

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
Santa Fe, New Mexico**

**FINANCIAL STATEMENTS  
June 30, 2012**

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STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Official Roster

June 30, 2012

Cabinet Secretary	Thomas E. Clifford, Ph.D.
Deputy Secretary	Duffy Rodriguez
<u>Division</u>	<u>Director</u>
Administrative Services	Sylvia Barela
Board of Finance	Stephanie Schardin Clark
Financial Control	Ricky Bejarano, CPA
Local Government	Ryan Gleason
State Budget	Duffy Rodriguez



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## Independent Auditors' Report

Mr. Thomas E. Clifford, Ph.D, Cabinet Secretary  
State of New Mexico  
Department of Finance and Administration  
and  
Mr. Hector H. Balderas, New Mexico State Auditor

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the State of New Mexico Department of Finance and Administration (Department) as of and for the year ended June 30, 2012, which collectively comprise the Department's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Department's nonmajor governmental and fiduciary funds and the budgetary comparisons for the major capital project fund, and all nonmajor funds presented as supplemental information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2012, as listed in the table of contents. These financial statements are the responsibility of the Department'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.

As discussed in Note 1 to the financial statements, the financial statements of the Department are intended to present the respective financial position of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the Department as of and for the year ended June 30, 2012, and the changes in financial position and cash flows, where applicable, of those activities and funds. They do not purport to, and do not, present fairly the financial position of the entire State of New Mexico as of June 30, 2012, or the respective changes in the financial position and cash flows, where applicable, thereof, in accordance with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Department as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States

of America. In addition, in our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of each nonmajor governmental and fiduciary funds of the Department as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital project fund, and all nonmajor funds 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 December 4, 2012 on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. 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 financial statements. The additional schedules listed as "other supplementary information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*CliftonLarsonAllen LLP*

December 4, 2012  
Albuquerque, New Mexico

**STATE OF NEW MEXICO**  
**DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Year Ended June 30, 2012

The following Management's Discussion and Analysis, or MD&A, for the State of New Mexico, Department of Finance and Administration (the Department) introduces the basic financial statements and provides an analytical overview of the Department's financial condition and results of operations as of and for the year ended June 30, 2012, with comparative numbers for the year ended June 30, 2011. This summary should not be taken as a replacement for the basic financial statements.

The MD&A is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis -for State and Local Governments, issued June 1999; GASB Statement No. 37, Basic Financial Statements - and Management's Discussion and Analysis -for State and Local Governments: Omnibus, an amendment to GASB Statements No. 21 and No. 34, issued in June 2001, and; GASB Statement No. 38, Certain Financial Statement Note Disclosures, issued in 2001.

### **OVERVIEW OF THE BASIC FINANCIAL STATEMENTS**

The Department is one of several agencies within the government of the State of New Mexico, and as such, the only focus of this financial report is on the Department, and not the State of New Mexico taken as a whole. The financial statements include the following three elements: (1) Management's Discussion and Analysis, (2) the Basic Financial Statements, and (3) Other Supplementary Information. The basic financial statements include two kinds of statements that present different views of the Department:

The first two statements are agency-wide financial statements that report information about the Department's overall financial condition and results of operations, both long-term and short-term, using accounting methods similar to those used by private-sector companies. The Statement of Net Assets includes all of the Department's assets, liabilities, and net assets. All revenues and expenses are accounted for in the Statement of Activities regardless of when Interest in State Treasurer Investment Pool is received or disbursed. The remaining statements are fund financial statements.

Governmental funds statements, including the Balance Sheet and Statement of Revenues, Expenditures, and Change in Fund Balances, focus on individual parts of the Department, reporting the Department's financial condition and results of operations in more detail than the agency-wide statements, and tell how general government services were financed in the short term as well as what remains for future spending. Emphasis is on the general and major funds. Non-major governmental funds are summarized in a single column.

Statement of Revenues and Expenditures - Budget and Actual (Budgetary Basis) reports the original approved budget, final approved budget, and actual results presented on the budgetary basis of reporting for the general fund and all major funds. A separate column is presented to report any variances between the final budget and actual amounts.

Statement of Fiduciary Net Assets provides information about the financial relationships in which the Department acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong.

Additional details about the basic financial statements are found in the Notes to the Financial Statements and the Supplementary Information sections.

### **FINANCIAL ANALYSIS OF THE DEPARTMENT AS A WHOLE**

The following condensed financial information was derived from the agency-wide financial statements and compares the current year to the prior year:

**STATE OF NEW MEXICO**  
**DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Year Ended June 30, 2012

	<u>Current Year - June 30, 2012</u>	<u>Prior Year - June 30, 2011</u>	<u>Increase/ (Decrease)</u>	<u>Percentage Change</u>
<b>Condensed Statement of Net Assets:</b>				
<b>Assets</b>				
Current assets (+)	\$ 1,012,907,216	\$ 1,241,857,817	\$ (228,950,601)	-18%
Capital assets (+)	<u>156,249</u>	<u>183,130</u>	<u>(26,881)</u>	-15%
Total assets (= +)	<u>\$ 1,013,063,465</u>	<u>\$ 1,242,040,947</u>	<u>\$ (228,977,482)</u>	-18%
<b>Liabilities</b>				
Current liabilities (-)	\$ 103,643,701	\$ 120,587,024	\$ (16,943,323)	-14%
Long-term liabilities (-)	<u>59,098</u>	<u>11,137</u>	<u>47,961</u>	431%
Total liabilities (= -)	<u>103,702,799</u>	<u>120,598,161</u>	<u>(16,895,362)</u>	-14%
<b>Net assets</b>				
Invested in capital assets (+)	156,249	183,130	(26,881)	-15%
Restricted (+)	12,263,124	25,902,952	(13,639,828)	-53%
Unrestricted (+)	<u>896,941,293</u>	<u>1,095,356,704</u>	<u>(198,415,411)</u>	-18%
Total net assets (= +)	<u>909,360,666</u>	<u>1,121,442,786</u>	<u>(212,082,120)</u>	-19%
Total Liabilities and Nets Assets	<u>\$ 1,013,063,465</u>	<u>\$ 1,242,040,947</u>	<u>\$ (228,977,482)</u>	-18%
<b>Condensed Statement of Activities:</b>				
<b>Governmental revenue and expenses</b>				
Program revenues (+)	\$ 20,546,435	\$ 28,332,639	\$ (7,786,204)	-27%
Program expenses:				
Policy development (-)	2,569,671	2,596,260	(26,589)	-1%
Program support (-)	1,480,519	1,401,499	79,020	6%
Community development (-)	3,518,206	3,801,114	(282,908)	-7%
Fiscal management (-)	5,308,315	5,119,789	188,526	4%
Grants to others (-)	72,444,603	134,125,962	(61,681,359)	-46%
Other fiscal support (-)	<u>10,623,720</u>	<u>12,803,400</u>	<u>(2,179,680)</u>	-17%
Program expenses (= -)	<u>95,945,034</u>	<u>159,848,024</u>	<u>(63,902,990)</u>	-40%
Deficiency (= -)	<u>75,398,599</u>	<u>131,515,385</u>	<u>(56,116,786)</u>	-43%
General fund appropriations (+)	25,423,998	26,037,017	(613,019)	-2%
Capital Projects Appropriation	1,660,700	-	1,660,700	100%
Bond Proceeds	346,199,047	253,101,562	93,097,485	37%
Taxes and surcharges (+)	74,961,967	75,070,213	(108,246)	0%
Federal Grants (+)	6,113,470	98,235,184	(92,121,714)	-94%
Other general revenues (+)	<u>886,190</u>	<u>1,973,568</u>	<u>(1,087,378)</u>	-55%
Total revenues (= +)	<u>455,245,372</u>	<u>454,417,544</u>	<u>827,828</u>	0%
Transfers in (+)	42,469,292	51,005,165	(8,535,873)	-17%
Transfers out (-)	616,115,043	680,227,304	(64,112,261)	-9%
Reversions (-)	<u>18,283,142</u>	<u>27,780,245</u>	<u>(9,497,103)</u>	-34%
Change in Net Assets	(212,082,120)	(334,100,225)	122,018,105	-37%
Beginning Net Assets	<u>1,121,442,786</u>	<u>1,455,543,011</u>	<u>(334,100,225)</u>	-23%
Total Net Assets	<u>\$ 909,360,666</u>	<u>\$ 1,121,442,786</u>	<u>\$ (212,082,120)</u>	-19%



