
Proceeds from general obligation bonds	-	-	-	-	-	-	-	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues and other financing sources	747,092	444,080	(303,012)	859,445	386,594	(472,851)	1,179,544	858,367	(321,177)	12,229	8,810	(3,419)
BEGINNING CASH BALANCE BUDGETED	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -
Total revenues, other financing sources and beginning cash budgeted	\$ 747,092			\$ 859,445			\$ 1,179,544		\$ 12,229			
EXPENDITURES:												
Current:												
Instruction	\$615,115	\$480,740	\$134,375	\$ 454,033	\$219,844	\$ 234,189	\$1,077,475	\$892,933	\$184,542	\$ 12,161	\$ -	\$ 12,161
Instructional support	116,880	77,485	39,395	273,297	148,980	124,317	88,091	37,234	50,857	68	-	68
Administration	15,097	11,605	3,492	17,877	9,121	8,756	13,978	9,117	4,861	-	-	-
Pupil transportation services	-	-	-	-	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	5,000	1,099	3,901	-	-	-	-	-	-
Non-instructional support	-	-	-	-	-	-	-	-	-	-	-	-
Community services	-	-	-	109,238	47,049	62,189	-	-	-	-	-	-
Non operating	-	-	-	-	-	-	-	-	-	-	-	-
Business/support services	-	-	-	-	-	-	-	-	-	-	-	-
Instructional materials	-	-	-	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-	-	-
Federal programs	-	-	-	-	-	-	-	-	-	-	-	-
Athletics	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	747,092	569,830	177,262	859,445	426,093	433,352	1,179,544	939,284	240,260	12,229	-	12,229
Other financing uses:												
Operating transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures and other financing uses	\$747,092	\$569,830	\$177,262	\$ 859,445	\$426,093	\$ 433,352	\$1,179,544	\$939,284	\$240,260	\$ 12,229	\$ -	\$ 12,229

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

	GOALS 2000			TITLE IV DRUG FREE SCHOOL & COMMUNITY HD			TECHNOLOGY & LITERACY CHALLENGE			TITLE I COMPREHENSIVE SCHOOL REFORM		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:												
Local and county sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	61,177	21,116	(40,061)	862,577	778,546	(84,031)	185,454	222,264	36,810	696,306	534,261	(162,045)
Total revenues	61,177	21,116	(40,061)	862,577	778,546	(84,031)	185,454	222,264	36,810	696,306	534,261	(162,045)
OTHER FINANCING SOURCES:												
Proceeds from general obligation bonds	-	-	-	-	-	-	-	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues and other financing sources	61,177	21,116	(40,061)	862,577	778,546	(84,031)	185,454	222,264	36,810	696,306	534,261	(162,045)
BEGINNING CASH BALANCE BUDGETED	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues, other financing sources and beginning cash budgeted	61,177	-	-	862,577	-	-	185,454	-	-	696,306	-	-
EXPENDITURES:												
Current:												
Instruction	47,328	31,454	15,874	132,429	53,563	78,866	179,050	174,342	4,708	541,244	265,861	275,383
Instructional support	13,849	13,601	248	710,293	576,573	133,720	3,508	3,372	136	271,382	90,611	180,771
Administration	-	-	-	17,855	13,587	4,268	2,896	2,867	29	13,680	7,201	6,479
Pupil transportation services	-	-	-	-	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	2,000	-	2,000	-	-	-	-	-	-
Non-instructional support	-	-	-	-	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-	-	-	-
Non operating	-	-	-	-	-	-	-	-	-	-	-	-
Business/support services	-	-	-	-	-	-	-	-	-	-	-	-
Instructional materials	-	-	-	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-	-	-
Federal programs	-	-	-	-	-	-	-	-	-	-	-	-
Athletics	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	61,177	45,055	16,122	862,577	643,723	218,854	185,454	180,581	4,873	696,306	363,673	332,633
Other financing uses:												
Operating transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures and other financing uses	61,177	45,055	16,122	862,577	643,723	218,854	185,454	180,581	4,873	696,306	363,673	332,633

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

	IDEA-B PRESCHOOL COMPETITIVE			CLASS SIZE REDUCTION ACT			READING EXCELLENCE			IASA BIENNIAL EDUCATION		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:												
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	25,000	-	(25,000)	4,374,540	3,217,207	(1,157,333)	106,174	85,089	(21,085)	1,326,445	970,627	(355,818)
Total revenues	25,000	-	(25,000)	4,374,540	3,217,207	(1,157,333)	106,174	85,089	(21,085)	1,326,445	970,627	(355,818)
OTHER FINANCING SOURCES:												
Proceeds from general obligation bonds	-	-	-	-	-	-	-	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues and other financing sources	25,000	-	(25,000)	4,374,540	3,217,207	(1,157,333)	106,174	85,089	(21,085)	1,326,445	970,627	(355,818)
BEGINNING CASH BALANCE BUDGETED	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -
Total revenues, other financing sources and beginning cash budgeted	\$ 25,000			\$ 4,374,540			\$ 106,174			\$ 1,326,445		
EXPENDITURES:												
Current:												
Instruction	\$ 7,975	\$ 631	\$ 7,344	\$3,971,405	\$ 3,116,138	\$ 855,267	\$ 99,972	\$ 24,493	\$ 75,479	\$ 949,926	\$ 708,280	\$ 241,646
Instructional support	16,505	-	16,505	313,691	289,810	23,881	3,800	-	3,800	306,066	272,399	33,667
Administration	520	38	482	89,444	71,119	18,325	2,402	603	1,799	30,862	21,836	9,026
Pupil transportation services	-	-	-	-	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	-	-	-	-	7,946	3,549	4,397
Non-instructional support	-	-	-	-	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-	31,645	6,199	25,446
Non operating	-	-	-	-	-	-	-	-	-	-	-	-
Business/support services	-	-	-	-	-	-	-	-	-	-	-	-
Instructional materials	-	-	-	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-	-	-
Federal programs	-	-	-	-	-	-	-	-	-	-	-	-
Athletics	-	-	-	-	-	-	-	-	-	-	-	-
Debit service	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	25,000	669	24,331	4,374,540	3,477,067	897,473	106,174	25,096	81,078	1,326,445	1,012,263	314,182
Other financing uses:												
Operating transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures and other financing uses	\$ 25,000	\$ 669	\$ 24,331	\$ 4,374,540	\$ 3,477,067	\$ 897,473	\$ 106,174	\$ 25,096	\$ 81,078	\$ 1,326,445	\$ 1,012,263	\$ 314,182

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

	INDIAN EDUCATION ACT TITLE IX			TITLE XX SOCIAL SERVICES			JOHNSON O'MALLEY			GENERAL ED PROJECTS "STAR SCHOOLS"		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:												
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	734,313	532,317	(201,996)	611,495	440,551	(170,944)	228,650	151,743	(76,907)	690	-	(690)
Total revenues	734,313	532,317	(201,996)	611,495	440,551	(170,944)	228,650	151,743	(76,907)	690	-	(690)
OTHER FINANCING SOURCES:												
Proceeds from general obligation bonds	-	-	-	-	-	-	-	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues and other financing sources	734,313	532,317	(201,996)	611,495	440,551	(170,944)	228,650	151,743	(76,907)	690	-	(690)
BEGINNING CASH BALANCE BUDGETED	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -
Total revenues, other financing sources and beginning cash budgeted	\$ 734,313			\$ 611,495			\$ 228,650			\$ 690		
EXPENDITURES:												
Current:												
Instruction	\$492,604	\$442,106	\$ 50,498	\$564,311	\$400,183	\$164,128	\$204,123	\$166,714	\$ 37,409	\$ 678	\$ 678	\$ -
Instructional support	102,087	56,753	45,334	22,339	9,438	12,901	12,926	3,972	8,954	-	-	-
Administration	15,139	11,141	3,998	12,760	8,976	3,784	5,601	4,465	1,136	12	12	-
Pupil transportation services	-	-	-	-	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	-	-	-	-	-	-	-
Non-instructional support	-	-	-	-	-	-	-	-	-	-	-	-
Community services	124,483	44,679	79,804	12,085	4,160	7,925	6,000	250	5,750	-	-	-
Non operating	-	-	-	-	-	-	-	-	-	-	-	-
Business/support services	-	-	-	-	-	-	-	-	-	-	-	-
Instructional materials	-	-	-	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-	-	-
Federal programs	-	-	-	-	-	-	-	-	-	-	-	-
Athletics	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	734,313	554,679	179,634	611,495	422,757	188,738	228,650	175,401	53,249	690	690	-
Other financing uses:												
Operating transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures and other financing uses	\$734,313	\$554,679	\$179,634	\$611,495	\$422,757	\$188,738	\$228,650	\$175,401	\$53,249	\$ 690	\$ 690	\$ -

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

	FEDERAL IMPACT AID- SPECIAL EDUCATION			FEDERAL IMPACT AID- INDIAN EDUCATION			MEDICAID TITLE XIX			DRUG & VIOLENCE PREVENTION		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:												
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	482,083	116,859	(365,224)	52,548	15,136	(37,412)	3,632,179	2,001,805	(1,630,374)	273,652	-	(273,652)
Federal sources	482,083	116,859	(365,224)	52,548	15,136	(37,412)	3,632,179	2,001,805	(1,630,374)	273,652	-	(273,652)
Total revenues												
OTHER FINANCING SOURCES:												
Proceeds from general obligation bonds	-	-	-	-	-	-	-	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues and other financing sources	482,083	116,859	(365,224)	52,548	15,136	(37,412)	3,632,179	2,001,805	(1,630,374)	273,652	-	(273,652)
BEGINNING CASH BALANCE BUDGETED	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -
Total revenues, other financing sources and beginning cash budgeted	\$ 482,083			\$ 52,548			\$ 3,632,179			\$ 273,652		
EXPENDITURES:												
Current:												
Instruction	\$ 482,083	\$ 108,822	\$ 373,261	\$ 34,822	\$ 16,166	\$ 18,656	\$ 186,548	\$ 117,560	\$ 68,988	\$ 13,883	\$ 1,390	\$ 12,493
Instructional support	-	-	-	8,081	3,384	4,697	3,349,661	2,192,043	1,157,618	249,193	301	248,892
Administration	-	-	-	507	507	-	79,970	50,097	29,873	5,576	-	5,576
Pupil transportation services	-	-	-	-	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	-	-	-	-	-	-	-
Non-instructional support	-	-	-	-	-	-	16,000	9,906	6,094	5,000	-	5,000
Community services	-	-	-	-	-	-	-	-	-	-	-	-
Non operating	-	-	-	9,138	9,102	36	-	-	-	-	-	-
Business/support services	-	-	-	-	-	-	-	-	-	-	-	-
Instructional materials	-	-	-	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-	-	-
Federal programs	-	-	-	-	-	-	-	-	-	-	-	-
Athletics	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	482,083	108,822	373,261	52,548	29,359	23,189	3,632,179	2,369,606	1,262,573	273,652	1,691	271,961
Other financing uses:												
Operating transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures and other financing uses	\$ 482,083	\$ 108,822	\$ 373,261	\$ 52,548	\$ 29,359	\$ 23,189	\$ 3,632,179	\$ 2,369,606	\$ 1,262,573	\$ 273,652	\$ 1,691	\$ 271,961

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

	SAFE & DRUG FREE			MAGNET SCHOOLS ASSISTANCE			BILINGUAL ED PGM ENHANCEMENT			21ST CENTURY		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:												
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	232,866	156,697	(76,169)	2,186,232	458,723	(1,727,509)	77,257	104,541	27,284	60,682	142,901	82,219
Total revenues	232,866	156,697	(76,169)	2,186,232	458,723	(1,727,509)	77,257	104,541	27,284	60,682	142,901	82,219
OTHER FINANCING SOURCES:												
Proceeds from general obligation bonds	-	-	-	-	-	-	-	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues and other financing sources	232,866	156,697	(76,169)	2,186,232	458,723	(1,727,509)	77,257	104,541	27,284	60,682	142,901	82,219
BEGINNING CASH BALANCE BUDGETED	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues, other financing sources and beginning cash budgeted	\$ 232,866			\$ 2,186,232			\$ 77,257			\$ 60,682		
EXPENDITURES:												
Current:												
Instruction	\$ 13,883	\$ 836	\$ 13,047	\$ 1,198,743	\$ 557,925	\$ 640,818	\$ 15,785	\$ 11,015	\$ 4,770	\$ 10,830	\$ 4,993	\$ 5,837
Instructional support	207,736	121,901	85,835	947,422	277,793	669,629	10,189	6,220	3,969	48,101	47,731	370
Administration	4,745	2,613	2,132	40,067	19,083	20,984	1,530	1,485	45	1,180	1,028	152
Pupil transportation services	-	-	-	-	-	-	-	-	-	-	-	-
Operation and maintenance of plant	6,502	2,124	4,378	-	-	-	-	-	-	571	480	91
Non-instructional support	-	-	-	-	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	49,753	46,587	3,166	-	-	-
Non operating	-	-	-	-	-	-	-	-	-	-	-	-
Business/support services	-	-	-	-	-	-	-	-	-	-	-	-
Instructional materials	-	-	-	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-	-	-
Federal programs	-	-	-	-	-	-	-	-	-	-	-	-
Athletics	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	232,866	127,474	105,392	2,186,232	854,801	1,331,431	77,257	65,307	11,950	60,682	54,232	6,450
Other financing uses:												
Operating transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures and other financing uses	232,866	127,474	105,392	2,186,232	854,801	1,331,431	77,257	65,307	11,950	60,682	54,232	6,450

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-OAAP BUDGETARY BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

	PROFESSIONAL DEVELOPMENT TRAINING ALL TEACHERS			SMALLER LEARNING COMMUNITIES			WORKFORCE INVESTMENT ACT			TOBACCO USE & PREVENTION		
	Budget	Actual	Variance (Unfavorable)	Budget	Actual	Variance (Unfavorable)	Budget	Actual	Variance (Unfavorable)	Budget	Actual	Variance (Unfavorable)
REVENUES:												
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	250,000	57,503	(192,497)	1,901,392	1,048,361	(853,031)	50,000	18,504	(31,496)	135,000	18,650	(116,350)
Total revenues	250,000	57,503	(192,497)	1,901,392	1,048,361	(853,031)	50,000	18,504	(31,496)	135,000	18,650	(116,350)
OTHER FINANCING SOURCES:												
Proceeds from general obligation bonds	-	-	-	-	-	-	-	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues and other financing sources	250,000	57,503	(192,497)	1,901,392	1,048,361	(853,031)	50,000	18,504	(31,496)	135,000	18,650	(116,350)
BEGINNING CASH BALANCE BUDGETED	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -
Total revenues, other financing sources and beginning cash budgeted	\$ 250,000			\$ 1,901,392			\$ 50,000			\$ 135,000		
EXPENDITURES:												
Current:												
Instruction	\$181,647	\$ 87,867	\$ 93,780	\$1,609,424	\$ 787,997	\$821,427	\$ 50,000	\$ 28,133	\$ 21,867	\$ 74,773	\$ 22,969	\$ 51,804
Instructional support	63,053	5,039	58,014	251,607	203,420	48,187	-	-	-	57,383	48,600	8,783
Administration	5,300	2,133	3,167	40,361	21,309	19,052	-	-	-	2,844	1,464	1,380
Pupil transportation services	-	-	-	-	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	-	-	-	-	-	-	-
Non-instructional support	-	-	-	-	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-	-	-	-
Non operating	-	-	-	-	-	-	-	-	-	-	-	-
Business/support services	-	-	-	-	-	-	-	-	-	-	-	-
Instructional materials	-	-	-	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-	-	-
Federal programs	-	-	-	-	-	-	-	-	-	-	-	-
Athletics	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	250,000	95,039	154,961	1,901,392	1,012,726	888,666	50,000	28,133	21,867	135,000	73,033	61,967
Other financing uses:												
Operating transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures and other financing uses	\$250,000	\$ 95,039	\$154,961	\$1,901,392	\$1,012,726	\$888,666	\$ 50,000	\$ 28,133	\$ 21,867	\$135,000	\$ 73,033	\$ 61,967

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

	AFTER SCHOOL LEARNING CTRS			FTE BENCHMARK GRANT			COLORADO STATE UNIVERSITY			PARTNERSHIPS IN CHARACTER ED		
	Budget	Actual	Variance (Unfavorable)	Budget	Actual	Variance (Unfavorable)	Budget	Actual	Variance (Unfavorable)	Budget	Actual	Variance (Unfavorable)
REVENUES:												
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	1,083,668	331,200	(752,468)	800,000	58,340	(741,660)	-	13,481	13,481	-	(71)	(71)
Federal sources	1,083,668	331,200	(752,468)	800,000	58,340	(741,660)	-	13,481	13,481	-	(71)	(71)
Total revenues												
OTHER FINANCING SOURCES:												
Proceeds from general obligation bonds	-	-	-	-	-	-	-	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues and other financing sources	1,083,668	331,200	(752,468)	800,000	58,340	(741,660)	-	13,481	13,481	-	(71)	(71)
BEGINNING CASH BALANCE BUDGETED	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -
Total revenues, other financing sources and beginning cash budgeted	\$ 1,083,668			\$ 800,000			\$ -			\$ -		
EXPENDITURES:												
Current:												
Instruction	\$ -	\$ -	\$ -	\$ 781,409	\$ 232,115	\$ 549,294	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional support	643,343	310,674	332,669	6,316	5,604	712	-	-	-	-	-	-
Administration	24,467	11,440	13,027	12,275	5,593	6,682	-	-	-	-	-	-
Pupil transportation services	-	-	-	-	-	-	-	-	-	-	-	-
Operation and maintenance of plant	5,000	1,367	3,633	-	-	-	-	-	-	-	-	-
Non-instructional support	-	-	-	-	-	-	-	-	-	-	-	-
Community services	410,858	207,257	203,601	-	-	-	-	-	-	-	-	-
Non operating	-	-	-	-	-	-	-	-	-	-	-	-
Business/support services	-	-	-	-	-	-	-	-	-	-	-	-
Instructional materials	-	-	-	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-	-	-
Federal programs	-	-	-	-	-	-	-	-	-	-	-	-
Athletics	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	1,083,668	530,738	552,930	800,000	243,312	556,688	-	-	-	-	-	-
Other financing uses:												
Operating transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures and other financing uses	\$ 1,083,668	\$ 530,738	\$ 552,930	\$ 800,000	\$ 243,312	\$ 556,688	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
 ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
 STATEMENT OF REVENUES AND EXPENDITURES
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 NON-MAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2002

	NON-INSTRUCTIONAL SUPPORT			ATHLETICS			STATE, LOCAL AND PRIVATE GRANTS			TOTAL NON-MAJOR SPECIAL REVENUE		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:												
Local and county sources	\$ 1,900,000	\$ -	\$ (1,900,000)	\$ 550,000	\$ 534,188	\$ (15,812)	\$ 6,297,375	\$ 5,366,719	\$ (930,656)	\$ 8,747,375	\$ 5,900,907	\$ (2,846,468)
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	1,900,000	-	(1,900,000)	550,000	534,188	(15,812)	6,297,375	5,366,719	(930,656)	41,546,955	21,934,741	(19,612,214)
Total revenues										50,294,330	27,835,648	(22,458,682)
OTHER FINANCING SOURCES:												
Proceeds from general obligation bonds	-	-	-	-	-	-	-	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues and other financing sources	1,900,000	-	(1,900,000)	550,000	534,188	(15,812)	6,297,375	5,366,719	(930,656)	50,294,330	27,835,648	(22,458,682)
BEGINNING CASH BALANCE BUDGETED	-	\$ -	\$ -	5,207	\$ -	\$ -	-	\$ -	\$ -	5,207	\$ -	\$ -
Total revenues, other financing sources and beginning cash budgeted	1,900,000	\$ -	\$ -	\$ 555,207	\$ -	\$ -	\$ 6,297,375	\$ -	\$ -	\$ 50,299,537	\$ -	\$ -
EXPENDITURES:												
Current:												
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,032,870	\$ 1,543,982	\$ 488,888	\$ 22,500,506	\$ 13,553,692	\$ 8,946,814
Instructional support	-	-	-	-	-	-	2,499,038	1,421,547	1,077,491	20,449,661	10,914,856	9,534,805
Administration	-	-	-	-	-	-	21,633	10,858	10,775	836,743	483,201	353,542
Pupil transportation services	-	-	-	-	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	-	-	-	-	-	-	-
Non-instructional support	-	-	-	-	-	-	9,829	5,049	4,780	57,848	23,574	34,274
Community services	-	-	-	-	-	-	-	-	-	-	-	-
Non operating	-	-	-	-	-	-	1,734,005	1,558,899	175,106	3,979,263	2,669,442	1,309,821
Business/support services	1,900,000	-	(1,900,000)	-	-	-	-	-	-	1,920,309	-	1,920,309
Instructional materials	-	-	-	-	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-	-	-
Federal programs	-	-	-	-	-	-	-	-	-	-	-	-
Athletics	-	-	-	555,207	551,129	4,078	-	-	-	555,207	551,129	4,078
Debt service	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	1,900,000	-	1,900,000	555,207	551,129	4,078	6,297,375	4,540,335	1,757,040	50,299,537	28,195,894	22,103,643
Other financing uses:												
Operating transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures and other financing uses	1,900,000	\$ -	\$ 1,900,000	\$ 555,207	\$ 551,129	\$ 4,078	\$ 6,297,375	\$ 4,540,335	\$ 1,757,040	\$ 50,299,537	\$ 28,195,894	\$ 22,103,643

STATE OF NEW MEXICO
 ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
 STATEMENT OF REVENUES AND EXPENDITURES
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 NON-MAJOR CAPITAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2002

	SPECIAL CAPITAL OUTLAY - LOCAL			SPECIAL CAPITAL OUTLAY - STATE		
	Budget	Actual	Variance (Unfavorable)	Budget	Actual	Variance (Unfavorable)
REVENUES:						
Local and county sources	\$ 5,400,000	\$ 8,488,393	\$ 3,088,393	\$ -	\$ -	\$ -
State sources	-	-	-	21,609,968	4,638,282	(16,971,686)
Federal sources	5,400,000	8,488,393	3,088,393	21,609,968	4,638,282	(16,971,686)
Total revenues	-	-	-	-	-	-
OTHER FINANCING SOURCES:						
Proceeds from general obligation bonds	-	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-	-
Total revenues and other financing sources	5,400,000	8,488,393	3,088,393	21,609,968	4,638,282	(16,971,686)
BEGINNING CASH BALANCE BUDGETED	10,808,060	-	\$ -	(11,638,099)	\$ -	\$ -
Total revenues, other financing sources and beginning cash budgeted	\$ 16,208,060			\$ 9,971,869		
EXPENDITURES:						
Current:						
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional support	-	-	-	-	-	-
Administration	-	-	-	-	-	-
Pupil transportation services	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	-
Non-instructional support	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Non operating	-	-	-	-	-	-
Business/support services	-	-	-	-	-	-
Instructional materials	-	-	-	-	-	-
Food services	-	-	-	-	-	-
Federal programs	-	-	-	-	-	-
Athletics	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	16,208,060	7,279,140	8,928,920	9,971,869	3,404,267	6,567,602
Total expenditures	16,208,060	7,279,140	8,928,920	9,971,869	3,404,267	6,567,602
Other financing uses:						
Operating transfers out	-	-	-	-	-	-
Total expenditures and other financing uses	\$ 16,208,060	\$ 7,279,140	\$ 8,928,920	\$ 9,971,869	\$ 3,404,267	\$ 6,567,602

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AT
NON-MAJOR CAPITAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2002

REVENUES:

Local and county sources
State sources
Federal sources

Total revenue

OTHER FINANCING SOURCES:

Proceeds from general obligation bonds
Operating transfer in (out)

Total revenues and other financing sources

BEGINNING CASH BALANCE BUDGETED

Total revenues, other financing sources and beginning cash budgeted

EXPENDITURES:

Current:

Instruction
Instructional support
Administration
Pupil transportation services
Operation and maintenance of plant
Non-instructional support
Community services
Non operating
Business/support services
Instructional materials
Food services
Federal programs
Athletics
Debt service
Capital outlay

Total expenditures

Other financing uses:

Operating transfers out

Total expenditures and other financing uses

PUBLIC SCHOOL CAPITAL OUTLAY			TOTAL NON-MAJOR CAPITAL		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 675,695	\$ 614,215	\$ (61,480)	\$ 6,075,695	\$ 9,102,608	\$ 3,026,913
-	-	-	21,609,968	4,638,282	(16,971,686)
675,695	614,215	(61,480)	27,685,663	13,740,890	(13,944,773)
-	-	-	-	-	-
-	-	-	-	-	-
675,695	614,215	(61,480)	27,685,663	13,740,890	(13,944,773)
373,634	\$ -	\$ -	(456,405)	\$ -	\$ -
\$ 1,049,329			\$ 27,229,258		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,049,329	288,201	761,128	27,229,258	10,971,608	16,257,650
1,049,329	288,201	761,128	27,229,258	10,971,608	16,257,650
-	-	-	-	-	-
\$ 1,049,329	\$ 288,201	\$ 761,128	\$ 27,229,258	\$ 10,971,608	\$ 16,257,650

STATE OF NEW MEXICO - ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
 CHARTER SCHOOLS
 COMBINING STATEMENT OF NET ASSETS
 JUNE 30, 2002

ASSETS

	Amy Biehl	Nuestros Valores	RFK	PAPA	21st Century	South Valley	East Mountain	Southwest Secondary	Learning Community	Total
Current assets:										
Cash and cash equivalents	\$ 197,820	\$ 340,995	\$ 401,794	\$ 98,575	\$ 33,478	\$ 327,123	\$ 151,015	\$ 412,093	\$ 121,538	\$ 2,084,430
Receivables:										
Intergovernmental										
Other	350	11,760		6,417	7,301			102,340		120,517
Due from other funds										8,640
Supply inventories										-
Total current assets	198,170	352,754	401,794	104,992	40,779	327,123	152,004	514,433	121,538	2,213,586
Noncurrent assets:										
Capital assets	40,742	107,186	2,647	114,944	67,968	75,184	403,108	163,792	289,639	1,265,208
Less:										
Accumulated Depreciation	(5,487)	(13,120)	-	(27,900)	(8,940)	(55,178)	(176,695)	(32,916)	(48,571)	(368,208)
Total noncurrent assets	35,254	94,065	2,647	87,044	59,029	20,006	226,413	130,876	241,068	897,001
Total assets	233,424	446,820	404,440	192,036	99,808	347,129	378,416	645,308	362,606	3,110,587

LIABILITIES

Current liabilities:										
Accounts payable and other current liabilities	33,061	71,340	37,225	102,871		27,651	38,644	58,770	-	369,561
Cash overdrafts										-
Compensated absences								30,000		30,000
Deferred revenue							60,362			60,362
Current portion of long-term obligations										
Total current liabilities	33,061	71,340	37,225	102,871	-	27,651	99,006	88,770	-	459,923
Long-term obligations:										
Compensated absences		11,279					4,808			16,087
Total long-term obligations	-	11,279	-	-	-	-	4,808	-	-	16,087
Total liabilities	33,061	82,619	37,225	102,871	-	27,651	103,814	88,770	-	476,010

NET ASSETS

Investment in capital assets, net of related debt										
Restricted for:										
Debt Service										
Capital projects										
Unrestricted	165,109	270,135	364,569	2,121	40,779	299,472	48,190	425,663	121,538	1,737,576
Total net assets	\$ 200,363	\$ 364,201	\$ 367,215	\$ 89,763	\$ 99,808	\$ 319,478	\$ 274,602	\$ 556,539	\$ 302,606	\$ 2,634,577

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF ACTIVITIES- CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2002

Functions/Programs	Expenses	Amy Biehl High School Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	1,009,426	20,617	237,686		(751,123)
Instructional Support	233,738				(233,738)
Administration	4,015				(4,015)
Pupil Transportation Services	10,405				(10,405)
Operation and Maintenance of Plant	181,821				(181,821)
Non-Instructional Support	2,215		3,064		849
Community Services	0				0
Business/Support Services	68,870				(68,870)
Food Services	29,950				(29,950)
Athletics	0				0
Depreciation - unallocated	5,487				(5,487)
Capital Outlay	19,686			47,453	27,767
Non-Operating	0				0
Interest on Long-term Obligations	0				0
Total Governmental Activities	1,565,613	20,617	240,750	47,453	(1,256,793)
General Revenues					
Taxes					
Property taxes, levied for general purposes					
Property taxes, levied for debt service					
Property taxes, levied for capital projects					
Federal and State aid not restricted to specific purpose					
General					1,199,785
Capital					
Interest and investment earnings					1,039
Miscellaneous					4,094
Subtotal, general revenues					1,204,918
Change in net assets					(51,875)
Net assets - Beginning					252,238
Prior period adjustment					0
Net assets - beginning, as adjusted					252,238
Net assets - ending					200,363

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF ACTIVITIES- CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2002

Functions/Programs	Expenses	East Mountain High School Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	841,993	69,761	230,920		(541,312)
Instructional Support	179,180				(179,180)
Administration	85,473				(85,473)
Pupil Transportation Services	68,462		66,090		(2,372)
Operation and Maintenance of Plant	316,005				(316,005)
Non-Instructional Support					0
Community Services					0
Business/Support Services	68,266				(68,266)
Food Services	42,483				(42,483)
Athletics	29,771				(29,771)
Depreciation - unallocated	115,152				(115,152)
Capital Outlay				12,106	12,106
Non-Operating					0
Interest on Long-term Obligations					0
Total Governmental Activities	1,746,785	69,761	297,010	12,106	(1,367,908)
General Revenues					
Taxes					
Property taxes, levied for general purposes					
Property taxes, levied for debt service					
Property taxes, levied for capital projects					
Federal and State aid not restricted to specific purpose					
General					1,374,571
Capital					
Interest and investment earnings					
Miscellaneous					54,467
Subtotal, general revenues					1,429,038
Change in net assets					61,130
Net assets - Beginning					213,472
Prior period adjustment					0
Net assets - beginning, as adjusted					213,472
Net assets - ending					274,602

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF ACTIVITIES- CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2002

Functions/Programs	Expenses	Nuestros Valores Charter School			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	393,448		265,667		(127,781)
Instructional Support	151,292				(151,292)
Administration	41,978				(41,978)
Pupil Transportation Services	16,380		17,576		1,196
Operation and Maintenance of Plant	39,794				(39,794)
Non-Instructional Support					0
Community Services					0
Business/Support Services	119,968				(119,968)
Food Services	34,178				(34,178)
Athletics					0
Depreciation - unallocated	13,120				(13,120)
Capital Outlay					0
Non-Operating					0
Interest on Long-term Obligations					0
Total Governmental Activities	810,158	0	283,243	0	(526,915)
General Revenues					
Taxes					
Property taxes, levied for general purposes					
Property taxes, levied for debt service					
Property taxes, levied for capital projects					
Federal and State aid not restricted to specific purpose					
General					839,921
Capital					
Interest and investment earnings					435
Miscellaneous					
Subtotal, general revenues					840,356
Change in net assets					313,441
Net assets - Beginning					50,760
Prior period adjustment					
Net assets - beginning, as adjusted					0
Net assets - ending					364,201

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF ACTIVITIES- CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2002

Functions/Programs	Expenses	PAPAS Charter School Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Instruction	864,318	10,159		(854,159)
Instructional Support	137,258			(137,258)
Administration	39,136			(39,136)
Pupil Transportation Services	906	10,183		9,277
Operation and Maintenance of Plant	189,059			(189,059)
Non-Instructional Support				0
Community Services				0
Business/Support Services	255,737			(255,737)
Food Services				0
Athletics				0
Depreciation - unallocated	400			(400)
Capital Outlay	19,445			(19,445)
Non-Operating				0
Interest on Long-term Obligations				0
Total Governmental Activities	1,506,259	20,342	0	0
General Revenues				
Taxes				
Property taxes, levied for general purposes				
Property taxes, levied for debt service				
Property taxes, levied for capital projects				
Federal and State aid not restricted to specific purpose				
General				1,138,602
Capital				
Interest and investment earnings				
Miscellaneous				
Subtotal, general revenues				1,138,602
Change in net assets				(347,315)
Net assets - Beginning				437,080
Prior period adjustment				0
Net assets - beginning, as adjusted				437,080
Net assets - ending				89,765

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF ACTIVITIES- CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2002

Functions/Programs	Expenses	Robert F. Kennedy Charter School			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	1,018,971		381,301		(637,670)
Instructional Support	134,154		320		(133,834)
Administration	385				(385)
Pupil Transportation Services	1,077				(1,077)
Operation and Maintenance of Plant	14,826				(14,826)
Non-Instructional Support					0
Community Services	1,295				(1,295)
Business/Support Services	40,036				(40,036)
Food Services	2,136				(2,136)
Athletics					0
Depreciation - unallocated					0
Capital Outlay					0
Non-Operating					0
Interest on Long-term Obligations					0
Total Governmental Activities	1,212,880	0	381,621	0	(831,259)
General Revenues					
Taxes					
Property taxes, levied for general purposes					
Property taxes, levied for debt service					
Property taxes, levied for capital projects					
Federal and State aid not restricted to specific purpose					
General					1,258,135
Capital					
Interest and investment earnings					
Miscellaneous					
Subtotal, general revenues					1,258,135
Change in net assets					426,876
Net assets - Beginning					(59,661)
Prior period adjustment					0
Net assets - beginning, as adjusted					(59,661)
Net assets - ending					367,215

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF ACTIVITIES- CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2002

Functions/Programs	Expenses	South Valley Academy			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Program Revenues		
			Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	1,200,880	16	306,771		(894,093)
Instructional Support	53,448		380		(53,068)
Administration	11,758				(11,758)
Pupil Transportation Services	28,495		28,607		112
Operation and Maintenance of Plant	130,463				(130,463)
Non-Instructional Support	6,282		0		(6,282)
Community Services					0
Business/Support Services	52,776				(52,776)
Food Services	15,081		12,961		(2,120)
Athletics					0
Depreciation - unallocated	55,178				(55,178)
Capital Outlay	236,674			42,097	(194,577)
Non-Operating					0
Interest on Long-term Obligations					0
Total Governmental Activities	1,791,035	16	348,719	42,097	(1,400,203)
General Revenues					
Taxes					
Property taxes, levied for general purposes					
Property taxes, levied for debt service					
Property taxes, levied for capital projects					
Federal and State aid not restricted to specific purpose					
General					1,202,672
Capital					
Interest and investment earnings					673
Miscellaneous					5,233
Subtotal, general revenues					1,208,578
Change in net assets					(191,625)
Net assets - Beginning					511,103
Prior period adjustment					0
Net assets - beginning, as adjusted					511,103
Net assets - ending					319,478

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF ACTIVITIES- CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2002

Functions/Programs	Expenses	The Learning Community Charter School			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	294,993		23,815		(271,178)
Instructional Support	126,107				(126,107)
Administration	25,843				(25,843)
Pupil Transportation Services					0
Operation and Maintenance of Plant	113,440				(113,440)
Non-Instructional Support					0
Community Services					0
Business/Support Services	54,324				(54,324)
Food Services					0
Athletics					0
Depreciation - unallocated	48,571				(48,571)
Capital Outlay					0
Non-Operating					0
Interest on Long-term Obligations					0
Total Governmental Activities	663,278	0	23,815	0	(639,463)
General Revenues					
Taxes					
Property taxes, levied for general purposes					
Property taxes, levied for debt service					
Property taxes, levied for capital projects					
Federal and State aid not restricted to specific purpose					
General					976,825
Capital					
Interest and investment earnings					
Miscellaneous					
Subtotal, general revenues					976,825
Change in net assets					337,362
Net assets - Beginning					25,244
Prior period adjustment					0
Net assets - beginning, as adjusted					25,244
Net assets - ending					362,606

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF ACTIVITIES- CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2002

Functions/Programs	Expenses	21st Century Charter School Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	820,457		289,004		(531,453)
Instructional Support					0
Administration	6,522				(6,522)
Pupil Transportation Services					0
Operation and Maintenance of Plant	83,916				(83,916)
Non-Instructional Support					0
Community Services					0
Business/Support Services	4,702				(4,702)
Food Services					0
Athletics					0
Depreciation - unallocated	8,940				(8,940)
Capital Outlay					0
Non-Operating					0
Interest on Long-term Obligations					0
Total Governmental Activities	924,537	0	289,004	0	(635,533)
General Revenues					
Taxes					
Property taxes, levied for general purposes					
Property taxes, levied for debt service					
Property taxes, levied for capital projects					
Federal and State aid not restricted to specific purpose					
General					649,189
Capital					
Interest and investment earnings					
Miscellaneous					3,904
Subtotal, general revenues					653,093
Change in net assets					17,560
Net assets - Beginning					82,248
Prior period adjustment					0
Net assets - beginning, as adjusted					82,248
Net assets - ending					99,808

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF ACTIVITIES- CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2002

Functions/Programs	Expenses	Southwest Secondary Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	749,679		118,275		(631,404)
Instructional Support	76,030				(76,030)
Administration	151,859				(151,859)
Pupil Transportation Services	48,383				(48,383)
Operation and Maintenance of Plant	242,419				(242,419)
Non-Instructional Support	7,971				(7,971)
Community Services					0
Business/Support Services	80,328				(80,328)
Food Services					0
Athletics	14,450				(14,450)
Depreciation - unallocated	32,916				(32,916)
Capital Outlay	54,840				(54,840)
Non-Operating					0
Interest on Long-term Obligations					0
Total Governmental Activities	1,458,875	0	118,275	0	(1,340,600)
General Revenues					
Taxes					
Property taxes, levied for general purposes					
Property taxes, levied for debt service					
Property taxes, levied for capital projects					
Federal and State aid not restricted to specific purpose					
General					1,490,995
Capital					
Interest and investment earnings					1,331
Miscellaneous					
Subtotal, general revenues					1,492,326
Change in net assets					151,726
Net assets - Beginning					404,813
Prior period adjustment					0
Net assets - beginning, as adjusted					404,813
Net assets - ending					556,539