**STATE OF NEW MEXICO**  
**DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Year Ended June 30, 2012

**FINANCIAL HIGHLIGHTS**

- Program Revenues and Federal Grants Revenues decreased primarily due to completion of American Recovery and Reinvestment Act (ARRA) related grants in FY 2012.
- There was significant reduction in Grants to others due to decreased source in Federal funding attributed to depletion of ARRA funding.
- The receipt of Bond Proceeds has increased in FY 2012 because the legislature passed a capital projects bill in the 2011 Legislative Session which made a bond issue possible in FY 2012. Similar bill had failed to pass in 2010 Legislative Session.

**FINANCIAL ANALYSIS AT THE FUND LEVEL**

The following analysis was derived from the fund financial statements and compares the current year fund balances to the prior year:

	<u>Current Year - June 30, 2012</u>	<u>Prior Year - 6/30/2011</u>	<u>Increase/ (Decrease)</u>	<u>Percentage Change</u>
General Fund*	\$ 5,583,719	\$ 15,974,543	\$ (10,390,824)	65%
E911 Enhancement Fund	12,525,664	12,145,245	380,419	3%
Board of Finance Bond Funds	887,710,331	1,087,692,430	(199,982,099)	-18%
Community Development Block Grant	-	34,059	(34,059)	-100%
Law Enforcement Protection Fund	100,000	100,000	-	0%
County Supported Medicaid Fund	-	-	-	0%
Local DWI Grant Program	1,898,030	1,992,330	(94,300)	-5%
Other Governmental Funds	<u>1,977,653</u>	<u>3,877,866</u>	<u>(1,900,233)</u>	-49%
Totals	<u>\$ 909,795,397</u>	<u>\$ 1,121,816,493</u>	<u>\$ (212,021,096)</u>	-19%

\* The governmental fund types used by the Department were evaluated based on the provisions of GASB 54, and several funds were determined to not meet the fund type classification for Special Revenue funds. As a result, these funds were reported in the General Fund.

- The fund balance decrease in General Fund is primarily attributed to depletion of fund balance of \$11,806,622 by way of expenditures in NM Recovery and Reinvestment Fund (1082), which is presented as part of the General Fund. The activities in fund 1082 concluded in FY 2012.
- Board of Finance funds has a decrease in fund balance, which is attributed to increased expenditures during the last year of numerous multiyear Capital Projects which were expiring on June 30, 2012 and were appropriated in FY 2007.
- The decrease in fund balance of non-major governmental funds is attributed to a decrease in fund balance of General Fund Capital Projects Fund (Fund 52900) which had increased expenditures pertaining to multiyear projects expiring on June 30, 2012.

**GENERAL BUDGETARY HIGHLIGHTS**

- The Department budgets at the category level by department value. For the year ending June 30, 2012, there were no budget overruns to report.
- The Department of Finance and Administration's department-wide operating budget as well as its non-operating budgets for fiscal year 2012, are outlined in the General Appropriations Act, Laws of 2011,

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Chapter 179. Adjustments made to the DFA budget include the following:

- Beginning in FY12, the Office of Education Accountability (OEA) merged with the State Budget Division. The OEA budget for FY12 and four FTE were combined within the State Budget Division. Thus the overall Policy Development Program remained the same. Further, the General Appropriations Act, Laws of 2011, Chapter 179, Section 4, eliminated two FTE, one each in Policy Development Program and Community Development Program.
- The General Appropriations Act, Laws of 2011, Chapter 179, Section 4, eliminated two FTE, one each in Policy Development Program and Community Development Program.

**PERFORMANCE MEASURES**

The Department collects data to measure success in meeting performance measure targets to address the requirements for the Accountability in Government Act (AGA), Sections 6-3A-1 through 6-3A-8 NMSA 1978. Performance measures outlined in the General Appropriation's Act, Laws of 2004, for the year ended June 30, 2012 were as follows:

Type of Measure	Measure	Target	Result
	<b>Policy Development Program</b>		
Outcome	General fund reserves as a percent of recurring appropriations.	5%	13.9%
	<b>Program Support</b>		
Outcome	Percent of funds reconciled to the general ledger, as an internal process within 15 days after month-end (Measure was deemed as no longer being valid and is replaced with a new measure in FY13).	100%	Not reported
	<b>Community Development Program</b>		
Output	Percent of local entity budgets submitted to the Local Government Division by established deadline.	90%	95%
Outcome	Number of capital projects older than five years that are unexpended (not expended or reverted).	20	0
Outcome	Number of local entities operating under a continuing resolution for a portion of the fiscal year.	14	3
	<b>Fiscal Management Program</b>		
Output	Length of time to issue Statewide Comprehensive Annual Financial Report after the end of the fiscal year.	7 Months	12 Months

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

The Department purchased a new copier for \$10,646, which increased the capital assets for the year. The Department has no infrastructure assets.

While the Board of Finance is responsible for issuing and administering most of the bonds for the State of New Mexico, there are no liabilities reported in the Statement of Net Assets for general obligation bonds, severance tax

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bonds, or supplemental severance tax bonds. Bond ratings for all bonds issued and administered by the Board of Finance did not change from the prior year's ratings and are as follows:

<u>Bond Type</u>	<u>Moody's</u>	<u>Standard &amp; Poor's</u>
General Obligation Bonds	Aaa	AA+
Severance Tax Bonds	Aa1	AA
Supplemental Severance Tax Bonds	Aa2	AA-

**ECONOMIC FACTORS AFFECTING NEW MEXICO'S FISCAL YEAR 2012 BUDGET**

The starting point in development of New Mexico's General Fund operating budget is a revenue forecast prepared by a team of economists from both the legislative and executive branches. This "consensus group" bases their revenue forecast on a macroeconomic forecast of the U.S. economy by IHS Global Insight in combination with a forecast of the New Mexico economy by the University of New Mexico's Bureau of Business and Economic Research. These data are supplemented with information provided by state agencies, the Congressional Budget Office, and other national data sources. Detailed information on the production of crude oil and natural gas are derived from the State's ONGARD reporting system.

**Trends in the U.S. Economy**

U.S. gross domestic product grew by just 1.8 percent during FY12. Decreasing government spending is one factor holding down growth, export demand is slowing, and although housing demand has begun to recover, consumers were reluctant to spend given the stubbornly high unemployment rate. U.S. inflation remains subdued. Although this enables the Federal Reserve to pursue monetary expansion to support growth, it also means the state has seen subdued growth in its "top line" revenues like the Gross Receipts Tax. The U.S. budget deficit will exceed \$1 trillion in federal fiscal year 2012, the fourth straight year the deficit has topped \$1 trillion. Impending budget cuts to address these shortfalls are likely to hit New Mexico harder than many other states because of the state's extensive reliance on federal government expenditures.

**New Mexico Economy**

New Mexico's total payroll employment grew by only 0.2 percent in FY12. Growth was significantly slower than expected in the consensus revenue forecast. The government sector continues to be a drag on growth, but weakness is also evident in business and professional services. New Mexico's unemployment rate continues to be significantly lower than the national rate, but this appears to reflect discouraged workers leaving the workforce rather than improving payrolls.

Approximately 16 percent of general fund revenue can be directly attributed to oil and gas production, rents and royalties with another 10 percent originating from corporate income and gross receipts tax revenues from direct production and indirect production-related activities. New Mexico crude oil prices averaged \$90.25 per barrel (bbl) in FY12, an increase of \$5.65/bbl from FY11. Natural gas prices in New Mexico averaged \$5.10 per thousand cubic feet (mcf) in FY12, slightly below the FY11 average price of 5.50/mcf. New Mexico prices have been buoyed by a premium due to high-priced natural gas liquids associated with the dry gas.

Crude oil production in New Mexico increased by 13 percent in FY12 reaching 78 million barrels. Drilling activity in the state's portion of the Permian Basin has increased as new hydraulic fracking and horizontal drilling techniques have been directed at oil-rich formations. Natural gas production fell again in FY12, but at a slower rate than in the recent past. Natural gas rig counts have fallen sharply in recent months both nationally and in New Mexico. Sharply increased natural gas production nationally has pushed prices down, reducing the attractiveness of natural gas production relative to crude oil production.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
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**FY12 State General Fund Revenues**

FY12 revenues surpassed the consensus forecast by an estimated \$218 million. Stronger-than-expected oil and gas revenue contributed about 85 percent of the unexpected revenue. Recurring general fund revenues totaled \$5.75 billion in FY12, an increase of 6.3 percent from FY11. FY12 ending balances are estimated to be \$705 million, or 13 percent of recurring appropriations. A projected revenue surplus of \$33 million in FY13 is expected to maintain reserve levels at or above this level.

The gross receipts tax (GRT) – a broad-based gross revenue tax on most business receipts -- is the State's single largest revenue source, contributing roughly one-third of general fund revenue as well as a substantial portion of local government revenues. FY12 GRT collections increased 6.2 percent, a second straight year of relatively strong growth after the recessionary period of FY09 – FY10. About 27 percent of the FY12 growth in taxable gross receipts occurred in the mining and extraction sectors.

FY12 personal income tax (PIT) revenue rose by 5.6 percent from FY11, largely due to increased oil and gas withholding resulting from 2011 legislative changes. Limited payroll growth has subdued growth in the withholding component of the PIT. Corporate income tax (CIT) revenue grew by 23 percent in FY12, continuing a strong rebound from low recessionary levels. This growth would have been weaker except that film credit payments were well below forecast. FY12 film credits fell to \$10 million from \$95 million in FY11, largely a result of timing due to the rush to file claims at the end of FY11.

Mineral production taxes, bonuses and royalties totaled \$1,039 million in FY12, an increase of 16 percent from FY11. The bulk of the increase was larger than expected federal royalties and state land bonuses resulting from the recent increase in oil prices and volumes.

**General Fund Revenue Outlook**

Total recurring growth is projected to fall 1.0 percent in FY13 but increase to 4.1 percent in FY14. The FY13 decline is largely attributable to anticipated reductions in mineral-related revenues resulting from low natural gas prices and forecast weakness in oil prices. Relatively weak GDP growth and sluggish job growth will limit growth in GRT revenues. Although the mining sector has rebounded strongly in the last two years, this growth is expected to slow in the future in response to falling energy prices. 2012 legislation reducing GRT on business inputs will reduce growth of revenue collections slightly over the next several years, but the measure should encourage new business investment in the state's economy.

PIT revenue is projected to grow by 3.1 percent in FY13 and another 4.3 percent in FY14, growth rates consistent with forecast increases in wages and salaries. Growth in corporate income tax revenue is expected to grow by 6 percent in FY13 and 18 percent in FY14.

Stronger than expected oil volumes along with modest increases in energy prices are expected to increase mineral-related revenues by 7 percent in FY14 or \$65 million following a projected 11 percent decline in FY13.

Insurance premiums tax revenue is forecast to increase in the future, based on impacts of the federal Affordable Care Act (ACA). The estimate assumes the increase in premiums revenue will be gradual, adding \$11 million in FY14 and \$26 million in FY15. There is much uncertainty regarding the implementation of the ACA and its impact on general fund revenues. Potential repeal of the ACA poses a negative risk to this premiums tax revenue forecast.

**CONTACT INFORMATION**

Department of Finance and Administration  
(505) 827-4985  
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Santa Fe, NM 87501

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**Statement of Net Assets  
June 30, 2012**

	<u>Total Governmental Activities</u>
<b>ASSETS</b>	
Current Assets	
Investment in State General Fund Investment Pool	\$ 1,007,349,398
Loans Receivable	723,484
Other Receivables	2,305
Receivable From Federal Government	1,432,446
Receivable From State General Fund	87,000
Receivable From Other State Agencies	3,312,583
Total Current Assets	<u>1,012,907,216</u>
Noncurrent Assets	
Capital Assets, net of accumulated depreciation	<u>156,249</u>
Total Assets	<u>\$ 1,013,063,465</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	\$ 14,692,779
Accrued Payroll	407,955
Payable To Federal Government	13,542
Payable To State General Fund	10,145,452
Payable To Other State Agencies	59,384,455
Payable to Other Entities	18,396,258
Payable to Agency Funds	6,644
Other Liabilities	64,734
Compensated Absences	531,882
Total Current Liabilities	<u>103,643,701</u>
Noncurrent Liabilities	
Compensated Absences	<u>59,098</u>
Total Noncurrent Liabilities	<u>59,098</u>
Total Liabilities	103,702,799
<b>NET ASSETS</b>	
Invested in Capital Assets, net of related debt	156,249
Restricted For:	
Nonspendable Form	1,498,896
Local DWI Grant Program	473,420
911 Enhancement Program	9,030,164
Law Enforcement Activity	100,000
Civil Legal Services	23,155
Other Governmental Activity	1,137,489
Unrestricted	896,941,293
Total Net Assets	<u>909,360,666</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,013,063,465</u>

See accompanying notes to financial statements.

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

Exhibit 2

**Statement of Activities  
For the Year Ended June 30, 2012**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Operating Grants and Contributions</b>	<b>Net (Expense) Revenue and Changes in Net Assets</b>
<b>Governmental Activities</b>			
Policy Development	\$ 2,569,671	\$ -	\$ (2,569,671)
Program Support	1,480,519	-	(1,480,519)
Community Development	3,518,206	589,870	(2,928,336)
Fiscal Management	5,308,315	-	(5,308,315)
Grants to Others	72,444,603	19,536,366	(52,908,237)
Other Fiscal Support	10,623,720	420,199	(10,203,521)
Total Governmental Activities	\$ 95,945,034	\$ 20,546,435	(75,398,599)
<b>General Revenues</b>			
General Fund Appropriation			25,423,998
Capital Projects Appropriation			1,660,700
Alcohol Tax Revenue			18,618,036
E911 Surcharges			12,157,461
Civil Legal Filing Fees			1,718,824
Interest Income			19,529
Assessments and fees			42,448,117
Federal Grants			6,113,470
Other Revenue			886,190
Bond Proceeds			346,199,047
Reversions			(18,283,142)
Transfers in			42,469,292
Transfers out			(616,115,043)
Total General Revenues, Reversions and Transfers			(136,683,521)
<b>Changes in Net Assets</b>			(212,082,120)
Net Assets at beginning of year			1,121,442,786
Net Assets at the end of the year			\$ 909,360,666