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
AMY BIEHL HIGH SCHOOL
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual	Variance Positive (Negative)	
	Original	Final	Budgetary Basis	Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	1,134,386	1,301,431	1,285,096	167,045	(16,335)
Federal sources	159,000	282,990	228,642	123,990	(54,348)
Total revenues	1,293,386	1,584,421	1,513,738	291,035	(70,683)
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	1,293,386	1,584,421	1,513,738	291,035	(70,683)
BEGINNING CASH BALANCE BUDGETED	256,457	256,457			
Total revenues, other financing sources and beginning cash budgeted	\$ 1,549,843	\$ 1,840,878			
EXPENDITURES:					
Current:					
Instruction	\$ 812,185	\$ 907,643	\$ 886,551	\$ 95,458	\$ 21,092
Instructional support	209,461	237,695	231,339	28,234	6,356
Administration	23,695	4,180	4,001	(19,535)	159
Pupil transportation services	15,500	12,000	10,405	(3,500)	1,595
Operation and maintenance of plant	160,700	184,432	174,666	23,732	9,766
Non-instructional support	2,500	7,500	2,215	5,000	5,285
Community services	500	500		-	500
Non operating	24,955	24,955		-	24,955
Business/support services	75,786	73,532	68,231	(2,254)	5,301
Instructional materials	6,261	46,171	1,165	39,910	45,006
Food services	59,300	59,300	29,950	-	29,350
Federal programs	159,000	282,990	151,078	123,990	131,912
Athletics				-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	1,549,843	1,840,878	1,559,601	291,035	281,277
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 1,549,843	\$ 1,840,878	\$ 1,559,601	\$ 291,035	\$ 281,277
			\$ (45,863)		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NUESTROS VALORES CHARTER SCHOOL
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	576,669	859,207	910,222	282,538	51,015
Federal sources	323,996	330,058	201,618	6,062	(128,440)
Total revenues	900,665	1,189,265	1,111,840	288,600	(77,425)
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	900,665	1,189,265	1,111,840	288,600	(77,425)
BEGINNING CASH BALANCE BUDGETED	48,108	48,108			
Total revenues, other financing sources and beginning cash budgeted	\$ 948,773	\$ 1,237,373			
EXPENDITURES:					
Current:					
Instruction	\$ 269,755	\$ 397,933	\$ 277,641	\$ 128,178	\$ 120,292
Instructional support	115,046	202,046	116,776	87,000	85,270
Administration	43,185	53,185	37,329	10,000	15,856
Pupil transportation services		17,580	16,380	17,580	1,200
Operation and maintenance of plant	64,207	51,707	35,831	(12,500)	15,876
Non-instructional support				-	-
Community services				-	-
Non operating				-	-
Business/support services	76,550	126,550	115,045	50,000	11,505
Instructional materials	6,034	8,314	4,526	2,280	3,788
Food services	50,000	50,000	34,178	-	15,822
Federal programs	323,996	330,058	220,256	6,062	109,802
Athletics				-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	948,773	1,237,373	857,962	288,600	379,411
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 948,773	\$ 1,237,373	\$ 857,962	\$ 288,600	\$ 379,411
			\$ 253,878		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
ROBERT F KENNEDY CHARTER HIGH SCHOOL
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual	Variance	
	Original	Final	Budgetary Basis	Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	1,119,886	1,117,713	1,377,835	(2,173)	260,122
Federal sources	106,921	261,921	261,921	155,000	-
Total revenues	1,226,807	1,379,634	1,639,756	152,827	260,122
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	1,226,807	1,379,634	1,639,756	152,827	260,122
BEGINNING CASH BALANCE BUDGETED					
	-	-			
Total revenues, other financing sources and beginning cash budgeted	\$ 1,226,807	\$ 1,379,634			
EXPENDITURES:					
Current:					
Instruction	\$ 866,600	\$ 855,883	\$ 787,571	\$ (10,717)	\$ 68,312
Instructional support	146,721	158,641	134,154	11,920	24,487
Administration	5,000	5,886	385	886	5,501
Pupil transportation services	10,000	10,000	1,077	-	8,923
Operation and maintenance of plant	5,246	15,594	14,826	10,348	768
Non-instructional support				-	-
Community services	1,000	1,400	1,295	400	105
Non operating	10,979	10,979		-	10,979
Business/support services	53,000	41,160	40,036	(11,840)	1,124
Instructional materials	15,840	14,570	11,644	(1,270)	2,926
Food services	5,500	3,600	2,136	(1,900)	1,464
Federal programs	106,921	261,921	162,284	155,000	99,637
Athletics				-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	1,226,807	1,379,634	1,155,408	152,827	224,226
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 1,226,807	\$ 1,379,634	\$ 1,155,408	\$ 152,827	\$ 224,226
			\$ 484,348		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
PAPAS
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual	Variance	
	Original	Final	Budgetary Basis	Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	1,115,696	1,309,128	1,138,995	193,432	(170,133)
Federal sources	75,000	225,000	-	150,000	(225,000)
Total revenues	1,190,696	1,534,128	1,138,995	343,432	(395,133)
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	1,190,696	1,534,128	1,138,995	343,432	(395,133)
BEGINNING CASH BALANCE BUDGETED					
Total revenues, other financing sources and beginning cash budgeted	\$ 1,190,696	\$ 1,534,128			
EXPENDITURES:					
Current:					
Instruction	\$ 591,189	\$ 676,597	\$ 676,597	\$ 85,408	\$ -
Instructional support	194,015	137,258	137,258	(56,757)	-
Administration	25,500	44,136	39,136	18,636	5,000
Pupil transportation services				-	-
Operation and maintenance of plant	154,000	189,059	189,059	35,059	-
Non-instructional support				-	-
Community services				-	-
Non operating				-	-
Business/support services	150,992	262,078	262,078	111,086	-
Instructional materials				-	-
Food services				-	-
Federal programs	75,000	225,000	187,721	150,000	37,279
Athletics				-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	1,190,696	1,534,128	1,491,849	343,432	42,279
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 1,190,696	\$ 1,534,128	\$ 1,491,849	\$ 343,432	\$ 42,279
			\$ (352,854)		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
21st Century Public Academy
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual Budgetary Basis	Variance Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	362,660	780,742	697,382	418,082	(83,360)
Federal sources	155,000	238,510	233,510	83,510	(5,000)
Total revenues	517,660	1,019,252	930,892	501,592	(88,360)
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	517,660	1,019,252	930,892	501,592	(88,360)
BEGINNING CASH BALANCE BUDGETED					
Total revenues, other financing sources and beginning cash budgeted	\$ 517,660	\$ 1,019,252			
EXPENDITURES:					
Current:					
Instruction	\$ 229,328	\$ 603,328	\$ 599,280	\$ 374,000	\$ 4,048
Instructional support				-	-
Administration	7,500	7,500	6,522	-	978
Pupil transportation services				-	-
Operation and maintenance of plant	112,259	112,259	83,916	-	28,343
Non-instructional support				-	-
Community services				-	-
Non operating	7,405	7,405	-	-	7,405
Business/support services	3,000	3,000	4,702	-	(1,702)
Instructional materials	3,168	47,250	28,443	44,082	18,807
Food services				-	-
Federal programs	155,000	238,510	226,274	83,510	12,236
Athletics				-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	517,660	1,019,252	949,137	501,592	70,115
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 517,660	\$ 1,019,252	\$ 949,137	\$ 501,592	\$ 70,115
			\$ (18,245)		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
SOUTH VALLEY ACADEMY
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual	Variance	
	Original	Final	Budgetary Basis	Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	677,633	789,108	1,260,837	111,475	471,729
Federal sources	257,489	598,013	336,939	340,524	(261,074)
Total revenues	935,122	1,387,121	1,597,776	451,999	210,655
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	935,122	1,387,121	1,597,776	451,999	210,655
BEGINNING CASH BALANCE BUDGETED	465,930	465,930			
Total revenues, other financing sources and beginning cash budgeted	\$ 1,401,052	\$ 1,853,051			
EXPENDITURES:					
Current:					
Instruction	\$ 744,197	\$ 789,438	\$ 743,274	\$ 45,241	\$ 46,164
Instructional support	86,963	82,601	44,309	(4,362)	38,292
Administration	8,000	17,720	11,758	9,720	5,962
Pupil transportation services	10,000	77,650	7,808	67,650	69,842
Operation and maintenance of plant	195,704	152,266	140,484	(43,438)	11,782
Non-instructional support	8,840	8,840	6,363	-	2,477
Community services				-	-
Non operating	15,000	15,000		-	15,000
Business/support services	62,110	56,790	52,776	(5,320)	4,014
Instructional materials	5,431	47,415		41,984	47,415
Food services	7,318	7,318	15,081	-	(7,763)
Federal programs	257,489	598,013	479,591	340,524	118,422
Athletics				-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	1,401,052	1,853,051	1,501,444	451,999	351,607
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 1,401,052	\$ 1,853,051	\$ 1,501,444	\$ 451,999	\$ 351,607
			\$ 96,332		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
EAST MOUNTAIN HIGH SCHOOL
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual	Variance	
	Original	Final	Budgetary Basis	Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	1,327,797	1,550,794	1,645,894	222,997	95,100
Federal sources	150,000	162,020	162,020	12,020	-
Total revenues	1,477,797	1,712,814	1,807,914	235,017	95,100
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	1,477,797	1,712,814	1,807,914	235,017	95,100
BEGINNING CASH BALANCE BUDGETED	62,169	62,169			
Total revenues, other financing sources and beginning cash budgeted	\$ 1,539,966	\$ 1,774,983			
EXPENDITURES:					
Current:					
Instruction	\$ 749,474	\$ 764,742	\$ 764,923	\$ 15,268	\$ (181)
Instructional support	162,303	176,547	176,680	14,244	(133)
Administration	82,956	83,791	83,858	835	(67)
Pupil transportation services		65,212	68,462	65,212	(3,250)
Operation and maintenance of plant	301,027	316,717	316,005	15,690	712
Non-instructional support				-	-
Community services				-	-
Non operating				-	-
Business/support services	58,416	67,578	67,574	9,162	4
Instructional materials	7,694	68,900	19,790	61,206	49,110
Food services		39,728	42,483	39,728	(2,755)
Federal programs	150,000	162,020	144,515	12,020	17,505
Athletics	28,096	29,748	29,771	1,652	(23)
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	1,539,966	1,774,983	1,714,061	235,017	60,922
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 1,539,966	\$ 1,774,983	\$ 1,714,061	\$ 235,017	\$ 60,922
			\$ 93,853		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
SOUTHWEST SECONDARY
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual	Variance	
	Original	Final	Budgetary Basis	Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	1,102,601	1,200,063	1,530,848	97,462	330,785
Federal sources	-	92,156	7,411	92,156	(84,745)
Total revenues	1,102,601	1,292,219	1,538,259	189,618	246,040
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	1,102,601	1,292,219	1,538,259	189,618	246,040
BEGINNING CASH BALANCE BUDGETED					
Total revenues, other financing sources and beginning cash budgeted	\$ 1,102,601	\$ 1,292,219			
EXPENDITURES:					
Current					
Instruction	\$ 591,695	\$ 565,719	\$ 565,554	\$ (25,976)	\$ 165
Instructional support	90,713	77,203	76,030	(13,510)	1,173
Administration	150,294	152,294	151,859	2,000	435
Pupil transportation services	1,000	49,500	48,383	48,500	1,117
Operation and maintenance of plant	166,900	239,548	239,197	72,648	351
Non-instructional support	2,440	8,290	7,971	5,850	319
Community services	100	100	-	-	100
Non operating				-	-
Business/support services	87,390	80,890	80,328	(6,500)	562
Instructional materials	12,069	12,369	11,003	-	1,066
Food services				-	-
Federal programs	-	92,156	154,520	92,156	(62,364)
Athletics	-	14,450	14,450	14,450	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	1,102,601	1,292,219	1,349,295	189,618	(57,076)
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 1,102,601	\$ 1,292,219	\$ 1,349,295	\$ 189,618	\$ (57,076)
			\$ 188,964		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
THE LEARNING COMMUNITY CENTER
FOR THE YEAR ENDED JUNE 30, 2002

	Budgeted Amounts		Actual	Variance	
	Original	Final	Budgetary Basis	Original to Final	Final to Actual
REVENUES:					
Local and county sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	76,489	964,808	1,000,640	888,319	35,832
Federal sources	150,000	150,000	-	-	(150,000)
Total revenues	226,489	1,114,808	1,000,640	888,319	(114,168)
OTHER FINANCING SOURCES:					
Proceeds from general obligation bonds	-	-	-	-	-
Operating transfer in (out)	-	-	-	-	-
Total revenues and other financing sources	226,489	1,114,808	1,000,640	888,319	(114,168)
BEGINNING CASH BALANCE BUDGETED	17,045	17,045			
Total revenues, other financing sources and beginning cash budgeted	\$ 243,534	\$ 1,131,853			
EXPENDITURES:					
Current:					
Instruction		\$ 614,336	\$ 601,634	\$ 614,336	\$ 12,702
Instructional support		134,272	126,107	134,272	8,165
Administration	8,000	39,000	25,843	31,000	13,157
Pupil transportation services				-	-
Operation and maintenance of plant	4,500	116,265	113,440	111,765	2,825
Non-instructional support				-	-
Community services				-	-
Non operating				-	-
Business/support services	65,948	62,894	54,324	(3,054)	8,570
Instructional materials	15,086	15,086	11,315	-	3,771
Food services				-	-
Federal programs	150,000	150,000		-	150,000
Athletics				-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	243,534	1,131,853	932,663	888,319	199,190
Other financing uses:					
Operating transfers out	-	-	-	-	-
Total expenditures and other financing uses	\$ 243,534	\$ 1,131,853	\$ 932,663	\$ 888,319	\$ 199,190
			\$ 67,977		

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2002

	<u>Balance</u> <u>June 30, 2001</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2002</u>
ASSETS				
Cash in Bank	<u>\$ 4,177,786</u>	<u>\$ 12,988,730</u>	<u>\$ 12,734,599</u>	<u>\$ 4,431,917</u>
Total assets	<u><u>\$ 4,177,786</u></u>	<u><u>\$ 12,988,730</u></u>	<u><u>\$ 12,734,599</u></u>	<u><u>\$ 4,431,917</u></u>
LIABILITIES				
Deposits held for others	<u>\$ 4,177,786</u>	<u>\$ 12,988,730</u>	<u>\$ 12,734,599</u>	<u>\$ 4,431,917</u>
Total liabilities	<u><u>\$ 4,177,786</u></u>	<u><u>\$ 12,988,730</u></u>	<u><u>\$ 12,734,599</u></u>	<u><u>\$ 4,431,917</u></u>

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Balance June 30, 2001	Additions	Deductions	Balance June 30, 2002
ASSETS - CASH AND CASH EQUIVALENTS				
<u>Alternative Schools</u>				
Albuquerque Evening	\$ 85,900	\$ 83,866	\$ 83,103	\$ 86,663
Career Enrichment Center	28,482	52,347	50,884	29,945
Family School	-	601	216	385
Freedom	8,076	5,683	6,455	7,284
New Futures	12,500	55,167	44,849	22,818
School on Wheels	12,330	8,139	6,107	14,362
Sierra Alternative	5,411	8,195	5,931	7,675
Stronghurst Alternative	604	2,001	1,608	996
	<u>153,303</u>	<u>215,979</u>	<u>199,154</u>	<u>170,128</u>
<u>High Schools</u>				
Albuquerque	224,674	805,500	820,402	209,772
Cibola	219,615	879,853	828,681	270,787
Del Norte	214,078	637,853	575,191	276,740
Eldorado	265,921	1,027,701	976,991	316,631
Highland	119,107	635,814	622,559	132,362
La Cueva	220,424	1,018,143	987,676	250,891
Manzano	172,869	695,969	675,051	193,787
Rio Grande	117,310	498,120	493,814	121,616
Sandia	179,498	821,434	800,979	199,953
Valley	406,536	676,494	705,825	377,205
West Mesa	198,564	864,061	840,456	222,169
Total High Schools	<u>2,338,596</u>	<u>8,580,942</u>	<u>8,327,625</u>	<u>2,571,913</u>
<u>Middle Schools</u>				
Adams	57,592	106,448	108,345	55,695
Carter	2,909	75,628	60,060	18,477
Cleveland	20,441	86,992	89,095	18,338
Desert Ridge	47,611	233,469	227,090	53,990
Eisenhower	64,843	169,455	165,081	69,217
Ernie Pyle	43,808	123,372	129,050	38,130
Garfield	31,429	57,986	68,702	20,713
Grant	36,346	177,227	166,033	47,540
Harrison	29,420	108,222	113,957	23,685
Hayes	39,602	37,783	31,546	45,839
Hoover	52,793	109,395	127,088	35,100
Jackson	49,557	58,424	70,071	37,910
Jefferson	50,795	104,946	99,794	55,947
Kennedy	13,554	35,363	39,206	9,711
Lyndon B. Johnson	64,725	171,290	167,829	68,186
Madison	62,714	72,692	77,920	57,486
McKinley	12,923	107,712	101,105	19,530
Monroe	416	112,746	80,017	33,145
Polk	12,370	72,150	64,271	20,249
Roosevelt	30,035	91,775	81,241	40,569
Taft	30,846	51,283	56,650	25,479
Taylor	25,293	84,193	96,110	13,376
Truman	28,021	97,785	101,449	24,357
Van Buren	35,988	51,546	65,318	22,216
Washington	32,245	47,522	61,239	18,528
Wilson	22,892	77,733	74,838	25,787
Total Middle Schools	<u>899,168</u>	<u>2,523,137</u>	<u>2,523,105</u>	<u>899,200</u>

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Balance June 30, 2001	Additions	Deductions	Balance June 30, 2002
ASSETS - CASH AND CASH EQUIVALENTS				
<u>Elementary Schools</u>				
Acoma	\$ 13,134	\$ 35,044	\$ 30,207	\$ 17,971
Adobe Acres	7,108	5,367	7,714	4,761
Alameda	7,378	10,884	12,149	6,113
Alamosa	17,941	21,906	32,556	7,291
Alvarado	5,491	8,024	8,471	5,044
Apache	17,264	26,591	17,977	25,878
Armijo	5,834	5,272	7,737	3,369
Arroyo del Oso	6,157	15,135	14,929	6,363
Atrisco	10,185	15,929	16,696	9,418
John Baker	10,695	27,992	30,177	8,510
Bandelier	10,907	33,628	38,853	5,682
Barcelona	2,208	14,106	12,560	3,754
Bel-Air	6,589	25,019	26,484	5,124
Bellehaven	8,993	9,300	8,720	9,573
Mary Ann Binford	9,907	28,977	29,587	9,297
Kit Carson	3,123	43,203	35,914	10,412
Chamiza	10,188	22,264	24,304	8,148
Chaparral	6,725	16,581	17,176	6,130
Dennis Chavez	25,298	23,897	26,045	23,150
Reginald Chavez	3,545	10,874	10,319	4,100
Chelwood	7,387	6,779	4,688	9,478
Cochiti	15,741	20,439	30,616	5,564
Collet Park	5,312	5,546	8,161	2,697
Comanche	31,245	24,860	25,212	30,893
Corrales	3,487	15,591	15,619	3,459
Double Eagle	18,804	26,574	18,516	26,862
Duranes	4,635	20,985	18,940	6,680
East San Jose	15,564	26,117	27,907	13,774
Emerson	7,423	13,940	15,795	5,568
Eubank	5,813	16,717	14,463	8,067
Eugene Field	8,020	15,373	16,800	6,593
Dolores Gonzales	10,291	14,781	9,664	15,408
Governor Bent	3,091	7,397	6,846	3,642
Griegos	4,644	9,098	11,017	2,725
Hawthorne	4,055	7,243	8,659	2,639
Hodgin	10,484	39,450	35,084	14,850
Marie Hughes	9,467	25,250	26,317	8,400
Hubert Humphrey	11,059	14,565	12,445	13,179
Inez	13,723	11,902	12,343	13,282
S.Y. Jackson	11,242	22,400	21,561	12,081
Kirtland	5,326	8,847	10,804	3,369
La Luz	4,222	14,443	15,614	3,051
La Mesa	16,686	60,856	49,625	27,917
Lavaland	10,779	28,573	34,062	5,290
Longfellow	8,337	16,440	15,517	9,260
Los Padillas	10,428	16,056	17,331	9,153
Los Ranchos	9,724	12,224	10,215	11,733
Lowell	2,583	10,163	11,650	1,096
MacArthur	6,059	15,872	14,139	7,792
Susie Rayos Marmon	17,797	32,147	48,192	1,752
Matheson Park	2,604	10,522	9,771	3,355
McCollum	22,270	25,127	24,410	22,987
Mission Avenue	143	13,960	8,553	5,550
Mitchell	6,661	11,902	13,257	5,306
Monte Vista	16,770	84,514	94,036	7,248

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

	Balance June 30, 2001	Additions	Deductions	Balance June 30, 2002
ASSETS - CASH AND CASH EQUIVALENTS				
Montezuma	\$ 12,668	\$ 27,349	\$ 23,929	\$ 16,088
A. Montoya	1,219	19,081	19,454	846
Mountain View	16,052	31,179	33,116	14,115
Navajo	13,617	23,458	18,627	18,448
Georgia O'Keeffe	7,012	12,160	10,668	8,504
Oñate	25,940	29,715	20,151	35,504
Osuna	6,092	3,749	5,735	4,106
Painted Sky	13,337	31,145	35,367	9,115
Pajarito	9,722	51,625	44,698	16,649
Petroglyph	21,480	20,377	16,051	25,806
Carlos Rey	11,749	19,432	28,488	2,693
Edmund G. Ross	8,516	21,283	14,039	15,760
San Antonito	5,346	10,398	8,876	6,868
Sandia Base	2,689	6,858	6,660	2,887
Seven Bar	-	46,799	40,208	6,591
Sierra Vista	10,610	44,262	49,424	5,448
Sombra del Monte	21,487	41,037	50,643	11,881
Tomasita	3,805	25,829	26,258	3,376
Mark Twain	10,022	11,589	9,186	12,425
Valle Vista	2,617	10,679	12,326	970
Lew Wallace	3,928	9,718	9,345	4,301
Wherry	14,201	20,732	14,484	20,449
Whittier	7,641	6,974	8,384	6,231
Zia	16,732	14,811	16,791	14,752
Zuni	9,691	41,787	35,403	16,075
Total Elementary Schools	786,719	1,688,672	1,684,715	790,676
TOTAL ASSETS	\$ 4,177,786	\$ 12,988,730	\$ 12,734,599	\$ 4,431,917
LIABILITIES - FUNDS HELD FOR THE BENEFIT OF OTHERS				
	\$ 4,177,786	\$ 12,988,730	\$ 12,734,599	\$ 4,431,917

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF DEPOSIT AND INVESTMENT ACCOUNTS
JUNE 30, 2002

Depository/Account Name	Account Number	Type of Account	Cash Per Bank June 30, 2002	Add: Deposits In Transit	Less: Outstanding Checks/Wires	Adjusted Cash Balance June 30, 2002
<u>Wells Fargo Bank</u>						
Consolidated #1	6015042606	Checking	\$ 3,915	\$ -	\$ 6,064,271	\$ (6,060,356)
Accounts Payable	6016790864	Checking	-	6,063,323	8,252,455	(2,189,132)
Federal	6016790971	Checking	5,904,771	37,679	3,159,508	2,782,941
Board of Education		Repurchase Agreements	15,917,663	-	-	15,917,663
Total Wells Fargo Bank			21,826,348	6,101,002	17,476,234	10,451,116
<u>First State Bank</u>						
Board of Education	333030519	CD	1,000,000	-	-	1,000,000
Board of Education	333031963	CD	2,000,000	-	-	2,000,000
Total First State Bank			3,000,000	-	-	3,000,000
<u>New Mexico State Treasurer</u>	7180-1022	Repurchase Agreements	206,546,000			206,546,000
<u>Bank of America</u>						
Cafeteria	01-0045756-3	Checking	1,976,984	322	403,175	1,574,131
Payroll	01-0002208-6	Checking	-	1,411,035	1,411,035	-
Consolidated #3	01-0738255-8	Checking	57,588	3,441,318	5,674,995	(2,176,089)
Board of Education		Repurchase Agreements	11,998,713	-	-	11,998,713
Total Bank of America			14,033,285	4,852,674	7,489,205	11,396,755
Undistributed accounts payable checks						6,439,159
Add cash on hand						200
Subtotal-governmental funds						\$237,833,230
<u>Various Banks</u>						
Activity Funds	Various	Checking	2,647,995	1,752	259,402	2,390,345
Activity Funds	Various	CD's and Savings	2,041,572	-	-	2,041,572
Total Activity Funds	Various		4,689,567	1,752	259,402	4,431,917
Grand Total			\$ 250,095,201	\$ 10,955,428	\$ 25,224,841	\$ 242,265,147

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF PLEDGED COLLATERAL
JUNE 30, 2002

CASH IN CHECKING ACCOUNTS AND CERTIFICATES OF DEPOSIT:

Wells Fargo Bank

Total Deposits	\$	5,908,686	
FDIC Insurance		(100,000)	
			<u>5,808,686</u>
Uninsured public funds			
50% Collateral requirement			<u>2,904,343</u>

Collateral:

Wells Fargo MINN-MPLS matures 04/20/2032; CUSIP #36202DSR3	\$	1,316,998	
Wells Fargo MINN-MPLS matures 06/15/2029; CUSIP #36225BEV6		191,011	
Wells Fargo MINN-MPLS matures 10/15/2029; CUSIP #36225BG36		1,438,898	
Wells Fargo MINN-MPLS matures 01/15/2030; CUSIP #36225BHF8		92,897	
Wells Fargo MINN-MPLS matures 07/15/2029; CUSIP #36225BH24		297,236	
Wells Fargo MINN-MPLS matures 09/15/2029; CUSIP #36225BK49		94,151	
Wells Fargo MINN-MPLS matures 03/15/2031; CUSIP #36225BMH8		<u>1,828,180</u>	
Total collateral			<u>5,259,371</u>

Over collateralized

\$ 2,355,028First State Bank

Total Deposits	\$	3,000,000	
FDIC Insurance		(100,000)	
			<u>2,900,000</u>
Uninsured public funds			
50% Collateral requirement			<u>1,450,000</u>

Collateral:

Federal Home Loan Bank matures 01/29/2007; CUSIP #31331LA99	\$	1,603,008	
Total Collateral			<u>1,603,008</u>

Over collateralized

\$ 153,008Bank of America

Total Deposits	\$	2,034,572	
FDIC Insurance		(100,000)	
			<u>1,934,572</u>
Uninsured public funds			
50% Collateral requirement			<u>967,286</u>

Collateral:

FNMA Pool G01391, matures 5/6/2002; CUSIP #31283HRL1	\$	1,910,877	
Total Collateral			<u>1,910,877</u>

Over collateralized

\$ 943,591Activity Funds - Various Banks

Total insured deposits	\$	4,689,567	
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The FDIC has issued an opinion that due to the fiduciary nature of these funds that each school is independently insured at each financial institution up to a maximum of \$100,000. District policy states that no school can maintain more than \$100,000 in any one financial institution.

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF PLEDGED COLLATERAL
JUNE 30, 2002

CASH IN REPURCHASE AGREEMENTS:

Bank of America

Repurchase Agreement matures 07/01/2002	\$ 11,998,713	
Total		11,998,713
102% Collateral requirement		12,238,688
Securities Purchased:		
Fed Natl Mtg Assoc, matures 6/01/2032; CUSIP #31385JF86	\$ 12,238,688	
Total		12,238,688
Over (under) collateralized		\$ 0

Wells Fargo Bank

Repurchase Agreement matures 07/01/2002	\$ 15,917,663	
Total		15,917,663
102% Collateral requirement		16,236,000
Securities Purchased:		
FNMA 535154 matures 07/15/2029; CUSIP #36225BNF	\$ 16,236,000	
Total		16,236,000
Over (under) collateralized		\$ 0

New Mexico State Treasurer

Investment Pool matures 07/01/2002	\$ 206,546,000	
Total		\$ 206,546,000

The New Mexico State Treasurer purchases securities valued at 102% of the pool's total value.
Full information may be obtained from the separate audited financial statements of the State Treasurer's Office.
These securities are comprised of United States Treasury Bills or Notes.

Recap:

Total Deposits	\$ 15,632,825
Repurchase Agreements	234,462,376
Total in Banks	\$ 250,095,201

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND RECONCILIATION TO THE COMBINING STATEMENT OF
REVENUES AND EXPENDITURES-ALL SPECIAL REVENUE FUNDS-BY PROJECT
FOR THE FISCAL YEAR ENDING JUNE 30, 2002

Federal Grantor/Pass Through Grantor/Program Title	CFDA Number	Grant period	Program or Award amount	Income Accrued (Deferred) at June 30, 2001	Receipts Recognized	Expenditures	Income Accrued (Deferred) at June 30, 2002
U.S. DEPARTMENT OF AGRICULTURE							
Child/Adult Care Food Program	10.558	7/1/01-6/30/02	\$ 17,593	\$ -	\$ 17,592	\$ 17,592	\$ -
Food Distribution	10.550	7/1/01-6/30/02	1,200,000	(315,881)	583,871	1,063,707	(795,717)
National School Breakfast Program	10.553	7/1/01-6/30/02	2,400,000	-	2,337,344	2,383,135	45,791
National School Lunch Program	10.555	7/1/01-6/30/02	10,380,000	-	10,375,243	10,375,243	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE			13,997,593	(315,881)	13,314,050	13,839,677	(749,926)
U.S. DEPARTMENT OF EDUCATION							
Passed Through New Mexico State Department of Education							
Highland Preschool (Adult Food Program)	84.010	7/1/01-6/30/02	15,865,137	(1,564)	15,208,931	14,422,982	(577,587)
Title I Regular 24101-24103	84.011	7/1/01-6/30/02	50,000	(5,772)	57,952	49,000	(14,724)
Title I Migrant Education 24103	84.216	7/1/01-6/30/02	33,614	(74,140)	(47,000)	35	(27,105)
Title I Capital	84.218	7/1/01-6/30/02	614,734	18,087	131,850	198,155	84,392
Title I Program Improvement 24102	84.027	7/1/01-6/30/02	16,491,213	(453,056)	7,537,166	7,698,094	(792,128)
Individuals with Disabilities Education Act (IDEA) - B 24106	84.318	7/1/01-6/30/02	185,454	61,995	222,281	180,581	20,295
Tech. Literacy Challenge Fund	84.027	7/1/01-6/30/02	111,588	39,547	94,761	72,175	16,961
IDEA - B Preschool 24104	84.173	7/1/01-6/30/02	733,663	59,579	458,528	277,825	(121,124)
IDEA - B Title VI	84.151	7/1/01-6/30/02	468,293	61,833	463,920	400,961	(1,126)
IASA Title I-A 24105	84.196	7/1/01-6/30/02	35,500	6,358	43,362	35,108	(1,890)
Title VI Class Size Reduction	84.340	7/1/01-6/30/02	4,374,540	(11,125)	3,217,207	3,477,067	248,735
IASA Title II-A 24104	84.164	7/1/01-6/30/02	747,092	73,515	444,080	569,830	199,265
Emergency Immigrant Education	84.162	7/1/01-6/30/02	859,445	46,970	386,594	426,093	86,419
Carl Perkins Vocational and Applied Technology Act	84.038	7/1/01-6/30/02	1,179,544	222,945	858,367	939,284	303,862
Title I Even Start	84.213	7/1/01-6/30/02	-	(4,463)	-	-	(4,463)
Learn & Serve	84.004	7/1/01-6/30/02	12,229	8,565	8,810	-	(245)
Goals 2000	84.276	7/1/01-6/30/02	170,641	(11,751)	36,099	45,055	(2,795)
Drug Free Schools Education	84.186	7/1/01-6/30/02	862,577	131,776	778,546	643,723	(3,047)
Character Education	84.215	7/1/01-6/30/02	-	1,385	(71)	-	1,456
Federal Impact Aid - Special Education	84.041	7/1/01-6/30/02	482,083	(478,245)	116,839	108,822	(486,282)
Federal Impact Aid - Indian Education	84.041	7/1/01-6/30/02	52,548	(50,622)	15,136	29,359	(36,399)
Comprehensive School Reform	84.332A	7/1/01-6/30/02	696,306	24,053	519,261	363,673	(131,535)
Preschool Project Sonrisa	84.173	7/1/01-6/30/02	-	-	-	669	669
School to Career - Carl Perkins TVI	84.048	7/1/01-6/30/02	-	(691)	-	-	(1)
(STAR) Supporting Teachers with Resources	81.203	7/1/01-6/30/02	690	-	-	690	-
Reading Excellence	84.338	7/1/01-6/30/02	106,174	-	85,089	34,767	(50,322)
Subtotal			44,026,591	(126,209)	30,637,728	29,973,948	(790,280)

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND RECONCILIATION TO THE COMBINING STATEMENT OF
REVENUES AND EXPENDITURES-ALL SPECIAL REVENUE FUNDS-BY PROJECT
FOR THE FISCAL YEAR ENDING JUNE 30, 2002

Federal Grantor/Pass Through Grantor/Program Title	CFDA Number	Grant period	Program or Award amount	Income Accrued (Deferred) at June 30, 2001	Receipts Recognized	Expenditures	Income Accrued (Deferred) at June 30, 2002
Direct to Albuquerque Public Schools							
Colorado State University	84.228		\$	\$ 13,481	\$ 13,481	\$	\$
IASA-Bilingual Education	84.290	7/1/01-6/30/02	1,653,702	220,348	1,132,671	1,172,609	260,286
Title IX Indian Education	84.060	7/1/01-6/30/02	734,313	91,304	532,317	586,941	145,938
Inclusive School Practices	84.023	7/1/01-6/30/02	480	(735)	-	-	(735)
Public School Charter	84.282		-	(1)	-	-	(1)
Twenty-First Century Comm	84.287A	7/1/01-6/30/02	60,682	88,639	142,901	54,232	(30)
Magnet School Assistance	84.165	7/1/01-6/30/02	2,186,232	-	458,723	854,801	396,078
Drug/Violence	84.184	7/1/01-6/30/02	506,518	51,367	155,307	129,165	25,225
Fund for Improvement of Education	84.215	7/1/01-6/30/02	1,901,392	194,403	1,048,361	1,067,266	213,308
Albuc. Community/Schools Project	84.287	7/1/01-6/30/02	1,083,668	-	331,200	535,738	204,538
Impact Aid Operations and Maintenance	84.040	7/1/01-6/30/02	611,836	-	374,384	374,384	-
Eisenhower Professional Development Grant	84.281	7/1/01-6/30/02	400,000	-	38,340	243,312	184,972
Subtotal			9,138,823	658,806	4,247,685	5,018,448	1,429,569
TOTAL U.S. DEPARTMENT OF EDUCATION			53,165,814	532,297	34,885,413	34,992,396	639,280
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Passed Through New Mexico Human Services Department							
Toxacco Use Prevention and Control	93.283	7/1/01-6/30/02	135,000	-	18,650	73,033	54,383
Grade/RGHS	93.590	7/1/01-6/30/02	15,000	-	-	-	-
Eugene Field Even Start	93.097	n/a	-	(106)	-	-	(106)
Preventative Health Block Grant	93.991	7/1/93-6/30/94	588	(588)	-	-	(588)
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			150,588	(694)	18,650	73,033	53,689
U.S. DEPARTMENT OF THE INTERIOR							
Direct to Albuquerque Public Schools							
Forest Reserve Reimbursement	n/a	7/1/01-6/30/02	3,650	-	5,024	5,024	-
611 P.L. 93-638 <i>Johnsgen Dmaly</i>	n/a	7/1/01-6/30/02	228,650	48,333	151,743	175,401	71,991
TOTAL U.S. DEPARTMENT OF THE INTERIOR			232,300	48,333	156,767	180,425	71,991
U.S. DEPARTMENT OF DEFENSE							
Direct to Albuquerque Public Schools							
ROTC Salary Reimbursement	n/a	7/1/01-6/30/02	-	-	470,143	470,143	-
TOTAL U.S. DEPARTMENT OF DEFENSE			-	-	470,143	470,143	-

STATE OF NEW MEXICO
ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND RECONCILIATION TO THE COMBINING STATEMENT OF
REVENUES AND EXPENDITURES-ALL SPECIAL REVENUE FUNDS-BY PROJECT
FOR THE FISCAL YEAR ENDING JUNE 30, 2002

Schedule 4
Page 3 of 3

Federal Grantor/Pass Through Grantor/Program Title	CFDA Number	Grant period	Program or Award amount	Income Accrued (Deferred) at June 30, 2001	Receipts Recognized	Expenditures	Income Accrued (Deferred) at June 30, 2002
U.S. DEPARTMENT OF LABOR							
Passed Through New Mexico Department of Labor and City of Albuquerque							
APS Transition	17.255	7/1/01-6/30/03	\$ 50,000	\$ -	\$ 18,504	\$ 28,133	\$ 9,629
Job Training Partnership Act (JTPA)	17.250	7/1/98-6/30/99	-	2,366	-	-	2,366
TOTAL U.S. DEPARTMENT OF LABOR			50,000	2,366	18,504	28,133	11,995
NATIONAL SCIENCE FOUNDATION							
Presidential Award for Teaching Excellence in Math/Science	47.076	n/a	-	(168)	-	-	(168)
TOTAL NATIONAL SCIENCE FOUNDATION			-	(168)	-	-	(168)
TOTAL FEDERAL FINANCIAL ASSISTANCE			\$ 67,596,295	\$ 266,233	48,863,527	49,383,807	\$ 26,861
LESS:							
U.S. Department of Agriculture programs			13,314,050		13,839,677		
Federal programs included in General Fund:							
Impact Aid Maintenance and Operations			374,384		374,384		
Forest Reserve Reimbursement			5,024		5,024		
ROTC Salary Reimbursement			470,143		470,143		
Net change to convert from cash to accrual basis			(194,653)		-		
Adjustments							
ADD:							
Cafeteria Fund amounts			23,127,748		22,892,191		
Athletic Fund amounts			551,129		551,129		
Social Security Act Title XX			402,757		402,757		
Medicaid			2,385,834		2,385,834		
State, Local and Private Grant Fund amounts			4,510,185		4,510,185		
TOTALS - Accrual Basis			\$ 65,892,232		\$ 65,892,232		
Major Special Revenue Funds:							
Cafeteria			\$ 23,127,748		\$ 22,892,191		
IASA Title I			14,422,982		14,422,982		
Non-major Special Revenue Funds			28,341,502		28,341,502		
TOTALS - Cash Basis			\$ 65,892,232		\$ 65,892,232		

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards is a summary of the activity of the District's federal award programs. Revenues are shown on an accrual basis, but expenditures are shown on a cash basis, but expenditures are shown on an accrual basis to include expenses incurred but not yet paid at June 30.

NOTE B - FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2002, the District had food commodities totaling \$ per 960 in inventory.