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Balance Sheets - Governmental Funds  
June 30, 2012

	General Fund	911 Enhancement Fund 74500	Board of Finance Bond Funds
<b>ASSETS</b>			
Investment in State General Fund Investment Pool	\$ 9,301,860	\$ 12,339,458	\$ 963,614,311
Loans Receivable	723,484	-	-
Other Receivables	2,049	-	-
Receivable From Federal Government	-	33,408	-
Receivable From State General Fund	87,000	-	-
Receivable From Other Funds	-	-	11,758
Receivable From Other State Agencies	41,394	1,007,674	345,098
Total Assets	<u>\$ 10,155,787</u>	<u>\$ 13,380,540</u>	<u>\$ 963,971,167</u>
<b>LIABILITIES</b>			
Investment in State General Fund Investment Pool			
Overdraft	\$ -	\$ -	\$ -
Accounts Payable	1,644,781	841,357	-
Accrued Payroll	361,418	13,519	-
Payable To Federal Government	-	-	-
Payable To State General Fund	1,505,005	-	-
Payable To Other Funds	-	-	4,335,492
Payable To Agency Funds	6,644	-	-
Payable To Other State Agencies	989,486	-	53,530,461
Payable To Other Entities	-	-	18,394,883
Other Liabilities	64,734	-	-
Total Liabilities	<u>4,572,068</u>	<u>854,876</u>	<u>76,260,836</u>
<b>FUND BALANCES</b>			
Nonspendable	1,498,896	-	-
Restricted	609,555	9,030,164	-
Committed	3,475,268	-	887,710,331
Assigned	-	3,495,500	-
Total Fund Balances	<u>5,583,719</u>	<u>12,525,664</u>	<u>887,710,331</u>
Total Liabilities and Fund Balances	<u>\$ 10,155,787</u>	<u>\$ 13,380,540</u>	<u>\$ 963,971,167</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Balance Sheets - Governmental Funds  
June 30, 2012

	Community Development Block Grant Fund 08800	Law Enforcement Protection Fund 73600	County Supported Medicaid Fund 02100
<b>ASSETS</b>			
Investment in State General Fund Investment Pool	\$ -	\$ 13,571,658	\$ 1,691,742
Loans Receivable	-	-	-
Other Receivables	256	-	-
Receivable From Federal Government	1,063,546	-	-
Receivable From State General Fund	-	-	-
Receivable From Other Funds	-	-	-
Receivable From Other State Agencies	-	-	1,608,365
Total Assets	<u>\$ 1,063,802</u>	<u>\$ 13,571,658</u>	<u>\$ 3,300,107</u>
<b>LIABILITIES</b>			
Investment in State General Fund Investment Pool			
Overdraft	\$ 63,989	\$ -	\$ -
Accounts Payable	937,542	5,180,600	-
Accrued Payroll	14,134	-	-
Payable To Federal Government	13,535	-	-
Payable To State General Fund	-	8,291,058	-
Payable To Other Funds	34,602	-	-
Payable To Agency Funds	-	-	-
Payable To Other State Agencies	-	-	3,300,107
Payable To Other Entities	-	-	-
Other Liabilities	-	-	-
Total Liabilities	<u>1,063,802</u>	<u>13,471,658</u>	<u>3,300,107</u>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	-	100,000	-
Committed	-	-	-
Assigned	-	-	-
Total Fund Balances	<u>-</u>	<u>100,000</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 1,063,802</u>	<u>\$ 13,571,658</u>	<u>\$ 3,300,107</u>

See accompanying notes to financial statements.



STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Balance Sheets - Governmental Funds  
June 30, 2012

	Local DWI Grant Program Fund 56000	Total Nonmajor Governmental Funds (see Statement A-1)	Total Governmental Funds
<b>ASSETS</b>			
Investment in State General Fund Investment Pool	\$ 4,083,398	\$ 2,873,772	\$ 1,007,476,199
Loans Receivable	-	-	723,484
Other Receivables	-	-	2,305
Receivable From Federal Government	-	335,492	1,432,446
Receivable From State General Fund	-	-	87,000
Receivable From Other Funds	34,602	5,059,168	5,105,528
Receivable From Other State Agencies	-	310,052	3,312,583
Total Assets	<u>\$ 4,118,000</u>	<u>\$ 8,578,484</u>	<u>\$ 1,018,139,545</u>
<b>LIABILITIES</b>			
Investment in State General Fund Investment Pool			
Overdraft	\$ -	\$ 62,812	\$ 126,801
Accounts Payable	2,202,160	3,886,339	14,692,779
Accrued Payroll	17,810	1,074	407,955
Payable To Federal Government	-	7	13,542
Payable To State General Fund	-	349,389	10,145,452
Payable To Other Funds	-	735,434	5,105,528
Payable To Agency Funds	-	-	6,644
Payable To Other State Agencies	-	1,564,401	59,384,455
Payable To Other Entities	-	1,375	18,396,258
Other Liabilities	-	-	64,734
Total Liabilities	<u>2,219,970</u>	<u>6,600,831</u>	<u>108,344,148</u>
<b>FUND BALANCES</b>			
Nonspendable	-	-	1,498,896
Restricted	473,420	551,089	10,764,228
Committed	-	1,164,589	892,350,188
Assigned	1,424,610	261,975	5,182,085
Total Fund Balances	<u>1,898,030</u>	<u>1,977,653</u>	<u>909,795,397</u>
Total Liabilities and Fund Balances	<u>\$ 4,118,000</u>	<u>\$ 8,578,484</u>	<u>\$ 1,018,139,545</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Exhibit 4

**Reconciliation of the Government Fund Balance Sheets to the Statement of Net Assets  
June 30, 2012**

Total fund balances - governmental funds (Exhibit 3) \$ 909,795,397

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

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

These assets consist of:

Furniture, fixture, and equipment	1,931,027
Accumulated depreciation	<u>(1,774,778)</u>

Total capital assets - net 156,249

Liabilities are not due and payable in the current period and therefore are not reported in the funds.

These liabilities consist of:

Compensated absences	<u>(590,980)</u>
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Net assets of governmental activities (Exhibit 1) \$ 909,360,666

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Statement of Revenues, Expenditures and Changes in  
Fund Balances- Governmental Funds  
For the Year Ended June 30, 2012

	General Fund	911 Enhancement Fund 74500	Board of Finance Bond Funds
<b>REVENUES</b>			
Federal Grants	\$ 153,639	\$ 76,340	\$ -
Assessments and Fees	-	-	-
E911 Surcharges	-	12,157,461	-
Alcohol Tax Revenue	-	-	-
Civil Legal Filing Fees	-	-	-
Private Grants	-	-	-
Interest Earned	-	18,812	-
Other Revenue	5,095	910	-
Total Revenues	<u>158,734</u>	<u>12,253,523</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current Operating:			
Policy Development	2,544,945	-	-
Program Support	1,468,142	-	-
Community Development	1,847,517	506,634	-
Fiscal Management	5,252,423	-	-
Grants To Others	6,580,362	11,366,470	-
Other Fiscal Support - State Entities	2,597,409	-	-
Other Fiscal Support - Local Governments	2,924,824	-	-
Other Fiscal Support - Miscellaneous	22,181	-	-
Capital Outlay	10,646	-	-
Total Expenditures	<u>23,248,449</u>	<u>11,873,104</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(23,089,715)</u>	<u>380,419</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
General Fund Appropriation	25,423,998	-	-
Capital Projects Appropriation	-	-	-
Bond Proceeds	-	-	346,199,047
Reversion - Fiscal Year 2011	-	-	-
Reversion - Fiscal Year 2012	(1,483,485)	-	(8,160,686)
Transfers In:			
Interfund	-	-	-
Other	39,915,878	-	2,055,567
Transfers Out:			
Interfund	-	-	(15,908,580)
Other	(51,157,500)	-	(524,167,447)
Total Other Financing Sources and Uses	<u>12,698,891</u>	<u>-</u>	<u>(199,982,099)</u>
Net Change in Fund Balance	(10,390,824)	380,419	(199,982,099)
Fund Balance-Beginning of Year	15,974,543	12,145,245	1,087,692,430
Fund Balance-End of Year	<u>\$ 5,583,719</u>	<u>\$ 12,525,664</u>	<u>\$ 887,710,331</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Statement of Revenues, Expenditures and Changes in  
Fund Balances- Governmental Funds  
For the Year Ended June 30, 2012

	Community Development Block Grant Fund 08800	Law Enforcement Protection Fund 73600	County Supported Medicaid Fund 02100
<b>REVENUES</b>			
Federal Grants	\$ 15,349,548	\$ -	\$ -
Assessments and Fees	-	13,462,868	28,840,387
E911 Surcharges	-	-	-
Alcohol Tax Revenue	-	-	-
Civil Legal Filing Fees	-	-	-
Private Grants	-	-	-
Interest Earned	-	-	-
Other Revenue	-	8,546	8,907
Total Revenues	<u>15,349,548</u>	<u>13,471,414</u>	<u>28,849,294</u>
<b>EXPENDITURES</b>			
Current Operating:			
Policy Development	-	-	-
Program Support	-	-	-
Community Development	589,870	-	-
Fiscal Management	-	-	-
Grants To Others	14,793,737	5,180,600	-
Other Fiscal Support - State Entities	-	-	-
Other Fiscal Support - Local Governments	-	-	-
Other Fiscal Support - Miscellaneous	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>15,383,607</u>	<u>5,180,600</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(34,059)</u>	<u>8,290,814</u>	<u>28,849,294</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
General Fund Appropriation	-	-	-
Capital Projects Appropriation	-	-	-
Bond Proceeds	-	-	-
Reversion - Fiscal Year 2011	-	-	-
Reversion - Fiscal Year 2012	-	(8,290,814)	-
Transfers In:			
Interfund	-	-	-
Other	-	-	-
Transfers Out:			
Interfund	-	-	-
Other	-	-	(28,849,294)
Total Other Financing Sources and Uses	<u>-</u>	<u>(8,290,814)</u>	<u>(28,849,294)</u>
Net Change in Fund Balance	(34,059)	-	-
Fund Balance-Beginning of Year	34,059	100,000	-
Fund Balance-End of Year	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ -</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Statement of Revenues, Expenditures and Changes in  
Fund Balances- Governmental Funds  
For the Year Ended June 30, 2012

	Local DWI Grant Program Fund 56000	Total Nonmajor Governmental Funds (See Statement A-2)	Total Governmental Funds
<b>REVENUES</b>			
Federal Grants	\$ -	\$ 11,009,078	\$ 26,588,605
Assessments and Fees	-	144,862	42,448,117
E911 Surcharges	-	-	12,157,461
Alcohol Tax Revenue	18,618,036	-	18,618,036
Civil Legal Filing Fees	-	1,718,824	1,718,824
Private Grants	-	-	-
Interest Earned	-	717	19,529
Other Revenue	862,704	71,328	957,490
Total Revenues	<u>19,480,740</u>	<u>12,944,809</u>	<u>102,508,062</u>
<b>EXPENDITURES</b>			
Current Operating:			
Policy Development	-	-	2,544,945
Program Support	-	-	1,468,142
Community Development	595,510	-	3,539,531
Fiscal Management	-	-	5,252,423
Grants To Others	17,879,530	16,643,904	72,444,603
Other Fiscal Support - State Entities	-	-	2,597,409
Other Fiscal Support - Local Governments	-	-	2,924,824
Other Fiscal Support - Miscellaneous	-	5,079,306	5,101,487
Capital Outlay	-	-	10,646
Total Expenditures	<u>18,475,040</u>	<u>21,723,210</u>	<u>95,884,010</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,005,700</u>	<u>(8,778,401)</u>	<u>6,624,052</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
General Fund Appropriation	-	-	25,423,998
Capital Projects Appropriation	-	1,660,700	1,660,700
Bond Proceeds	-	-	346,199,047
Reversion - Fiscal Year 2011	-	(179,361)	(179,361)
Reversion - Fiscal Year 2012	-	(168,796)	(18,103,781)
Transfers In:			
Interfund	-	16,421,977	16,421,977
Other	-	497,847	42,469,292
Transfers Out:			
Interfund	-	(513,397)	(16,421,977)
Other	(1,100,000)	(10,840,802)	(616,115,043)
Total Other Financing Sources and Uses	<u>(1,100,000)</u>	<u>6,878,168</u>	<u>(218,645,148)</u>
Net Change in Fund Balance	(94,300)	(1,900,233)	(212,021,096)
Fund Balance-Beginning of Year	1,992,330	3,877,886	1,121,816,493
Fund Balance-End of Year	<u>\$ 1,898,030</u>	<u>\$ 1,977,653</u>	<u>\$ 909,795,397</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Exhibit 6

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
to the Statement of Activities  
For the Year Ended June 30, 2012

Net Change in Fund Balances (Exhibit 5)	\$ (212,021,096)
Additions to capital assets is reflected as expenditures in the governmental funds, but is capitalized and depreciated over the estimated useful lives in the Statement of Net Assets	10,646
Depreciation expense is not recognized in the governmental funds but is recognized in the Statement of Activities	(43,193)
Adjustments to capital assets are not recognized in the governmental funds but are recognized in the Statement of Activities	5,666
Additions in compensated absences are expended from future resources, and therefore not counted as a current expenditure in the governmental funds. The liability is accrued as an expense in the Statement of Activities and recognized as a liability in the Statement of Net Assets.	(552,353)
Deductions in compensated absences are expended from current resources, but are a reduction in liability in the Statement of Net Assets	<u>518,210</u>
Change in Net Assets (Exhibit 2)	<u><u>\$ (212,082,120)</u></u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Statement of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
General Fund  
For the Period Ended June 30, 2012

General Fund	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
State General fund	\$ 24,440,400	\$ 24,440,400	\$ 25,423,998	\$ 983,598
Other State Funds	-	-	5,095	5,095
Federal Funds	174,300	174,300	153,639	(20,661)
Other Financing Sources	39,909,678	39,909,678	39,915,878	6,200
Fund Balance Budgeted	13,345,168	13,345,168	13,307,159	(38,009)
Total Revenues and Budgeted Fund Balance	<u>\$ 77,869,546</u>	<u>\$ 77,869,546</u>	<u>78,805,769</u>	<u>\$ 936,223</u>
<b>Expenditures:</b>				
Personal Services/Employee Benefits	\$ 10,840,800	\$ 10,186,800	9,381,355	\$ 805,445
Contractual Services	4,822,600	5,174,300	4,751,273	423,027
Other	10,661,546	11,033,696	7,517,658	3,516,038
Other Financing Uses	51,544,600	51,574,600	51,157,500	417,100
Total Expenditures	<u>\$ 77,869,546</u>	<u>\$ 77,969,396</u>	<u>72,807,786</u>	<u>5,161,610</u>
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>			5,997,983	
<b>Reversions</b>			(1,483,485)	
<b>GAAP Adjustments to Expenses (Loans Converted to Grants)</b>			(1,598,163)	
<b>Budgeted Fund Balance</b>			<u>(13,307,159)</u>	
<b>Net Change in Fund Balance</b>			<u>\$ (10,390,824)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Statement of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
911 Enhancement Fund - Special Revenue  
For the Year Ended June 30, 2012