NEFF + RICCI LLP

CERTIFIED PUBLIC ACCOUNTANTS
6100 UPTOWN Blvd NE, SUITE 400
ALBUQUERQUE, NM 87110

Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of General Purpose Financial Statements Performed in Accordance With *Governmental Auditing Standards*

Domingo Martinez, CGFM, State Auditor and
the Board of Education
Albuquerque Municipal School District No. 12

We have audited the financial statements of Albuquerque Municipal School District, New Mexico (the "District"), as of and for the year ended June 30, 2002, and have issued our report thereon dated January 10, 2003. 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.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance 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 no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the

Domingo Martinez, CGFM, State Auditor and
the Board of Education
Albuquerque Municipal School District No. 12

internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. However, we did observe reportable conditions for the primary government (Albuquerque Municipal Schools) as described in the accompanying schedule of findings and questioned costs as 02-1 to 02-3. Also, as a result of our testwork, we did observe reportable conditions for the component units (Charter Schools) as described in the accompanying schedule of findings and questioned costs as items 02-4 to 02-23.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended solely for the information and use of District management, the Board of District Commissioners, the Office of the State Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Neff + Ricci LLP

Albuquerque, New Mexico
January 10, 2003

NEFF + RICCI LLP

CERTIFIED PUBLIC ACCOUNTANTS
6100 UPTOWN Blvd NE, SUITE 400
ALBUQUERQUE, NM 87110

Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance In Accordance With OMB Circular A-133

Domingo Martinez, CGFM, State Auditor and
the Board of Education
Albuquerque Municipal School District No. 12

Compliance

We have audited the compliance of Albuquerque Municipal School District, New Mexico (the District), with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major Federal programs for the year ended June 30, 2002. 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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 *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance 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. Our audit does not provide a legal determination on the District's compliance with those requirements.

Domingo Martinez, CGFM, State Auditor and
the Board of Education
Albuquerque Municipal School District No. 12

In our opinion, the District, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2002. However, the results of our auditing procedures disclosed an instance of non-compliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 02-24.

Internal Control Over Compliance

The management of the District, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to Federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major Federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of District management, the Board of District Commissioners, the Office of the State Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Neff + Ricci LLP

Albuquerque, New Mexico
January 10, 2003

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2002

Albuquerque Municipal Schools

01-1	Unlocated W-4's	Resolved
01-2	Per Diem and Travel	Resolved
01-3	Inventory Obsolescence	Resolved
01-4	Investment Collateral	Resolved

Charter Schools

01-1	Amy Biehl-Procurement Policies-Authorization	Resolved
01-2	Amy Biehl-Accounts Payable	Resolved
01-3	Amy Biehl-Fixed Assets	Modified as 02-36
01-4	East Mtn-Cash Disbursement-Authorization	Resolved
01-5	East Mtn- Policies and Procedures	Resolved
01-6	East Mtn-Personnel Segregation of duties	Resolved
01-7	East Mtn-Fixed Assets Record Keeping	Repeated as 02-7
01-8	South Valley- Procurement policies	Resolved
01-9	South Valley-General Ledger Reconciliation	Resolved
01-10	South Valley- Procurement Policies Authorization	Resolved
01-11	21 st Century- General Ledger	Resolved
01-12	21 st Century-Fixed Assets	Repeated as 02-4
01-13	Amy Biehl- Student Activity Funds	Resolved
01-14	East Mtn- General	Resolved
01-15	East Mtn- Cash Disbursements-Documents	Resolved
01-16	East Mtn- W-4's	Resolved
01-17	East Mtn- Personnel-Contracts	Modified as 02-41
01-18	East Mtn- Fixed Assets-Acquisition	Resolved
01-19	South Valley-Procurement policies-Invoices	Resolved
01-20	East Mtn-Student Activity Funds	Repeated as 02-42

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2002

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of the Albuquerque Municipal Schools, New Mexico (the "District").
2. **Twenty-three** reportable conditions relating to the audit of the financial statements are reported in the Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of the Financial Statements Performed in Accordance With *Government Auditing Standards*.
3. **No instances** of noncompliance material to the financial statements of the District were disclosed during the audit.
4. **One reportable** condition was disclosed during the audit of the major federal award programs as reported in the Independent Auditors' Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for the District expresses an unqualified opinion.
6. One instance of an audit finding relative to the major federal award programs for the District are reported in Part C of this schedule.
7. The programs tested as major were:

Program	CFDA #
• IDEA B	84.027
• IDEA Preschool	84.173
• Eisenhower Prof Dev Grants	84.281
• Indian Education	84.060
• Bilingual Education	84.290
• Safe and Drug Free Schools	84.186
• Magnet School Assistance	84.165
• Fund for the Imp of Ed	84.215

8. The threshold for distinguishing types A and B programs was \$1,476,283
9. The District was determined to be a low-risk auditee.

APS FINANCIAL FINDINGS

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT

02-1 Purchasing Procedures

Condition

During our documentation of internal controls over purchasing procedures we noted that the District had documented several instances of "unauthorized purchases". During the months of April through June 2002 the District had noted 61 instances where services and goods were received prior to initiating the purchasing procedures. The payments made for these types of transactions totaled \$123,461.

Criteria

Pursuant to APS Procurement Code Regulations the following procedures are required (APS regulations follow and are in compliance with State Procurement Code regulations):

- Purchases between \$1-\$3,000 should be initiated through a direct purchase order.
- Purchases over \$3,000 and under \$10,000 require 3 written or oral quotes and should be documented in the purchase packet.
- Purchases over \$10,000 require sealed competitive bids or contracts initiated by advertisement for bid and supported by an evaluation process.

Cause

System codes were used that allowed the purchases to be initiated with out the required purchasing procedures being completed

Effect

District is not in compliance with the District's and the State's requirements.

Recommendation

The District should develop and institute system procedures to ensure that all purchases follow the required purchasing procedures.

Response

Many of the purchases noted as "unauthorized purchases" contained no explanation as to why they were considered unauthorized. The majority of the items noted were under \$1,000 and qualify for the small purchase order process defined by the District. The District has written procedures in place as to the proper method of procuring items and services.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

02-2 Cell Phone Usage

Condition

During the audit, it was noted that internal controls over reimbursement to the District for personal use of cell phones and guidelines for appropriate usage by District personnel are in need of review.

Criteria

Good accounting controls require that all non-business charges incurred by employees of the District are reimbursed, and guidelines be established for appropriate usage and authorized users.

Cause

The District did not have adequate written controls and guidelines over the use or distribution of cell phones.

Effect

Public monies could be spent for non-business activities

Recommendation

The District should develop policies and procedures to ensure that cell phones are given to authorized personnel and that all personal cell phone charges are reimbursed by the employee.

Response

The District has procedures for reimbursement of personal cell phone charges, but the limitations of the current financial system make this hard to track. With the implementation of some new handling rules, this should be improved greatly.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

02-3 Maintenance and Operations

Condition

During the year, fraud was discovered in the Maintenance and Operations (M&O) department. In the fraud, vendors either did not perform work for the department and subsequently split the money with the APS employee or the vendor would be required to pay a kickback to employees in order to receive the work.

Criteria

Good accounting controls and supervision of employees is an integral part of preventing fraud.

Cause

Supervisors were not monitoring employees awarding of small contracts to vendors and verifying the work was being performed by the vendor.

Effect

The District lost approximately \$200,000 in public funds which they are trying to recover through restitution.

Recommendation

The district has begun the process of implementing new procedures for the awarding and approval of contracts and the communicating with supervisors concerning their responsibilities for verification of these projects within M&O. Internal audit should review the department to ensure that the new policies and procedures are being followed.

Response

As noted, the District has implemented procedures that address these issues. The District agrees that periodic review by internal audit should occur.

CHARTER SCHOOL FINANCIAL FINDINGS

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002

B. FINANCIAL AUDIT (CONTINUED)

21st Century Public Academy
02-4 Fixed Asset Listing

Condition

The school did not maintain a Plant, Property, and Equipment inventory listing.

Criteria

The schools policies and procedures and SBE-6 state that fixed asset inventory records will be maintained by the school.

Cause

The School has many items which were obtained at minimal cost through auctions and donations. The school officials were unsure as how to account for these type of items along with items they have procured at material amounts. Consequently, officials have not compiled the inventory listing as of yet

Effect

Property, Plant, and Equipment is at risk of being unaccounted for and exposed to loss or theft.

Recommendation

The school should develop and adopt policies which state explain how control over all property shall be accounted for in the school's inventory records regardless if those items were obtained through donation or through purchasing. Additionally, the policies should explicitly state at what price level items will be capitalized. Currently officials have verbally informed us that their capitalization threshold is \$1,000.

Response

The school is currently in the process of creating an inventory data base and tagging system for all fixed assets both purchased and received as donations that have a value over \$1,000.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

**21st Century Public Academy
02-5 Policies and Procedures**

Condition

The Charter School did not have policies and procedures over the following areas:

- Financial Statements
- Cash Reconciliations
- Budgets
- Payroll
- Travel and Per Diem
- Cash Receipts
- Cash Disbursements
- Property, Plant & Equipment
- Student Activity Funds

Criteria

According to State Board of Education Title 6, policies and procedures are required for all accounting areas.

Cause

School officials did not realize that policies and procedures were required for the different accounting areas.

Effect

Repetitive completion of tasks may not be completed in the same manner, possibly leading to errors or irregularities

Recommendation

The school should develop policies and procedures, which details preparation and review of cash reconciliation's, financial statements, the tagging and physical verification of fixed assets, capitalization, and retirement of fixed assets, and student activity funds to ensure proper accounting of the school and other areas outlined in SBE-6 Regulations.

Response

Policies and procedures are going to be implemented and approved at the next board meeting in November 2002.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

**East Mountain High School
02-6 Debt Service**

Condition

The school had a note payable balance as of year-end.

Criteria

According to the State laws governing charter schools, which states that Charter Schools are not allowed to incur any debt.

Cause

Business Manager did not realize the school was not allowed to incur debt as a Charter School.

Effect

Charter school is in violation of State Law.

Recommendation

The school should not incur any additional debt and pay off debt incurred during the year as soon as possible.

Response

In August 2000, the school obtained a 36-month loan from Compass Bank to purchase 127 laptop computers for student use since no other funding was available. At that time, management was unaware of any regulation(s) concerning charter schools' debt. We concur with the finding and the strict internal controls and procurement procedures, which were implemented with the arrival of the new Business Manager in July 2001, will ensure that this does not happen in the future. Since the school is in its third year of operation, the debt will be paid in full prior to June 30, 2003.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

**East Mountain High School
02-7 Fixed Assets- Record keeping**

Condition

We discovered the school's fixed assets are partially tagged. No regular physical inventory is performed.

Criteria

According to State Board of Education Regulation 6.20.2.16 each school shall take a physical inventory of goods and materials of an expendable nature in order to be in accordance with GAAP.

Cause

The school did not finish implementing an inventory system of fixed assets by year-end.

Effect

The school's property and equipment could be unaccounted for and exposed to loss.

Recommendation

The school should finish implementing an inventory system as soon as possible and perform annual physical counts of inventory to be reconciled to the system. All assets above \$1,000 should be entered into the inventory system.

Response

We are engaged in the process of physically tagging all of the school's assets, but it was not completed by the time the audit commenced. A physical classroom inventory, which was part of the year-end checkout procedures for teachers, was performed on the last day of their respective contract period. In addition, the school's fixed asset schedule, which lists items greater than \$1,000 in accordance with the school's adopted Capitalization Policy, includes a column identifying a particular asset's location by building and room number. We concur with the finding and are making every attempt to make sure that all of the school's assets are properly documented and accounted for.

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002

B. FINANCIAL AUDIT (CONTINUED)

Nuestros Valores
02-8 Accrual Adjustments

Condition

During the conversion of the School's cash basis financial statements into accrual basis financial statements the balances required numerous audit adjustments and auditor accumulation of the accrual information.

Criteria

Accrual balances should be available from the School in order for auditor's to perform test work instead of preparing the bookkeeping adjustments.

Cause

School personnel did not have the experience with accrual basis accounting to prepare the necessary adjustments.

Effect

Auditor's are performing bookkeeping functions as well as auditing functions during the audit.

Recommendation

School personnel should seek the necessary training in order to accumulate the adequate information to prepare accrual basis financial statements at year-end.

Response

Nuestros Valores Charter School's business staff will maintain accrual basis records in order to provide accrual balances. The school's business staff has, and will continue, to seek outside professional development, training and consultation as needed.

Nuestros Valores Charter School has contracted with Youth Development, Incorporated (YDI) to provide management services to the school. This contract includes financial consulting. Nuestros Valores will work with YDI to accumulate adequate information to prepare accrual basis financial statements at year-end.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

**Nuestros Valores
02-9 Policies and Procedures**

Condition

The Charter School did not have policies and procedures over the following areas:

- Financial Statements
- Cash Reconciliation's
- Property, Plant & Equipment
- Student Activity Funds

Criteria

According to State Board of Education Title 6, policies and procedures are required for all accounting areas.

Cause

School officials did not realize that policies and procedures were required for the different accounting areas.

Effect

Repetitive completion of task may not be completed in the same manner, possibly leading to errors or irregularities.

Recommendation

The school should develop policies and procedures, which details preparation and review of cash reconciliation's, Financial Statements, the tagging and physical verification of fixed assets, capitalization, and retirement of fixed assets, and student activity funds to ensure proper accounting of the school.

Response

- Fixed Asset: Nuestros Valores will follow state law. Each agency complete and certify a physical inventory of movable chattels and equipment costing more than one thousand dollars (\$1000) and under control of the Business Manager. A supplemental inventory listing will be kept for all equipment **under one thousand dollars (\$1000)**. Items falling under this policy are chairs, calculators, desks, bookshelves, and tables, recorders that may cost less than one thousand dollars.
In order to safeguard assets against unauthorized use, and to prevent theft, it makes good sense that these items be properly marked and tracked through a supplemental fixed asset list.
No equipment shall be placed in service until properly tagged and recorded by the office staff. Office staff should tag a soon as possible and place in service.

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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B. FINANCIAL AUDIT (CONTINUED)

Nuestros Valores

02-9 Policies and Procedures (Continued)

Response

- Student Activity Fund: Nuestros Valores has created a fundraising policy as follows:
Before any fundraising can be done the advisor must first submit a written Fundraising Request. The Lead Teacher and the Business Manager must approve the request. The advisor must give the type of fundraising, the duration, and projected sales.
The advisor in charge of the activity will receipt all cash deposits. School policy requires that all money be deposited within 24 hours of receipting funds. Currently the school has pre-numbered receipt books. Each advisor will be issued a receipt book upon request, and will be responsible in assuring deposits are made to the Business Manager within 24 hours of receiving funds.
The Business Manager will be responsible of delivering all deposits to the financial Institution within the 24-hour requirement. The procurement policy for the Student Activity Fund requires that state procurement code is adhered to. Under no circumstance will an activity commit Nuestros Valores Charter School to any purchase without the proper approval.
- Cash Reconciliation's: All Cash Reconciliation reports will be prepared on monthly bases by the business office support staff. All cash reports will be reviewed and approved by the business manager.

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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B. FINANCIAL AUDIT (CONTINUED)

Public Academy For Performing Arts
02-10 Budget Deficit

Condition

During our review of budget to actual expenditures, we noted that budget adjustment requests were not submitted timely, Final expenditure report was not submitted to State on a timely basis, Non-Operating account was submitted incorrectly, and five accounts were over expended during fiscal year 2002.

Account	Budget	Actual	Variance
Direct Instruction	591,189.00	694,621.00	(103,432.00)
Administration	25,500.00	39,160.00	(13,660.00)
Business & Supp Serv	150,992.00	199,686.00	(48,694.00)
Operation/Maint. Of Plant	152,000.00	189,060.00	(37,060.00)
Food Services	10,000.00	44,189.00	(34,189.00)
Non-Operating	-	8,697.00	(8,697.00)

Criteria

According to State Statutes, Charter Schools can only expend money that they have budgeted.

Cause

PAPA had excess expenditures in certain areas, but was under budgeted throughout the fiscal year 2002.

Effect

The Charter School will carry-over an excess amount into fiscal year 2003 and violation of State Statutes.

Recommendation

The Charter School should closely monitor their expenditures in comparison to actuals on a quarterly basis.

Response

Although Public Academy for Performing Arts appears to be over budget on these line items, there are others which are under budget. The overall budget was not overspent, and Budget Adjustment Requests are currently under review by the State Department of Education. Approval is expected in the coming days.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

**Public Academy For Performing Arts
02-10 Budget Deficit (Continued)**

Response

In order to ensure that BARs are approved and submitted on a timely basis, the following process improvements have been established:

- A list of critical reporting dates has been established and will be adhered to.
- All budget adjustment requests will be submitted on time to the PAPA Governing Council for approval and signature. When signed, these BAR's will be submitted to the PAPA SDE Budget Analyst, for SDE approval.
- PAPA is implementing new financial software with reporting capabilities which will help us satisfy SDE requirements.
- The PAPA Principal, Director for Business and Support Services, Governing Council Finance Committee, and the Governing council will closely monitor expenditures as compared to budget on a regular basis.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

**Public Academy for Performing Arts
02-11 Policies and Procedures**

Condition

The Charter School did not have policies and procedures over the following areas:

- School Lunches
- Reimbursements
- Credit Card Expenditures
- Student Activity Funds
- Financial Statements
- Travel & Per Diem

Criteria

According to State Board of Education Title 6, policies and procedures are required for all accounting areas.

Cause

School officials did not realize that policies and procedures were required for the different accounting areas.

Effect

Repetitive completion of tasks may not be completed in the same manner, possibly leading to errors or irregularities.

Recommendation

The school should develop policies and procedures, which details preparation and review of credit card and reimbursement expenditures, school lunches, Financial Statements, student activity funds, and Travel and Per Diem to ensure proper accounting of the school.

Response

- Policies governing student activity funds are now in place. There were adopted by the Governing Council at their 9/5/02 meeting. A copy of these policies is attached.
- Policies addressing school lunches and staff travel and per diem have been drafted by the Governing Council Policy Committee and will be presented to the Governing Council for approval.
- Policies addressing reimbursements, credit card expenditures, and financial statements will be added immediately to the Governing Council Policy Committee agenda as priority items.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

**Public Academy for Performing Arts
02-12 Business Expense Documentation**

Condition

During our test work of additional cash disbursements we noted the following findings:

- Three out of seventy disbursements contained itemized expenses that did not appear reasonable in amount. Expenses appeared to include personal expenses.
- Seven out of seventy disbursements were for mileage, supplies, Internet, and meals that were not supported by receipts or supporting documentation.
- Twenty-seven did not contain any supporting documentation of expenses.
- Four out of seventy disbursements had supporting documentation that the amount does not agree with check or invoice amount paid.
- One out of seventy disbursements displayed charges to Professional Development, which does not appear to be a reasonable expense.
- Sixteen out of seventy disbursements were for in town meals and mileage that was reimbursed.
- Seventeen out of seventy disbursements were for the payments of a contracted employee that was not supported by a contract.

Criteria

All expenditures paid by the School should have appropriate documentation as to the related business expense.

Effect

School funds could be used to pay for expenditures unrelated to the business of the School.

Cause

Business Manager was unaware of what were allowable business expenses.

Recommendation

All expenditures should have an obvious business purpose or be supported by an explanation of the business purpose.

Response

In November of 2002, the Office of the State Auditor and the State Police conducted a formal audit related to these findings, which has not been released. The report has been turned over to the Bernalillo County Attorney to determine whether any charges will be filed.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

Robert F. Kennedy
02-13 Policies and Procedures

Condition

The Charter School did not have policies and procedures over the following areas:

- Cash Disbursements
- Student Activity Funds

Criteria

According to State Board of Education Title 6, policies and procedures are required for all accounting areas.

Cause

School officials did not realize that policies and procedures were required for the different accounting areas.

Effect

Repetitive completion of tasks may not be completed in the same manner, possibly leading to errors or irregularities.

Recommendation

The school should develop policies and procedures, which details purchasing procedures of cash disbursements and details of the purpose and accounting procedures of the student activity fund.