911 Enhancement Fund 74500	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Surcharge Revenues	\$ 11,457,000	\$ 11,457,000	\$ 12,157,461	\$ 700,461
Federal Grants	-	-	76,340	76,340
Interest Earned	-	-	18,812	18,812
Miscellaneous Revenue	-	-	910	910
Fund Balance Budgeted	3,000,000	6,837,766	-	(6,837,766)
Total Revenues	\$ 14,457,000	\$ 18,294,766	12,253,523	\$ (6,041,243)
<b>Expenditures:</b>				
Personal Services/Employee Benefits	\$ 456,200	\$ 456,200	442,238	\$ 13,962
Contractual Services	33,200	33,200	24,381	8,819
Other	13,967,600	17,805,366	11,406,485	6,398,881
Total expenditures	\$ 14,457,000	\$ 18,294,766	11,873,104	\$ 6,421,662
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>			380,419	
<b>Budgeted Fund Balance</b>			-	
<b>Net Change in Fund Balance</b>			\$ 380,419	



STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Statement of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
Community Development Block Grant - Special Revenue  
For the Year Ended June 30, 2012

Community Development Block Grant Fund 08800	Budgeted Amounts		Received/Expended Prior-Year Accumulated
	Original	Final	
<b>Revenues:</b>			
Federal Funds	\$ 106,515,818	\$ 119,534,158	\$ 86,179,981
Interest Earned	-	-	23,632
Other Revenue	-	-	-
Total Revenues	<u>\$ 106,515,818</u>	<u>\$ 119,534,158</u>	<u>\$ 86,203,613</u>
<b>Expenditures:</b>			
Personal Services and Benefits	\$ 2,719,296	\$ 3,144,296	\$ 2,506,557
Contractual	320,020	352,020	157,264
Other	103,476,502	116,037,842	83,972,748
Other Financing Uses	-	-	-
Total Expenditures	<u>\$ 106,515,818</u>	<u>\$ 119,534,158</u>	<u>\$ 86,636,569</u>
			<b>Variance from final Budget Favorable (Unfavorable)</b>
	<b>Received/Expended Current Year</b>	<b>Accumulated Actuals</b>	
<b>Revenues:</b>			
Federal Funds	\$ 15,349,548	\$ 101,529,529	\$ (18,004,629)
Interest Earned	-	23,632	23,632
Other Revenue	-	-	-
Total Revenues	<u>15,349,548</u>	<u>\$ 101,553,161</u>	<u>\$ (17,980,997)</u>
<b>Expenditures:</b>			
Personal Services and Benefits	389,171	\$ 2,895,728	\$ 248,568
Contractual Services	32,146	189,410	162,610
Other	14,962,290	98,935,038	17,102,804
Other Financing Sources	-	-	-
Total Expenditures	<u>15,383,607</u>	<u>\$ 102,020,176</u>	<u>\$ 17,513,982</u>
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>	<u>(34,059)</u>		
<b>Net Change in Fund Balance</b>	<u>\$ (34,059)</u>		

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Statement of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
Law Enforcement Protection Fund - Special Revenue  
For the Year Ended June 30, 2012

Law Enforcement Fund 73600	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Insurance Tax Assessments	\$7,809,400	\$ 7,809,400	\$ 13,462,868	\$ 5,653,468
Other Revenue	-	-	8,546	8,546
Total revenues	<u>\$7,809,400</u>	<u>\$ 7,809,400</u>	<u>13,471,414</u>	<u>\$ 5,662,014</u>
<b>Expenditures:</b>				
Other	\$7,109,400	\$ 7,109,400	5,180,600	\$ 1,928,800
Other Financing Uses	700,000	700,000	-	700,000
Total expenditures	<u>\$7,809,400</u>	<u>\$ 7,809,400</u>	<u>5,180,600</u>	<u>\$ 2,628,800</u>
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>			8,290,814	
<b>Reversions</b>			<u>(8,290,814)</u>	
<b>Net Change in Fund Balance</b>			<u>\$ -</u>	

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Statement of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
County Supported Medicaid - Special Revenue  
For the Year Ended June 30, 2012

County Supported Medicaid Fund 02100	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Gross Receipts Tax	\$ 28,168,100	\$ 28,168,100	\$ 28,840,387	\$ 672,287
Interest Earned	-	-	8,907	8,907
Total Revenues Budgeted	\$ 28,168,100	\$ 28,168,100	28,849,294	\$ 681,194
<b>Expenditures:</b>				
Other financing uses	\$ 28,168,100	\$ 28,168,100	27,240,929	\$ 927,171
Total Expenditures	\$ 28,168,100	\$ 28,168,100	27,240,929	\$ 927,171
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>			1,608,365	
<b>GAAP Adjustments to Other Financing Uses</b>			(1,608,365)	
<b>Net Change in Fund Balance</b>			\$ -	

See accompanying notes to financial statements

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Statement of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
Local DWI Grant Program - Special Revenue  
For the Year Ended June 30, 2012

Local DWI Grant Program Fund 56000	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Alcoholic Beverages	\$ 18,400,000	\$ 18,400,000	\$ 18,618,036	\$ 218,036
Misc Revenue	-	-	862,704	862,704
Fund Balance Budgeted	1,000,000	2,707,815	94,300	(2,613,515)
Total Revenues and Fund Balance Budgeted	<u>\$ 19,400,000</u>	<u>\$ 21,107,815</u>	<u>19,575,040</u>	<u>\$ (1,532,775)</u>
<b>Expenditures:</b>				
Personal Services and Benefits	\$ 477,300	\$ 532,300	478,440	\$ 53,860
Contractual Services	75,000	64,100	64,100	-
Other	17,547,700	19,411,415	17,932,500	1,478,915
Other Financing Uses	1,300,000	1,100,000	1,100,000	-
Total Expenditures	<u>\$ 19,400,000</u>	<u>\$ 21,107,815</u>	<u>19,575,040</u>	<u>\$ 1,532,775</u>
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>			-	
<b>Budgeted Fund Balance</b>			(94,300)	
<b>Net Change in Fund Balance</b>			<u>\$ (94,300)</u>	

See accompanying notes to financial statements

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Exhibit 13

Statement of Fiduciary Assets and Liabilities - Agency Funds  
June 30, 2012

<u>Assets</u>	<u>Agency Funds</u>
Interest in State Treasurer Investment Pool	\$ 34,766,160
Due from Other State Entities	5,999,378
Due from State General Fund	-
Due from Other Fund	-
Due from Agency Fund	8,326
<b>Total Assets</b>	<b>\$ 40,773,864</b>
<u>Liabilities</u>	
Due to Other Entities	\$ 4,876,138
Due to Other State Entities	26,240,466
Due to State General Fund	3,583,887
Due to Agency Fund	1,265
Due to Employees/Third Party	185,379
Due to Local Governments	5,614,821
Other Liabilities	271,908
<b>Total Liabilities</b>	<b>\$ 40,773,864</b>

See accompanying notes to financial statements

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

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

The Department is an agency of the State of New Mexico, which is the primary government, pursuant to the Department of Finance and Administration Act, Section 9-6-1 through 9-6-15 NMSA 1978. These financial statements include all funds over which the Department Secretary has authority, except for those funds comprising the State General Fund, which are reported in a separate Annual Financial Report issued by the Office of the State Controller.

The financial statements have been prepared by the Department of Finance and Administration (the Department) in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units as prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard setting body for establishing governmental accounting and financial reporting standards.

The GASB has issued Statement 34 Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments, Statement 37 Basic Financial Statements – Management’s Discussion and Analysis – for State and Local Governments, and Statement 38 Certain Financial Statement Note Disclosures. These standards establish new financial reporting requirements for state and local governments throughout the United States of America. The statements require new information and restructuring on much of the information the Department has presented in past audited financial statements.

The Department is responsible for the fair presentation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States of America. The Department has implemented these standards beginning with the fiscal year that ended June 30, 2002. With the implementation of GASB Statement 34, the Department has prepared required supplementary information titled Management’s Discussion and Analysis, which precedes the basic financial statements.

**A - FINANCIAL REPORTING ENTITY**

The Department is an agency of the State of New Mexico, which is the primary government. Pursuant to the Department of Finance and Administration Act, Section 9-6-1 through 9-6-15 NMSA 1978, the purpose of the Department is to make state government more efficient and responsive through consolidating, and eliminating the overlapping of certain state government functions, to establish a single, unified Department to administer laws relating to finance and administration of state government, and to perform other duties as provided by law. The chief executive of the Department is the Secretary, who is appointed by the Governor and is a member of the Governor’s Cabinet. The Department has no component units.

Copies of the State of New Mexico’s Comprehensive Annual Financial Report and the State General Fund’s Annual Financial Report can be requested from the Department of Finance and Administration, Financial Control Division/State Controller, Bataan Memorial Building Room 320, Santa Fe, NM 87501.

The following four programs and divisions and have been established within the Department:

**Policy Development, Fiscal Analysis and Budget Oversight Program**

Office of the Secretary: The duties of the Office of the Secretary defined in the Department of Finance and Administration Act, Section 9-6-5 and 9-6-5.1 NMSA 1978. Accordingly, the Secretary is empowered to plan and organize the Department and the divisions and may transfer or merge functions between divisions in the interest of efficiency and economy.

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

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

The Governor of the State of New Mexico, created through Executive Order, the New Mexico Office of Recovery and Reinvestment to direct and monitor the implementation of the programs enacted by the American Recovery and Reinvestment Act (ARRA). The Office works through the Office of the Secretary to implement the financial and budgeting processes to transfer ARRA funds to the implementing agencies.

Board of Finance: The Board of Finance (Sections 6-1-1 through 6-1-13 NMSA 1978) determines what needs or emergencies exist that warrant action and, in turn, may lend or grant to any state agency, board, commission, municipal corporation or other political subdivision organized under the laws of the State of New Mexico, the sum of money the Board determines reasonable and appropriate from any funds appropriated to the Board for use in meeting emergencies. On occasion the Board may convert a loan to a grant, if provided appropriate justification or is mandated by law. The Board may prescribe those terms and conditions it deems proper with respect to the repayment of any loan and the application of the proceeds of the loan. The Board may require or waive security by way of the pledge of revenues or otherwise and may require or waive interest as the Board determines proper under the circumstances.

The Board of Finance is also responsible for issuing state general obligation and revenue bonds and for the investment and distribution of the proceeds from such bonds. In that regard, the Board approves the issuance of such bonds, and provides information for bond prospectuses in order to ensure compliance with financial disclosure requirements and to present information concerning bond issues in a meaningful and informative format.

State Budget Division: The State Budget Division (Sections 6-3-1 through 6-3-25 NMSA 1978) assists state agencies and the Governor in the preparation of budget recommendations and estimates. Accordingly, the division requires periodic reports from all state agencies giving detailed information regarding federal monies, obtains information on budgetary and financial problems from each state agency and reviews data submitted by any state agency for the purpose of maximizing the effective use of New Mexico State Government. The division also is responsible for implementing the Accountability in Government Act (Sections 6-3A-1 through 6-3A-8 NMSA 1978).

**Community Development, Local Government Assistance and Fiscal Oversight Program**

Local Government Division: The Local Government Division (Section 6-6-1 through 6-6-19 NMSA 1978) reviews and approves budgets and budget resolutions for municipalities, counties and special districts and assists and trains local government personnel in the areas of accounting, budgeting, automated reporting, purchasing, reconciliation of accounts, payroll and other financial matters; sets and publishes tax rates and prepares tax certificates for counties.

The Division administers the federal Community Development Block Grant (CDBG) program, State capital project appropriations, the State's enhanced E911 grant program, the State's driving while intoxicated program, and the federal school-to-work opportunities grant program.

The Division also administers and supports the Civil Legal Services Commission, New Mexico Association of Regional Councils, Municipal Boundary Commission, Acequia Commission, Community Development Council, DWI Council, and the School-to-Work Advisory Council.

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

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

**Fiscal Management and Oversight Program**

Financial Control Division: The Financial Control Division (Sections 6-5-1 through 6-5-11 NMSA 1978) establishes and maintains a central system of state accounts. The Division is responsible for enforcing and administering a number of statutes which include the periodic allotment of appropriations (including State General Fund appropriations) authorized by the Legislature. The Division accounts for all operating budgets approved by the State Budget Division and ensures that agencies stay within their authorized spending authority. In addition, the Division is responsible for:

- determining the legality of and authority for proposed expenditures
- centrally processing and recording transactions
- assuring that sufficient cash and budget are available prior to the commitment of public funds
- maintaining central filing system for documents supporting financial transactions
- issuing financial reports to state agencies
- compiling and issuing financial reports including the "State Annual Financial Report" to the Legislature and other entities
- issuing state employee biweekly payroll

**Program Support**

Administrative Services Division: The Administrative Services Division provides central budgeting and accounting services for the Department; develops and prepares the Department's operating budget, budget request and quarterly budget projections; ensures all state personnel policies and procedures are adhered to by all Divisions; prepares and maintains the Department's payroll; administers and maintains automated information systems; administers the Governor's Exempt Salary Plan for executive agencies; and reviews and approves professional service contracts for budget and legal sufficiency on a statewide basis.

**B - BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS**

Government-wide financial statements include the Statement of Net Assets and the Statement of Activities. These statements report information about the Department as a whole, except for the State General Fund and fiduciary/agency funds. The statements are required to include separate columns for governmental and business-type activities of the primary government, as well as discretely presented component units. The Department has no business-type activities or component units to report.

Governmental-wide financial statements are presented using the economic resource measurement focus in which both current and long-term economic resources and obligations of the Department are reported in the government-wide financial statements. In addition, the statements are presented using the accrual basis of accounting. The basis of accounting measures revenues, expenses, gains, losses, assets and liabilities arising from exchange transactions when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with GASB Statement 33.

The Statement of Net Assets reports all assets, liabilities, and net assets of the Department. Assets and Liabilities held for others in fiduciary funds are not included in the Statement of Net Assets as they are not resources or obligations of the Department. Net assets are restricted when constraints are placed on them from external entities (e.g. federal government) or by constitutional provisions or enabling legislation. Net



**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

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

assets that do not meet the definition of invested in capital assets; net of related debt, or restricted are classified as unrestricted net assets.

Amounts paid to acquire capital assets are capitalized as assets in the Statement of Net Assets and are not reflected as an expense. Proceeds of long-term debt are recorded as a liability, not as another financing source. Amounts paid to reduce long-term indebtedness of the Department are reported as a reduction of the related liability, not as an expense.