Response

The policies and procedures of Cash Disbursements have been amended to include the disbursement of cash in relation to safekeeping of blank checks, signature authorization and the utilization of logs and Student Activity Funds. The policies and procedures were presented and approved by our Governance Board on September 5, 2002.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

**Robert F. Kennedy
02-14 Final Audit**

Condition

During our audit of RFK we noted that the following documentation was not available:

- Fourth quarter expenditure report
- Cash reconciliations
- Bank statements
- Fixed asset detail
- Accounts Payable listing
- Board minutes for FY02
- Compensated absences as of 6/30/02
- Policies and procedures on cash reconciliations; property, plant and equipment; and financial statements
- Copies of lease agreements

Criteria

Charter schools are under the jurisdiction of the State Department of Education, and as such, are governed by State Statute 6 NMAC, Chapters 1 through 50. These are the statutes governing all primary and secondary education institutions mandates certain requirements over internal controls, the handling of cash, the financial recording and reporting system, and maintenance of budgets, and compliance with other State Statutes.

Effect

The schools are not in compliance with many of the requirements as mandated by State Statute 6 NMAC. Audit procedures were necessary to be GASB 34 compliant.

Cause

This year was the school's first full year of operations and there was much improvement over their operating procedures and internal controls. However, due to turnover in accountants and moving the school site, supporting documentation could not be located. Additionally, the adverse conditions at the site during the year complicated operations of the school.

Recommendation

The Business Manager or Principal should be able to provide the auditors with all required documentation at the beginning of the audit.

Response

Due to extreme volatility regarding landlord situation, it was necessary to move the business office on a very short notice. Business Manager/Accountant is being advertised, and should be hired shortly. Accountant is being contracted to review the above findings. Accountant will respond to the above findings. We are in negotiation with Albuquerque Public Schools to review and contract bookkeeping and accounting responsibilities. It is unfortunate that the timing of the unexpected move was in conflict with scheduling of Audit. It is the hope of RFKCHS that by the meeting on November 13, 2002 all findings will have been addressed and actions taken based on recommendations of the new Business Manager and contracted Accountant.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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B. FINANCIAL AUDIT (CONTINUED)

**South Valley Academy
02-15 Accrual Adjustments**

Condition

School policy and procedures need to be amended to be in compliant with State Board of Education Regulations and financial reporting was not stated on an accrual basis, which required adjustments.

Criteria

State Board of Education Regulation 6.20.2.13 states that financial statements should be prepared in accordance with GAAP.

Cause

Chief Financial Officer did not realize that the school was not in compliance with GAAP.

Effect

The Charter School was in violation of SBE-6 Regulations.

Recommendation

Policy of Financial Statements needs to state that Charter School is GAAP compliant on an accrual basis and report to the State Board of Education on a cash basis.

Response

School policy will state that the schools Financial Statements are GAAP compliant, on an accrual basis, and cash compliant as required by the State Board of Education.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

**South Valley Academy
02-16 Property, Plant, & Equipment**

Condition

South Valley Charter School needs to amend its policies and procedures over Property, Plant, and Equipment.

Criteria

Good internal controls require policies and procedures on additions, deletions, depreciable lives, theft, and erasure of hard drives throughout the year.

Cause

School officials did not realize that additions, deletions were policies and procedures were required for property, plant, and equipment.

Effect

Charter Schools need monitoring controls on property, plant, and equipment to ensure the appropriate authorization of additions and deletions throughout the year. The schools lack of internal control policies and procedures risks that property, plant, and equipment might not be properly recorded or retired.

Recommendation

We recommend that the school develop policies and procedures, which details who authorizes the additions and deletions of property, plant, and equipment.

Response

The school will amend their internal procedures to detail the policy and procedures for the proper accounting of fixed assets. The school will abide by all State Department of Education procedures as referenced by Section 12-6-10, NMSA, and 1978 Compilation.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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B. FINANCIAL AUDIT (CONTINUED)

**Southwest Secondary Learning Center
02-17 Accrual Adjustments**

Condition

The School's year-end balance sheet accounts did not reflect year-end balances and the conversion of the school's cash basis financial statements into accrual basis required numerous audit adjustments and auditor accumulation of the accrual information of the balances.

Criteria

State Board of Education Regulation 6.20.2.13 states that a modified accrual basis of accounting in preparation of annual financial statements and cash basis of accounting for budgeting and reporting.

Cause

The Chief Financial Officer did not realize that the school was not in compliance with SBE-6.

Effect

The Charter School was in violation of SBE-6 Regulations.

Recommendation

The school needs to comply with SBE 6.20.2.13 by accumulating the adequate information to prepare accrual basis financial statements at year-end and programming the accounting system to reflect accounts for balance sheets.

Response

The school will implement this recommendation.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

**Southwest Secondary Learning Center
02-18 Policies and Procedures**

Condition

The Charter School needs to be more descriptive on controls in the policies and procedures over the following areas rather than just system controls:

- Financial Statements
- Cash Reconciliations
- Budgets
- Payroll Disbursements
- Travel and Per Diem
- Cash Receipts
- Cash Disbursements
- Property, Plant & Equipment
- Student Activity Funds

Criteria

According to State Board of Education Title 6, policies and procedures are required for all accounting areas.

Cause

School officials did not realize that policies and procedures needed to address more than just system controls over the different accounting areas.

Effect

Repetitive completion of tasks may not be completed in the same manner, possibly leading to errors or irregularities.

Recommendation

The school should develop policies and procedures, which details preparation and review of cash reconciliation's, Financial Statements, the tagging and physical verification of fixed assets, capitalization, and retirement of fixed assets, and student activity funds to ensure proper accounting of the school and other areas outlined in SBE-6 Regulations.

Response

The school will add more detail to the existing policies and procedures.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

**The Learning Community
02-19 Policies and procedures**

Condition

The school needs to develop policies and procedures for property, plant and equipment and payroll.

Criteria

The policy for property, plant and equipment and payroll should incorporate both State requirements and GAAP. Some of the requirements should be capitalization of fixed assets, retirement of assets, stolen assets and erasure of hard drives.

Cause

The school was not aware that policies and procedures were needed for property, plant and equipment and payroll due to it's first year of operations.

Effect

The lack of policies and procedures creates a risk of non-compliance with State laws and regulations and could lead to misappropriation of fixed assets.

Recommendation

The school must develop policies and procedures for property, plant and equipment and payroll, which addresses good accounting practices and State laws and regulations. The school's board must approve these policies.

Response- The school has implemented payroll and property, plant, and equipment policies and procedures.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

B. FINANCIAL AUDIT (CONTINUED)

**The Learning Community
02-20 Purchasing**

Condition

During our review of the school's policies and procedures we noted that there was a lack of adherence to policies stipulating segregation of duties in relation to purchasing.

Criteria

According to policies and procedures, checks and bank transfers should be prepared by persons other than those initiating or approving any documents that give rise to disbursements.

Cause

Given the small size of the school, segregation of duties along these lines is inefficient.

Effect

Cash may be misappropriated.

Recommendation

Approval of purchases and preparation of payment should be handled by two individuals per policies and procedures.

Response

A Preliminary purchase procedure manual has been adopted by the Board. Purchase orders are now approved by the Business Manager and School Administrator (Dual Approval). Checks and wire transfers also require two signatures.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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B. FINANCIAL AUDIT (CONTINUED)

**The Learning Community
02-21 Purchasing – Purchase Orders**

Condition

Employees of The Learning Community do not adhere to written policies and procedures documenting purchasing requirements.

Criteria

Current policies and procedures stipulate that purchase orders be utilized to ascertain that the amount of a purchase is within approved school limits and allow review by an appropriate official.

Cause

The lack of purchase orders is associated with the delayed approval of the budget. Upon approval and receipt of funds, employees were focused on purchasing necessary school equipment with no focus on adherence to policy.

Effect

Unauthorized purchases may occur.

Recommendation

Purchase order forms should be created and policies and procedures should be adhered to in order to ensure only authorized purchases are made.

Response

The new business manager has implemented a new purchase procedure manual which has been adopted by the Board. Purchase orders have been created and are required for all purchases.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO.12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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B. FINANCIAL AUDIT (CONTINUED)

**The Learning Community
02-22 State Procurement Code**

Condition

A lack of emphasis within the policies and procedures on compliance with the State Procurement Code.

Criteria

Policies and procedures do address purchasing, but does not contain guidance in relation to monetary restraints set forth by the state.

Cause

Documented procedures relating to cash disbursements and purchasing were thought to be sufficient.

Effect

A lack of supporting documentation may result in a violation of the State Procurement Code.

Recommendation

Policies and procedures specifically addressing procurement procedures should be documented so as to ensure compliance with the procurement code.

Response

The Learning Community has adopted purchase procedures, which follow APS's procurement procedures.

**ALBUQUERQUE PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

C. FEDERAL FINDINGS

02-23 Misappropriation

CFDA# 84.01

Program name-Title I

Compliance requirement- B allowability of costs

Condition

During the year, it was noted by management that an employee was charging unallowable purchases fraudulently.

Criteria

Strong accounting controls and supervision are essential components in ensuring that misappropriations are limited.

Cause

The employee was given a password to allow the approval of the small purchase orders by her supervisor and the employee was sending the invoices for SPO's to Accounts Payable directly, instead of attaching it to the SPO.

Effect

The amount has not been determined as an investigation is not yet completed.

Recommendation

The District needs review internal controls and discuss with managers the importance of passwords and the review process of SPO's,

Response

With the implementation of the new ERP system, training has occurred for all users. Emphasis has been given to ensuring internal controls, including password control, are maintained.

OTHER FINDINGS-APS

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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D. OTHER FINDINGS

02-24 Credit Card Authorization, Athletics

Condition

During our testwork of District Athletics Department credit card transactions we noted that one "Travel Authorization and Report" submitted to the District Athletics Department by one of the two schools tested was not properly authorized.

Criteria

Pursuant to High School Athletics Handbook 2001-2002, District Athletic Office Fiscal Procedures and discussion with Department personnel the District Athletics Department Athletics Coordinator is required to approve payment of all credit card payments.

Cause

Unknown

Effect

District Athletics Department is not in compliance with Department procedures.

Recommendation

District Athletics Department should develop and institute procedures to ensure that all "Travel Authorization and Report" are properly authorized before credit card payment is initiated.

Response

The Athletics Department has procedures regarding the proper authorization of the District's credit cards. These have been reinforced in writing to all Athletic Directors. In addition, the accounts payable department has been instructed to review these travel authorizations in the same manner as the other District travel forms.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

02-25 Education Retirement Board Retirement Documents

Condition

During our test work of Education Retirement Board retirement documents we noted that in one instance out of five the employee did not submit the required documents for retirement from the Education Retirement Board (post retirement group life insurance documents or copy of birth certificate).

Criteria

Pursuant to APS Retirement requirements the employee must submit a letter of their plan to retire, copy of birth or baptism certificate, acknowledgement of resignation/termination, post retirement group life insurance documents and retirement application.

Cause

Employee did not submit the required documentation.

Effect

District is not in compliance with Department procedures.

Recommendation

District should develop and institute procedures to ensure that all required documentation retirement from the Education Retirement Board are properly obtained.

Response

The District has policies in place on the requirement of proper documentation for all retirements. The record keeping for this function is very heavy, and as such a piece of documentation may have been misplaced. Personnel has been reminded of the importance of maintaining proper documents.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

02-26 Cash Disbursements, Supporting Documentation

Condition

During our test work of cash disbursements it was noted in two of sixteen vouchers tested, supporting documentation provided by the vendor did not agree to the summary of charges. The summary of charges was used to determine payment to vendor.

Criteria

All cash disbursements should be adequately supported and internal procedures should verify that all supporting documentation is present before payment is remitted to vendors.

Cause

Detail invoices were not verified before payment was remitted.

Effect

Disbursements may be made for amounts that are not adequately supported and reviewed.

Recommendation

District should develop and institute procedures to ensure that payments are not remitted until vendors provide all the required supporting documentation.

Response

The District has procedures in place to ensure that payments to vendors are reviewed and made accurately. These procedures will be reviewed with staff to avoid further occurrences of this issue.

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002

D. OTHER FINDINGS (CONTINUED)

02-27 COBRA, Timely Deposits

Condition

During our documentation of internal control procedures over COBRA cash receipts we noted that receipt of cash is deposited periodically during the week, not on a daily basis. The deposits are not being made in a timely manner (24 hours), as required per State regulation.

Criteria

Section 6-10-3 NMSA 1978 states "It is the duty of every official or person in charge of any state agency receiving any money in cash or by check, draft or otherwise for or on behalf of the state or any agency thereof from any source, except as in Section 6-10-54 NMSA 1978 provided, to forthwith and before the close of the next succeeding business day after the receipt of the money to deliver or remit it to the state treasurer."

Effect

Depositing of cash receipts daily will maintain accountability and prevent cash receipts from being misplaced or stolen. Current process is not in compliance with Section 6-10-3 NMSA 1978.

Cause

The cause appears to be a lack of controls designed to ensure compliance with Section 6-10-3 NMSA 1978.

Recommendation

The Department should establish controls and communicate them to the proper personnel to ensure compliance with Section 6-10-3 NMSA 1978 deposit regulation.

Response

There is a very high volume of checks that are received for COBRA payments that must be processed by the Human Resource department before they can be deposited. This causes a delay in the cash being deposited. A new accounts receivable system is being implemented that should eliminate the manual work currently being done.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

02-28 Inventory Counting Procedures

Condition

During our inventory count observation procedures and subsequent agreement to final inventory reports we noted that items counted during auditor test counts and agreed upon by stock clerks were not properly reflected in the final inventory listing.

Criteria

Final inventory reports should agree to inventory counts in order to accurately reflect inventory value at year-end.

Effect

Inventory value at year-end was not accurately stated.

Cause

Final count sheets used to enter counts into inventory software were not adjusted to reflect actual counts.

Recommendation

Procedures should be implemented to ensure that all final inventory counts are accurately noted on final counts sheets and properly entered into the inventory software to ensure proper valuation at year-end.

Response

Improved and more accurate inventory policies and procedures were implemented in July, 2002, by the new Director of Food Services. Additionally, the District is researching a new inventory software program, as well as, an online purchasing module to facilitate even more effective ordering and inventory controls.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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D. OTHER FINDINGS (CONTINUED)

02-29 Inventory Cutoff Procedures

Condition

During our inventory and cost of sales cutoff test work we noted that three shipments received before year-end were not properly accounted for in the inventory tracking system. Two of the shipments were counted and included in the year-end inventory but required researching to determine the actual inventory amounts at year-end. One shipment was received but not counted and therefore not included in the final inventory listing, requiring manual adjustments to the final inventory value.

Criteria

Proper cutoff of purchases and counting of inventory items is necessary to determine accurate inventory valuation and cost of sales reporting on year-end financial statements.

Effect

Inventory value at year-end was not accurately stated after physical inventory counts; research and adjustments were necessary in order to reflect accurate values.

Cause

Lack of standardized cutoff procedures.

Recommendation

Procedures should be implemented to ensure that all inventory on hand at year-end is properly counted and that all shipments are recorded in the inventory accounting system before inventory counts are finalized.

Response

Improved and more accurate inventory policies and procedures were implemented in July, 2002, by the new Director of Food Services. Additionally, the District is researching a new inventory software program, as well as, an online purchasing module to facilitate even more effective ordering and inventory controls.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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D. OTHER FINDINGS (CONTINUED)

02-30 Audit Due Date

Condition

The District entered into a contract with an independent public accounting firm and the New Mexico State Auditor's Office to perform an audit in accordance with New Mexico Administrative Code Title 2, Chapter 2, Part 2 (2 NMAC 2.2). The audit, according to paragraph 9.1.c in 2 NMAC 2.2 was due November 15, 2002.

Criteria

Per 2 NMAC 2.2, state of New Mexico public school districts are required to complete their audit by November 15. This would require the public school districts to have prepared all required information to complete the audit before that date.

Cause

The District was unable to complete the implementation of GASB 34 due to an implementation of District wide software.

Effect

The information for GASB 34 could not be completed in a timely manner to perform the audit in accordance with contract terms and State Auditor rule 2 NMAC 2.2.

Recommendation

The District should be focused on ensuring that GASB 34 information is prepared in a timely manner.

Response

As noted, the District was implementing a full ERP system at the same time as implementing the new GASB34 requirements. This will not be an issue in the future. In addition, the number of charter schools in the Albuquerque Municipal School District involved preparing numerous additional schedules to allow them to be included in the results as component units. The District plans to have additional resource address this issue in the coming years, and has every intent of meeting the deadline set forth.

OTHER FINDINGS-CHARTER SCHOOLS

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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D. OTHER FINDINGS

21st Century Public Academy
02-31 Budget Deficit

Condition – During our review of budget to actual expenditures, we noted that five accounts were over expended during fiscal year 2002.

Account	Budget	Actual	Variance
Business & Supp Serv	3,000.00	4,702.21	(1,702.21)

Criteria - According to State Statutes, Charter Schools can only expend money that they have received.

Cause – 21st Century Public Academy had excess expenditures in staffing and under budgeted throughout the fiscal year 2002.

Effect – The Charter School will carry-over an excess amount into fiscal year 2003.

Recommendation – The Charter School should closely monitor their expenditures in comparison to actuals on a quarterly basis.

Response- Budget Adjustment Requests will be submitted to the State Department of Education to move monies from object codes which have excess funds to cover actual expenses on a quarterly basis to assure there are no carry-over excess amounts into subsequent fiscal years.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**21st Century Charter School
02-32 Cash Receipts- Timely Deposits**

Condition

School personnel do not require cash to be deposited within twenty-four hours of receipts.

Criteria

Depositing of cash receipts daily will maintain accountability and prevent cash receipts from being misplaced or stolen. Current process is not in compliance with Section 6-10-3 NMSA 1978.

Cause

The Business Manager did not realize that daily deposits were necessary according to State Statutes.

Effect

Cash may not be deposited within the twenty-four hours of receipt as required by state law.

Recommendation

Cash receipts should be deposited within twenty-four hours of receipt regardless of amount as required by state law.

Response

All cash is deposited within 24 hours of receipt as required by State Law.

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002

D. OTHER FINDINGS (CONTINUED)

21st Century Public Academy
02-33 Pledged Collateral

Condition

During our testwork of cash, we found that one bank account was above \$100,000 and the bank had not met the pledged collateral requirement.

Criteria

According to the NMSA 1978 Section 6-10-16 and 6-10-17 Public Money Act, bank accounts above \$100,000 are subject to a 50% collateral requirement.

Cause

The Charter School was unaware of the Public Money Act for insurance on material accounts.

Effect

The school is not in compliance with the pledged collateral requirement.

Recommendation

The Charter School must notify the bank that the school receives State funds that is subject to the Public Money Act for amounts above \$100,000 and review the bank's collateralization on the school's accounts.

Response

The Charter School is now aware of the Public Money Act and will ask the bank to collateralize school accounts as necessary. Our average balance after payroll is usually under \$70,000.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

21st Century Charter School

02-34 Cash Disbursements- Procurement Documentation

Condition

The following control deficiencies were disclosed in our testwork:

- 1- There was no evidence of a Purchase Order for three out of the thirteen items tested.
- 2- There was no evidence that procurement was followed in purchasing at the best available price for one out of the thirteen items tested.
- 3- No supporting documentation could be obtained for one out of the thirteen items tested.
- 4- All thirteen invoices had no authorization for payment of invoice.

Criteria

Sound internal controls require that supporting documentation be maintained, purchase orders are issued on each procurement and are properly approved, and State Procurement is followed. The above controls minimize the likelihood of unauthorized and unallowed purchase.

Cause

Supporting documentation was either misfiled or lost and the Business Manager was unaware of authorization procedures.

Effect

The schools weak controls could potentially cause material errors in the schools financial statements, and increase the likelihood of unallowed and unauthorized purchases.

Recommendation

The school should develop and monitor that its written procurement and cash disbursement procedures are being properly implemented.

Response

1. Purchase Orders are not required for items under \$1,000.
2. The school has developed a written procurement and cash disbursement procedures, which is currently in effect.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**21st Century Charter School
02-35 Payroll Disbursements**

Condition

During our testwork of payroll disbursements we noted the following:

- One of nine disbursements tested was for the payment of an hourly rate not supported by a contract.
- All nine personnel folders tested did not contain I-9 forms.
- One of nine employees tested had no ERA deductions from payroll checks throughout the fiscal year.
- No records of employee vacation and sick leave accruals could be found.

Criteria

According to State statutes, the School shall have proper deductions for eligible employees for the Education Retirement Act plan applications, I-9 forms, and supporting documentation of expenses.

Cause

The Business Manager was unaware that the conditions were required by State statutes.

Effect

The School is in violation of State statutes.

Recommendation

All personnel supporting documentation should be properly filed, full-time employees should have ERA benefits deducted each pay period, and the school should monitor all leave taken for each employee throughout the year to ensure proper payroll payments and proper liability balances.

Response

1. An addendum to our substitute policy was approved by the Board on 10/22/02 setting the daily rate for substitutes at \$75.00.
2. All personnel folders contain I-9 forms.
3. All eligible employees have ERA deductions from payroll checks.
4. Records of employee vacation and sick leave are now being kept.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

Amy Biehl High School

02-36 Cash Disbursements

Condition – During our testwork of cash disbursements we found the following:

- Four out of the twenty disbursements did not have purchase orders as supporting documentation.
- One out of the twenty did not have a contract of services with Amy Biehl.
- One out of the twenty was a voided check that could not be found.

Criteria - Sound internal controls require that supporting documentation be maintained, purchase orders are issued on each procurement, services performed must be supported by a contract, and voided checks are filed.

Cause – School officials stated that not enough emphasis was placed on maintaining the documentation and procedures due to system conflicts.

Effect – Purchase and payment could be made without detection and cause material misstatements in financial statements.

Recommendation – The school should monitor that its following written procurement, purchase orders are filed, contracted services are supported by contract, voided check signatures are torn, and cash disbursement procedures are being properly implemented.

Response –

- **Purchase Orders:** THE SCHOOL AGREES WITH THE CONDITION FOUND. The manual purchase order system used by the school in 2001-2002 produced hard copy purchase orders, but could not reproduce an order if it was lost or misplaced. To mitigate this weakness, the school is implementing an automated purchase order system in 2002-2003.
- **Contract:** THE SCHOOL DISPUTES THE CONDITION FOUND. The understanding between the school and its vendor was that the vendor would provide daily student lunches at three (\$3.00) dollars per lunch. That understanding was documented and confirmed in every weekly billing the vendor made to the school.
- **Voided Check:** THE SCHOOL DISPUTES THE CONDITION FOUND. The check in question was, in fact, voided. Validation of the check being void was determined by a review of the school's bank statements. It was voided in September 2001 and had not cleared the bank in any month up to, and including, June 2002. Also, the characterization of the void check as a payroll check is not correct. School payroll checks are numbered in the five (5000) series. The void check, number 3281, was a vendor check.

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002

D. OTHER FINDINGS (CONTINUED)

Amy Biehl High School

02-37 Policies and Procedures- Fixed Assets

Condition – The Charter School needs to amend the internal policies and procedures to address the Board approval of depreciable lives for capital assets, depreciation method, capitalization dollar limits set for the school to reflect the support that was provided for the fixed assets, the requirements on the theft of fixed assets and disposition of hard drives when computers are disposed.

Criteria - According to State Board of Education Title 6, GASB 34 and State Rules and regulations, policies and procedures are required to address the school's methods of accounting for Fixed Assets.

Cause – School officials did not realize the policies and procedures needed to be so descriptive on controls over certain areas of Fixed Assets.

Effect – The school's property and equipment could be inconsistently accounted for and exposed to violation of State laws and regulations.

Recommendation – The school should develop policies and procedures, which details depreciable lives of assets, method of depreciation, capitalization policies, policies on theft with fixed assets, and erasure of hard drives to ensure proper accounting of the school.

Response – *THE SCHOOL WILL AMEND ITS EXISTING INTERNAL POLICIES AND PROCEDURES FOR FIXED ASSETS AS RECOMMENDED BY THE AUDITOR.* It should be noted, however, that the school had all the fixed asset data requested by the auditor to ensure that proper accounting of the assets. The data included current inventories, depreciable lives, capitalization, retirements and other disposals of fixed assets.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**East Mountain High School
02-38 Pledged Collateral**

Condition

During our testwork of cash, we found that one bank account was above \$100,000 and the bank had not met the pledged collateral requirement.

Criteria

According to the NMSA 1978 Section 6-10-16 and 6-10-17 Public Money Act, bank accounts above \$100,000 are subject to a 50% collateral requirement.

Cause

The Charter School was unaware of the Public Money Act for insurance on material accounts.

Effect

The school is not in compliance with the pledged collateral requirement.

Recommendation

The Charter School must notify the bank that the school receives State funds that is subject to the Public Money Act for amounts above \$100,000 and review the bank's collateralization on the school's accounts.

Response

EMHS' operating checking cash balance was in excess of \$100,000 at the end of the school year due to the receipt of \$63,129 of Instructional Material funds on May 23, 2002. By that time, the school was no longer in session and the funds were unable to be spent in their entirety. As such, a BAR was issued which carried these funds over into the 2002/2003 school year. Since we received this finding, we have notified Wells Fargo Bank that we are a state agency subject to the Public Money Act for amounts over \$100,000 and require collateralization.

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002

D. OTHER FINDINGS (CONTINUED)

East Mountain High School
02-39 Budget Deficit

Condition

During our review of budget to actual expenditures, we noted that five accounts were over expended during fiscal year 2002.

Account	Budget	Actual	Variance
Direct Instruction	764,742.00	764,923.27	(181.27)
Instructional Supp	176,547.00	176,680.04	(133.04)
Administration	83,791.00	83,857.85	(66.85)
Food Services	39,728.00	42,482.59	(2,754.59)
Athletics	29,748.00	29,770.82	(22.82)

Criteria

According to State Statutes, Charter Schools can only expend money that they have budgeted.

Cause

East Mountain had excess expenditures in certain categories, but was under budgeted throughout the fiscal year 2002.

Effect

The Charter School will carry-over an excess amount into fiscal year 2003.

Recommendation

We recommend East Mountain High School closely monitor their expenditures in comparison to actuals on a quarterly basis.

Response

The school was required to submit final BAR's for the 2001/2002 year to our designated State Department of Education budget analyst no later than June 14, 2002. In comparison, EMHS' final BAR for the prior year was prepared and submitted a week after the close of the fiscal year. We cannot understand the reasoning behind the SDE's request for final BARS with two weeks left in the school year. Nonetheless, we prepared a pro-forma which resulted in an eight page BAR in an attempt to balance all operational Fund/Function/Object codes to zero as compared to budget.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**East Mountain High School
02-40 Budget Deficit (Continued)**

Response

While most of our expenses were on target, it was virtually impossible to predict exactly what all of our expenses would be since the school's books were open through June 30, 2002. Consequently, there were five deficit areas and two surplus areas where we missed projections. Although we had surpluses, there is no mention to them, and only the deficits are considered in the audit findings.

Food Services reflects the largest deficit and is the result of the school having to provide free/reduced lunch to qualifying families. There was no approved budget for this type of expense at the beginning of the school year and BARS were prepared quarterly to reflect the activity. We have addressed this in the 2002/2003 budget and have instituted an in-house program which will more than offset the cost of any free/reduced lunches.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

East Mountain High School

02-40 Cash Receipts- 24-Hour Deposits

Condition

During our testwork of cash receipts we found that East Mountain High School deposits its money received once or twice a week.

Criteria

According to State Statutes, all monies received must be deposited within twenty-four hours.

Cause

The school is in the East Mountains and finds it difficult to get to a bank on a daily basis.

Effect

The likelihood of cash being misplaced and stolen increases the longer cash is held.

Recommendation

We recommend East Mountain High School deposit cash received on a timely basis or set-up a courier service with Wells Fargo for monies to be picked up daily.

Response

In connection with this finding, we contacted our budget analyst at SDE and requested an Alternative Plan to the twenty-four hour banking rule. We explained that our bank is 7.2 miles away and, since the school has limited resources as far as available personnel and we are required to have adequate segregation of duties, finding someone who can make the trip on a daily basis would be difficult, though not impossible. The analyst denied our request based on the average weekly deposit figure and indicated that we have to find a way to comply with the statute. Consequently, we have rearranged several schedules in order to be in compliance with the NMAC statute from this point on.

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002

D. OTHER FINDINGS (CONTINUED)

East Mountain High School
02-41 Cash Disbursements- Contracts

Condition

During our testwork of cash disbursements we found that one out of the eighteen items did not have a contract or a purchase order of employment with East Mountain High School within their personnel files. Therefore, the pay rate per hour could not be validated.

Criteria

According to policy and procedures all employees should have authorized and current contracts of employment that states their hourly rate and period of employment.. The employee, Executive Director, and one council member should approve the contract.

Cause

Per discussion with Curt Szarek, Business Manager a contract did not exist.

Effect

Payments are being made to fictitious employees, which can result in fraudulent activities.

Recommendation

One copy of the employee contract should be filed in their personnel folder and another copy filed with the Business Manager of the Charter School. Employment should not begin until the contract is signed and filed with the school. If termination should occur, the Executive Director should verify that a contract exists and is filed with the personnel file.

Response

When the school opened in August 2000, a part-time maintenance assistance was paid without an employment contract on file or a purchase order authorizing services. This practice was an oversight by the prior Principal and off-site Business Manager. We concur with this finding and have since corrected this situation by making sure all employees have valid contracts for the current year.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**East Mountain High School
02-42 Payroll Disbursements- Contracts**

Condition

During our testwork of payroll disbursements we found that one out of the six employees did not have an effective contract of employment with East Mountain High School within their personnel file. Therefore, the salary could not be validated.

Criteria

According to policy and procedures all employees should have authorized and current contracts of employment that states their hourly rate or salary and period of employment.. The employee, Executive Director, and one council member should approve the contract.

Cause

Per discussion with Curt Szarek, Business Manager a contract existed but expired in June of 2001. Another contract was not created to finish up services through September when the employee left the school.

Effect

Payments are being made to fictitious employees, which can result in fraudulent activities.

Recommendation

One copy of the employee contract should be filed in their personnel folder and another copy filed with the Business Manager of the Charter School. Employment should not begin until the contract is signed and filed with the school. If termination should occur, the Business Manager should verify that a contract exists and is filed with the personnel file.

Response

This finding has to do with a curriculum development stipend that was paid in August 2001 to an employee whose last contract day was June 20, 2001. The outgoing Principal, whose last day was also June 20, 2001, did not inform the incoming Principal and Business Manager that a former employee was in the process of finalizing curriculum development for the 2001/02 school year. When the new Principal was made aware of this during the first week of August, payment was duly authorized and made. We agree with the finding and have instituted measures to ensure that this will not reoccur.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**East Mountain High School
02-43 Student Activities Fund**

Condition

The school did not have policies and procedures over their Student Activity Funds.

Criteria

Good internal controls require policies and procedures, which state the purpose of the student activity fund, and they describe how the accounting of the fund will be managed.

Cause

Business Manager did not realize that policies and procedures were required to administer the student activity fund.

Effect

Charter Schools need monitoring controls on Student Activity Funds to ensure the appropriate allocation of fund money to actual student expenditures. The schools lack of internal control policies and procedures risks that cash may be improperly accounted for.

Recommendation

We recommend that the school develop policies and procedures, which detail the purpose of the Student Activity Fund and states how the accounting of the funds assets will be performed.

Response

On February 6, 2002, the East Mountain High School Business Manger and Governing Council Chair attended a meeting with APS' audit committee in room 102 of Smith Brasher Hall. At this meeting, Mike Kimbrell, APS' audit senior, informed us that there was a policy requirement for Student Activity Funds. Prior to this meeting, we were not aware that there had to be separate Activity Fund policy. The existing student council fund was subject to the controls outlined in the school's cash receipts and cash disbursement policies already in place. In compliance, a formal Student Activity Fund Policy was duly adopted during a meeting of EMHS' Governing Council on September 24, 2002 and is reflect in the minutes thereof.

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002

D. OTHER FINDINGS (CONTINUED)

Nuestros Valores
02-44 Pledged Collateral

Condition

During our testwork of cash, we found that one bank account was above \$100,000 and the bank had not met the pledged collateral requirement.

Criteria

According to the NMSA 1978 Section 6-10-16 and 6-10-17 Public Money Act, bank accounts above \$100,000 are subject to a 50% collateral requirement.

Cause

The Charter School was unaware of the Public Money Act for insurance on material accounts.

Effect

The school is not in compliance with the pledged collateral requirement.

Recommendation

The Charter School must notify the bank that the school receives State funds that is subject to the Public Money Act for amounts above \$100,000 and review the bank's collateralization on the school's accounts.

Response

Deposits of funds of the local school district may be made to checking accounts in one or more banks, saving and loans associations or credit unions as long as the credit union deposits are insured by the agency of the United States, located within the geographical limits of the school.

As per Section 6-10-16 and 6-10-17 NMSA 1978 Nuestros Valores will notify the bank and let them know that the school receives State Funds and is subject to Public Money Act for amount above \$100,000.00 and review the bank's collateralization on the school's accounts.

C. Section 6-10-16 and Section 6-10-16.1 NMSA 1978 provide for the type of securities of the United States and New Mexico, including surety bonds as provided in Section 6-10-15, to be used as collateral for deposits of public funds.

D. Section 6-10-17 NMSA 1978 provides that any financial institution designated as a depository of public money shall deliver securities to a custodial bank and shall deliver a joint safekeeping receipt issued by the custodial bank to the public official from whom the public money is received for deposit.

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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D. OTHER FINDINGS (CONTINUED)

Nuestros Valores

02-45 Payroll- Insurance Deductions

Condition

During our testwork of payroll we found that one out of the four employees did not have the employee elected deductions for Medical, Dental, and Vision.

Criteria

According to SDE-6 Regulations, schools shall maintain adequate insurance coverage and payroll shall maintain and have available pay deduction authorizations. Also, schools payroll should have strict internal controls over payroll transactions.

Cause

The Charter School was paying 100% of the employee's benefits and did not know to make the appropriate deductions.

Effect

Employees are paid incorrectly and recipients, such as NMPSIA, of these deductions may be paid incorrectly.

Recommendation

After manual entry of employee elected deductions, a double check to verify that the appropriate amount is being deducted. Follow State Statutes and NMPSIA regulations on Payroll deductions.

Response

Nuestros Valores has clarified and corrected as per state statute 22-2-6.10 Group Insurance Contributions. Basic life insurance coverage through the New Mexico Public Schools Insurance Authority (NMPSIA) is paid entirely by the school. All other lines of coverage are subject to the contribution limits as defined in the statute based upon the employee's annual salary. Contributions in excess of those in the statute are not permitted. Voluntary Life coverage is employee-pay-all.

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
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JUNE 30, 2002

D. OTHER FINDINGS (CONTINUED)

Nuestros Valores

02-46 Payroll- Authorized Employee Contract

Condition

During our testwork of payroll we found that one out of the four employees did not have an authorized contract of employment with Nuestros Valores within their personnel files.

Criteria

According to policy and procedures all employees should have authorized and current contract of employment that states their salary, period of employment, and work objectives. The employee, Executive Director, and one council member should approve the contract.

Cause

Per discussion with the Business Manager, the contract was never authorized and was not aware that it needed to be due to the employee being on salary.

Effect

Payments are being made to fictitious employees, which can result in fraudulent activities.

Recommendation

One copy of the authorized employee contract should be filed in their personnel folder and another copy filed with the Business Manager of the Charter School. Employment should not begin until the contract is signed and filed with the school. If termination should occur, the Business Manager should verify that a contract exists and is filed with the personnel file.

Response

Nuestros Valores Governance Board has corrected policy and procedures requiring all employees to have an authorized and current contract of employees that states salary, period of employment and work objectives. A copy of all authorized employee contract are filed in their personal folder and second copy filed with the Business Manager.

All contracts must be approved and signed by the Business Manager. No warrant, check or other negotiable instrument shall be issued in payment for any purchase of services, construction or items of tangible personal property unless all services, construction of tangible personal property have been received and meet.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
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D. OTHER FINDINGS (CONTINUED)

Nuestros Valores

02-47 Cash Disbursements- Purchase Orders

Condition

During our testwork of cash disbursements we found that one out of the seventeen invoices had purchase order amounts that did not match invoice amounts.

Criteria

Sound accounting procedures require that purchase orders match invoice amounts.

Cause

Purchase orders were created before the exact amount was given to Nuestros Valores Charter Schools and no adjusting purchase order was created.

Effect

Excess amount over purchase order can be fraudulently spent.

Recommendation

Purchase orders should be created when the vendor gives an estimate dollar amount of purchases and adjusted with appropriate approval for any increases.

Response

All procurement shall be achieved by the competitive sealed bid pursuant to Sections 76 through 83 [13-1-103 to 13-1-110 NMSA 1978] of the Procurement Code, except procurement achieved pursuant to the following sections of the Procurement Code [13-1-28 to 13-1-199 NMSA 1978]

1. Small Purchases
2. Sole Source Procurement
3. Emergency Procurement
4. Existing Contracts
5. Purchases from Antipoverty Program Businesses.

Any request by staff for purchases should be requested on a purchase request form for the exact amount and submitted to the Lead Teacher and Business Manager for approval. If amount has changed an adjustment will be made and submitted to the Lead Teacher and Business Manager for approval before purchase is made. All requests will be approved or denied within 24 hours of receiving request. A purchase order will give authorization to purchase. ***Under no circumstance will any employee commit Nuestros Valores to any purchase without the approval of the Lead Teacher and Business Manager.***

All employees will ensure that Nuestros Valores abides by the State Procurement Code. Copies can be found in the administration office.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**Public Academy for Performing Arts
02-48 Accounts Payable**

Condition

During our audit of accounts payable, we noted that a check was cut for office equipment that no invoice had been received. The check had not been sent to the vendor pending receipt of an invoice.

Criteria

Good accounting controls require that a check should not be processed prior to receipt of the goods or services.

Cause

The check was processed because the Executive Director would be out of town for two months.

Effect

Cash balances and expenditures do not properly reflect transactions. The check could be stolen and deposited.

Recommendation

The Business Office needs to ensure that payments are not processed until the goods are received. Payment should be based on receipt of an invoice to ensure the correct finalized amount.

Response

This check was never issued and was subsequently voided. PAPA's financial policies and procedures do not allow for a check to be issued prior to an invoice being received. The Business Manager has reviewed the financial policies with the bookkeeper to ensure that it is properly followed.

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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D. OTHER FINDINGS (CONTINUED)

Public Academy for Performing Arts
02-49 Payroll- Employee Contracts

Condition

During our testwork of payroll we found that one out of the seven employees did not have contracts of employment with PAPA within their personnel files. Therefore, the salary and payment amount for the period could not be validated.

Criteria

According to policy and procedures all employees should have authorized and current contracts of employment that states their salary, period of employment, and work objectives. The employee, Executive Director, and one council member should approve the contract.

Cause

Contract could not be located.

Effect

Payments are being made to fictitious employees, which can result in fraudulent activities.

Recommendation

One copy of the employee contract should be filed in their personnel folder and another copy filed with the Executive Director of the Charter School. Employment should not begin until the contract is signed and filed with the school. If termination should occur, the Executive Director should verify that a contract exists and is filed with the personnel file.

Response

The following process improvements have been established.

- Beginning with the 2002/03 school year, letters of intent are issued to prospective employees prior to official hiring by the Governing Council. These people work as temporary staff on a time sheet until the Governing Council approves the hiring recommendation.
- Each personnel file now contains a copy of each letter of intent and approved contract.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
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JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**Public Academy for Performing Arts
02-50 Cash, Bank Reconciliation**

Condition

Bank statements at year-end were not reconciled timely to the general ledger.

Criteria

Reconciliation of general ledger and bank balances should be completed on a timely basis, to provide assurance that the bank has entered all transactions and the accountant has recorded all transactions in the books properly.

Effect

Inaccuracies in the accounting records or bank records may not be detected.

Cause

Data extracted from the accounting software could not be deciphered in a manner that allowed the accountant to prepare the bank reconciliation.

Recommendation

Ideally, all bank accounts should be reconciled no later than the 10th working day of the following month or within a week of receipt of the bank statements.

Response

The PAPA Business Manager has implemented deadlines for review of the bank reconciliation and other financial reports. This should prevent the bank reconciliation or any other financial report from being delayed beyond a reasonable time frame.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**Public Academy for Performing Arts
02-51 Cash Disbursements**

Condition

During our testwork of cash disbursements we found the following:

- Two out of the seventeen disbursements did not have a contract of employment for substitute teaching.
- One out of the seventeen disbursements has no evidence that a purchase order was issued.

Criteria

Sound internal controls require that supporting documentation be maintained, purchase orders are issued on each procurement and are properly approved, and services performed must be supported by a contract.

Cause

Not enough emphasis was placed on maintaining the documentation and procedures.

Effect

Unauthorized purchase and payment could be made without detection and cause material misstatements in financial statements.

Recommendation

The school should monitor that it's following written procurement, purchase orders are filed, contracted services are supported by contract, and cash disbursement procedures are being properly implemented.

Response

- Public Academy for Performing Arts internal control now requires that all purchase orders be signed by the Principal and Director for Business and Support Services. No purchases are paid without a supporting purchase order and final invoice.
- Beginning with the 2002/03 school year, our process will assure all long term substitute teachers will have contracts in place, subject to the approval review by the Governing Council.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**Public Academy for Performing Arts
02-52 Procurement Policies- Documentation**

Condition

During our testwork of cash disbursements we found that one out of the sixteen disbursements had no evidence that a P.O. was issued.

Criteria

Sound internal controls require that supporting documentation be maintained by insuring that purchase order are issued on each procurement and are properly approved.

Cause

Purchase order was not created.

Effect

The schools weak controls could potentially cause material errors in the schools financial statements.

Recommendation

The school should monitor that its written procurement and cash disbursement procedures are being properly implemented.

Response

The following process improvements have been established.

- The Principal and Director for Business and Support Services must both sign all purchase order requests. No bills are paid without a supporting purchase order and final invoice.
- The Principal and Director for Business and Support Services review all checks prior to signature to ensure budgetary and procurement compliance.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
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D. OTHER FINDINGS (CONTINUED)

Robert F. Kennedy
02-53 Payroll Disbursements

Condition

During our testwork of payroll disbursements we noted the following:

- Three instances illustrated that the amount paid did not coincide with the base pay rate in the personnel files.
- One out of the five timesheets tested were not signed by the employee.
- One out of the five tested did not have the proper ERA deductions.

Criteria

According to State statutes, the School shall have proper deductions for eligible employees for the Education Retirement Act plan applications, contracts supporting all employee pay rates, and proper authorization of timesheets.

Cause

The Business Manager was unaware that certain conditions were required by State statutes.

Effect

The School is in violation of State statutes.

Recommendation

Personnel files should be reviewed periodically to ensure up to date information, data entry of ERA deductions needs to be reviewed, and timesheets need to be properly signed and authorized.

Response

Personnel files are being reviewed periodically to ensure up to date information. We are contracting with accountant to review all ERA deductions procedures.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**Robert F. Kennedy
02-54 Cash Disbursements**

Condition

During our testwork of cash disbursements we found the following:

- Three out of eighteen disbursements were not properly authorized.
- One out of eighteen disbursements had hours paid to a contractor that did not coincide with the hours reported on the timesheet.
- Six out of eighteen purchase orders could not be located.
- One disbursement was not recorded in the general ledger.

Criteria

Sound internal controls require that supporting documentation be maintained, purchase orders are issued on each procurement and are properly approved, and services performed must be supported by a contract.

Cause

Not enough emphasis was placed on maintaining the documentation and procedures.

Effect

Unauthorized purchase and payment could be made without detection and cause material misstatements in financial statements.

Recommendation

The school should monitor that its following written procurement, purchase orders are filed, contracted services are supported by contract, and cash disbursement procedures are being properly implemented.

Response

Formal procedures for the disbursement of cash have been formally adopted. Employees have been instructed on the procedures, which includes a stipulation that authorization is required before payment is issued. An accountant is being contracted to review and reconcile any discrepancies and make procedural recommendations concerning this matter. We are currently advertising for a new Business Manager/Accountant.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**South Valley Academy
02-55 Pledged Collateral**

Condition

During our testwork of cash, we found that one bank account was above \$100,000 and the bank had not met the pledged collateral requirement.

Criteria

According to the NMSA 1978 Section 6-10-16 and 6-10-17 Public Money Act, bank accounts above \$100,000 are subject to a 50% collateral requirement.

Cause

The Charter School was unaware of the Public Money Act for insurance on material accounts.

Effect

The school is not in compliance with the pledged collateral requirement.

Recommendation

The Charter School must notify the bank that the school receives State funds that is subject to the Public Money Act for amounts above \$100,000 and review the bank's collateralization on the school's accounts.

Response

South Valley Academy will notify the bank and review the bank's collateralization of all of the school's accounts. The school will adhere to all State requirements.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**South Valley Academy
02-56 Budget Deficit**

Condition

During our review of budget to actual expenditures, we noted that an account was over expended during fiscal year 2002.

Account	Budget	Actual	Variance
Food Services	6,318.00	14,667.00	(8,349.00)

Criteria

According to State Statutes, Charter Schools can only expend money that they have budgeted.

Cause

South Valley had excess expenditures and did not submit a Budget Adjustment Request on a timely basis to the State.

Effect

The Charter School will carry-over an excess amount into fiscal year 2003 and a violation of State Statutes.

Recommendation

The Charter School needs to closely monitor their expenditures in comparison to actual on a quarterly basis.

Response

South Valley Academy is participating in the National School Lunch Program. Prior to year-end, the school had received all funds from the State Food Service Department. However, due to the delay in receiving funds a BAR was not prepared for SDE approval. In the future, all BARS will be prepared timely.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**South Valley Academy
02-57 Cash Reconciliation's**

Condition

South Valley Charter School did not have policies and procedures over Cash Reconciliation's.

Criteria

Good internal controls require policies and procedures on who prepares and reviews monthly cash reconciliation's.

Cause

School officials did not realize that policies and procedures were required for cash reconciliation's.

Effect

Charter Schools need monitoring controls on cash reconciliation's. Without proper preparation and review of monthly cash reconciliation's, cash can be misstated in the financial statements.

Recommendation

We recommend that the school develop policies and procedures, which details who prepares and reviews monthly cash reconciliation's.

Response

The school will amend its internal procedures to include policy and procedures describing who prepares cash reconciliation's, and who is responsible for reviewing bank reconciliation's.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**South Valley Academy
02-58 Monthly NMPSIA Reconciliation Reports**

Condition

One NMPSIA report with the reconciliation to payroll records for December of 2001 was missing out of the seven months audited.

Criteria

According to NMPSIA legal compliance, payroll records should be reconciled to monthly reports reported to NMPSIA.

Cause

The Business Manager did not properly file December NMPSIA report with reconciliation to payroll records.

Effect

The Charter School needs to reconcile payroll records to monthly NMPSIA reports and properly file. Without proper documentation of reports, the Charter School may pay excess amounts in insurance expenses to NMPSIA.

Recommendation

We recommend that the school file monthly NMPSIA reports and attach any supporting documentation for reconciliation's to payroll records on a per month basis.

Response

The December NMPSIA reports were reconciled before payments were made to NMPSIA. The school did not have a copy of the reconciled billing for their records. Payments are generated from the school's payroll system thus, requiring the reconciliation of the NMPSIA report monthly.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**Southwest Secondary Learning Center
02-59 Pledged Collateral**

Condition

During our testwork of cash, we found that one bank account was above \$100,000 and the bank had not met the pledged collateral requirement.

Criteria

According to the NMSA 1978 Section 6-10-16 and 6-10-17 Public Money Act, bank accounts above \$100,000 are subject to a 50% collateral requirement.

Cause

The Charter School was unaware of the Public Money Act for insurance on material accounts.

Effect

The school is not in compliance with the pledged collateral requirement.

Recommendation

The Charter School must notify the bank that the school receives State funds that is subject to the Public Money Act for amounts above \$100,000 and review the bank's collateralization on the school's accounts.

Response

The School will implement this recommendation.

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002

D. OTHER FINDINGS (CONTINUED)

Southwest Secondary Learning Center
02-60 Budget Deficit

Condition

During our review of budget to actual expenditures, we noted that five accounts were over expended during fiscal year 2002 and a budget adjustment request did not have proper authorization.

Line Item	Account	Budgeted Amount	Expenditures
31400.11.4118	Capital Outlay	\$	\$ 4,606.59
31400.11.6411	Capital Outlay		29,436.73
31400.11.6412	Capital Outlay		2,871.65
24.106.03.3214	Other Professional Services		4,525.35
24.119.01.6412	Supply Assets (under \$1,000)		2,885.27

Criteria

According to State Statutes, Charter Schools can only expend money that they have budgeted.

Cause

The school was awarded state funding for fiscal year 2002-2003 but paid for the funds in fiscal year 2001-2002. Posting of checks was made in the July 2002 period in order to record the expenditure in the appropriate funding period.

Effect

Proper budget authority was not available for expenditures or budget adjustment requests that were made during the fiscal year.

Recommendation

The Charter School closely monitor their expenditures in comparison to actuals on a quarterly basis. All transactions should be recorded in the period that the transaction took place and budgeted funds should only be paid for and incurred in the approved funding period. All budget increases should be properly approved through the State Board or the funding agency.

Response

The findings of the auditor are only partially correct. Intra-fund transfers do not require SDE authorization, only governance council approval, which existed prior to the transfer. The Capital Outlay expenditures were moved to allow for legislative reimbursement. Recommendation #2 will be implemented in the future.

ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002

D. OTHER FINDINGS (CONTINUED)

Southwest Secondary Learning Center
02-61 Fixed Asset Invoices

Condition

During our review test work of fixed asset additions we noted that two fixed asset additions did not agree to the invoices:

- One purchase was paid and recorded on the general ledger in the amount of the purchase order instead of actual invoices resulting in an overpayment of \$1,038.67.
- One invoice does not agree to the total amount of assets detailed by the school.

Criteria

All expenditures and payments should be made off of invoices, which reflect the actual cost to the school.

Cause

Payment was remitted based on purchase orders instead of invoices and detail fixed assets were not recorded at the correct amounts.

Effect

Vendor was overpaid by the difference between the purchase order amounts and the invoice amounts and assets recorded do not agree with detail of the fixed asset.

Recommendation

All payments should be made based on actual invoiced amounts and not purchase order amounts. Fixed asset accounting records should be supported by actual payments, agree to supporting documentation, and the school needs to collect the overpayment.

Response

The school will attempt to implement this recommendation.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

Southwest Secondary Learning Center

02-62 Business Expense Documentation

Condition

During our test work of account payable and the review of expenditures we noted \$150 of travel expenses that did not appear to have a clear business purpose.

Criteria

All expenditures paid by the School should have appropriate documentatin as to the related business expense.

Effect

School funds could be used to pay for expenditures unrelated to the business of the School.

Cause

Business purpose was not stated in expenditure documentation.

Recommendation

All expenditures should have an obvious business purpose or be supported by an explanation of the business purpose.

Response

The school will implement the recommendation.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**Southwest Secondary Learning Center
02-63 Contract for Services**

Condition

During the review of internal controls, it was noted that a founder of the school had contracted with the school for services while still on the Governance Council.

Criteria

This is in direct violation of Article 21, section 22-21-1 of NMSA 1978, which states that "....a member of a local school board..... shall not , directly or indirectly, sell or be a party to any transaction to sell any instructional material, furniture, equipment, insurance, school supplies or work under contract to the Department of Education, school district or public school with which he is associated or employed."

Cause

The founder was not aware of the State statute.

Effect

The founder is in violation of the State statute

Recommendation

The school must not contract with Governance Council Member or employees for additional services other than assigned duties.

Response

The school will follow State Statute.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**Southwest Secondary Learning Center
02-64 Check Postings**

Condition

During our test work of cash balances we noted three checks that were written in June 2002 but were post dated into July 2002.

Criteria

All cash transactions should be properly reflected in the period that the transaction took place in order to properly reflect the year-end financial position of the School. Budgeted funds for each fiscal year should only be expended I the approved fiscal year.

Effect

Cash and expenditures balances were not properly reflected at year-end.

Cause

The school was awarded state funding for fiscal year 2002-2003 but paid for the funds in fiscal year 2001-2002. Posting of the checks was in the July 2002 period in order to record the expenditure in the appropriate funding period.

Recommendation

All transactions should be recorded in the period that the transaction took place and budgeted funds should only be paid for and incurred in the approved funding period.

Response

The school will implement the recommendation.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**The Learning Community
02-65 Budget Deficit**

Condition

During our review of budget to actual expenditures, we noted that the following accounts were over expended during fiscal year 2002.

Account	Variance
Workers Comp Premium	(544.00)
Other Textbooks	(1,256.06)
Secy/Clerical/Tech. Assist.	(4,077.35)
Other Contracted Services	(3,977.58)
Other Charges	(397.61)
Rents and Leases	(33,956.70)

Criteria

According to State Statutes, Charter Schools can only expend money that they have budgeted.

Cause

The Learning Community had excess expenditures and did not submit a Budget Adjustment Request on a timely basis to the State.

Effect

The Charter School is in violation of State Statutes.

Recommendation

The Charter School needs to closely monitor their expenditures in comparison to actuals on a quarterly basis.

Response

Procedures are now in place to monitor expenditures on a monthly basis to insure fiscal accountability. The total budget was not over spent for FY 2002.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

The Learning Community

02-66 Contract for Services

Condition

During the review of internal controls, it was noted that a founder of the school had contracted with the school for services while still on the Governance Council which were partially.

Criteria

This is in direct violation of Article 21, section 22-21-1 of NMSA 1978, which states that "...a member of a local school board..... shall not , directly or indirectly, sell or be a party to any transaction to sell any instructional material, furniture, equipment, insurance, school supplies or work under contract to the Department of Education, school district or public school with which he is associated or employed."

Cause

The founder was not aware of the State statute.

Effect

The founder is in violation of the State statute

Recommendation

The school must not contract with Governance Council Member or employees for additional services other than assigned duties

Response

All Contracts are now reviewed by the administration to ensure that no conflict of interest arise involving Governance Council Members or TLC staff.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

**The Learning Community
02-67 Pledged Collateral**

Condition

During our testwork of cash, we found that one bank account was above \$100,000 and the bank had not met the pledged collateral requirement.

Criteria

According to the NMSA 1978 Section 6-10-16 and 6-10-17 Public Money Act, bank accounts above \$100,000 are subject to a 50% collateral requirement.

Cause

The Charter School was unaware of the Public Money Act for insurance on material accounts.

Effect

The school is not in compliance with the pledged collateral requirement.

Recommendation

The Charter School must notify the bank that the school receives State funds that is subject to the Public Money Act for amounts above \$100,000 and review the bank's collateralization on the school's accounts.

Response

The Business manager will notify Bank that funds are subject to the Public Money Act for amounts over \$100,000.00.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

The Learning Community

02-68 Cash Receipts

Condition

Employees of The Learning Community do not adhere to written policies and procedures documenting appropriate handling of cash receipts.

Criteria

Current policies and procedures stipulate that mail should be opened under dual control, cash or checks received should have an associated receipt and a log documenting receipt of cash or checks should be maintained.

Cause

Given the small size of the school, segregation of duties along these lines is inefficient.

Effect

Cash receipts may be misappropriated.

Recommendation

Mail should be opened under dual control and receipts and a log should be utilized to document receipt of funds per policies and procedures.

Response

Receipt book and log will be implemented. Secretary will open mail, prepare receipt, and enter onto log sheet. Daily deposits will be prepared by Business manager and posted to the cash ledger.

**ALBUQUERQUE MUNICIPAL SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2002**

D. OTHER FINDINGS (CONTINUED)

The Learning Community

02-69 Payroll Disbursements

Condition

During our testwork on payroll disbursements, we noted the following:

- Four instances in which deductions could not be recalculated.
- One payroll check was issued with no supporting documentation.
- Two checks did not match the number of the check actually issued.
- One personnel file did not have the required supporting documentation.
- Two files were not up to date for the 2002 school year.

Criteria

Employees authorize specific payroll deductions and approve them under the assumption that the employer will perform the payroll function correctly. Additionally, payments based on employee deductions made to other agencies may be erroneous.

Cause

Supporting documentation was misplaced, voided checks are not stamped, verbal changes were made to personnel files without written documentation, and erroneous deductions were believed to be due to a parameter error.

Effect

Employees are paid incorrectly and, by extension, recipients of these deductions may be paid incorrectly.

Recommendation

We recommend the staff review payroll transactions against documentation in employee files to ensure all deductions are correct and approved, personnel files should be reviewed, voided checks need to be stamped "void," and supporting documentation should exist for all payroll transactions.

Response

- The new payroll procedure being followed addresses the above condition. Reconciliation is done monthly to insure deductions match to amounts paid out to insurance companies and ERB.
- All personnel files have been reviewed by the new Business manager for proper documentation. All personnel files will be reviewed periodically.
- Supporting documentation for all payroll transactions is strictly adhered to by the new business a manger.

EXIT CONFERENCE

An exit conference was held on December 12, 2002 and attended by the following:

District Personnel

Audit Committee Members:

Matthew Archuleta, Chair
Berna Facio
Mary Lee Martin
Bruce Bleakman

Administrators:

Michael Vigil
Michael Kimbrell
Julie Crespy
Kathy Cantrell
Al Sanchez
Deborah Albrycht

Neff & Ricci, LLP

Wayne Brown
Scott Peck

State of New Mexico Office of the State Auditor

George McGeorge

City of Albuquerque

No one in attendance

Charter Schools

21st Century

Katherine Krivitski
Darlene Arias

RFK

Raul Boade
Evonne Delgado
Chet Castillo

South Valley Academy

Al Martinez

Southwest Secondary Learning

Scott Glasrud
Dolly Juarez
John Visser

East Mountain High School

Curt Szarek

Amy Biehl High School

Tony MonFiletto
Bruce Longsworth

Public Academy for

Performing Arts

Tess Barteson
Danielle Johnston

North Valley Academy

Jennifer English
Al Valdez

The Learning Community

Stan Albrycht