The Statement of Activities reports the extent to which the direct program expenses, reported by functional area, are offset by program revenues. Program revenues predominantly consist of restricted federal operating grants, and interest charges on loans to local governments for CDBG projects. The Department has no capital grants revenue. Internal activity occurring between governmental funds has been eliminated from the government-wide Statement of Activities.

**C - BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS**

Fund financial statements distinguish between governmental, proprietary and fiduciary funds, and report on each fund group separately. The Department has no proprietary funds to report. Governmental funds are further segregated into general, major and other non-major governmental funds. A major fund reports at least ten percent of total governmental fund assets, liabilities, revenues, or expenditures; the General Fund is always considered to be a major fund. The Department may designate additional major funds as it deems appropriate.

Fund financial statements for the Department's governmental funds (Balance Sheet – Governmental Funds and Statement of Changes in Revenues, Expenditures and Fund Balances) are presented after the Government-wide financial statements. These statements report the major funds individually and the other governmental funds in aggregate.

Fund financial statements are presented using the current financial resources measurement focus. Only current assets and current liabilities are generally included on the governmental funds' balance sheets. The reported fund balance is considered a measure of available resources. In addition, governmental fund financial statements use the modified accrual basis of accounting. Under this basis of accounting, revenues are recorded when they become measurable and available to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred except for (1) interest on general long-term obligations, which is recorded when due, and (2) compensated absences which are not considered measurable and available because they are not budgeted in the current year. The following funds are used by the Department.

**Major Funds**

**General Fund.** The General Fund accounts primarily for State General Fund monies appropriated in Section 4 of the "General Appropriation Act". Unexpended and unencumbered appropriations on hand at fiscal year-end will revert to the State General Fund. The Department's General Fund combines activities for the following programs: Policy Development, Community Development, Financial Management, and Program Support. The Policy Development Program encompasses the activities of the Office of the Secretary, the Board of Finance, and the State Budget Division. Community Development is made up of the numerous programs administered by the Local Government Division. Financial Management is divided between the activities of the State Controller's Office and the Financial Control Division. Program Support accounts for the

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

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

activities of the Administrative Services Division. Additional funds have been included in the presentation of the General Fund due to the new fund type classification which became effective in FY 2011 for special revenue funds. As a result, the following funds have been reported in the General Fund. Combining Balance Sheets and Combining Statements of Revenue, Expenditures, and Changes in Fund Balance for these programs are included in the Supplementary Information section of this report.

Additional funds administered by the Department that do not qualify as a Special Revenue Fund and included in the General Fund are:

- Tobacco Settlement Fund (Section 6-4-10 NMSA 1978)
- Board of Finance Emergency Fund (Section 6-1-5 NMSA 1978)
- Emergency Water Supply Fund (Section 3-27-9 NMSA 1978)
- Electronic Voting Machine Fund (Section 1-9-19 NMSA 1978)
- NM Community Assistance (Section 11-6-1 through 11-6-9 NMSA 1978)
- Leasehold Community Assistance (Section 6-6A-5 NMSA 1978)
- Special Appropriations Fund (Administrative)
- County Detention Fund (HB 316 Ch. 333, Law of 2007)
- NM Recovery & Reinvestment Fund

**911 Enhancement Fund.** The purpose of this special revenue fund (Section 63-9D-12 through 63-9D-20 NMSA 1978) is to further the public interest and protect the safety, health and welfare of the people of New Mexico by enabling the development, installation and operation of enhanced 911 emergency reporting systems to be operated under shared state and local governmental management and control. The fund is non-reverting.

**Board of Finance Bond Funds.** This fund is a summary roll-up of 64 individual capital project funds maintained by the Board of Finance to account for the severance tax and general obligation bond proceeds. The bond proceeds are appropriated by the legislature for construction and service projects administered by the various state agencies, municipalities, local governments, and universities. The Board of Finance Bond Fund and the 64 individual capital projects funds were administratively established to maintain a separate accounting throughout the life of each bond authorized and sold by the Board of Finance. Board of Finance Bond Fund Summary Schedule, Balance Sheet – by Fund and the Summary Schedule, Revenues, Expenditures, and Changes in Fund Balance – by Fund, are included in the Supplementary Information section of this report. The funds are non-reverting.

**Community Development Block Grant Fund (CDBG).** This Special Revenue Fund was established to account for federal financial assistance awarded to the Local Government Division for the purpose of providing assistance to counties and non-Standard Metropolitan Statistical Area (SMSA) municipalities in community development efforts that provide a suitable living environment, decent housing, essential community facilities and economic opportunities to persons of low and moderate income. In addition, this fund accounts for federal grant and loan assistance to communities with a population less than 50,000 for activities that benefit low and moderate-income families to aid in the elimination or prevention of slums and blight conditions. This is a non-reverting program authorized through the U.S. Housing and Community Development Act of 1974, as amended. Please refer to the Schedule of Expenditures of Federal Awards in the Supplementary Information section of this report.

**Law Enforcement Protection Fund.** The purpose of this special revenue fund as defined by Section 29-13-1 NMSA 1978 is to provide for the equitable distribution of money to municipal police, university police, tribal

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

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

police and county sheriff's departments for use in the maintenance and improvement of those departments in order to enhance the efficiency and effectiveness of law enforcement services and to sustain at a reasonable level the payments available to the surviving eligible family members of a peace officer killed in the line of duty. The fund is reverting.

**County Supported Medicaid Fund.** This Special Revenue Fund was established to leverage existing resources to better address the state's health care needs by using local revenues solely to expand eligibility for federal Medicaid optional coverage in supplementation to mandated federal Medicaid services. The fund receives county health care gross receipts tax to support the state Medicaid program and to institute or support primary care and health care services pursuant to Section 24-1A-3.1 NMSA 1978. Money is appropriated from the county supported Medicaid fund to supplement general fund appropriations. The fund is non-reverting.

**Local DWI Grant Program Fund.** This Special Revenue Fund was established to account for the receipt and distribution of liquor excise tax revenue for grants and other distributions to local governments for Driving While Intoxicated (DWI) programs, services, and detoxification/treatment facilities in an effort to prevent or reduce the incidence of DWI, alcoholism and alcohol abuse in accordance with the Local DWI Grant Program Act, Section 11-6A-1 through 11-6A-6 NMSA 1978. The fund is non-reverting.

**Non-Major Governmental Funds**

All remaining governmental funds administered by the Department not classified as a major fund, are:

- Non-Major Special Revenue Funds:

- Civil Legal Services Fund (Fund 62400) (Section 34-4-1 NMSA 1978) (non-reverting)
- American Recovery & Reinvestment Fund (Fund 89000) (non-reverting)
- Juvenile Adjudication Fund (Fund 10780) (Sec. 2, Ch. 244, Laws of 2009) (non-reverting)
- Santa Fe 400 Anniversary Plate Fund (Fund 10880) (Sec 1, Ch 120, Laws of 2009) (non-reverting)
- Neighborhood Stabilization Fund (Fund 10540) (Federal Program)(non-reverting)
- Wallace Foundation SALEP Grant Fund (Fund 72600) (Private Grant) (non-reverting)

- Non-Major Capital Projects Funds:

- General Fund Capital Projects Fund (Fund 52900) (reverting)
- Special Community Capital Projects Fund (Fund 58100) (reverting)
- STB Capital Projects Fund (Fund 61000) (reverting)
- Tribal Infrastructure Fund (Sec. 32, Ch. 125, Laws of 2009) (reverting)
- General Fund Capital Outlay Statewide Fund (Fund 93100) (reverting)
- STB Capital Outlay Statewide Fund (Fund 89200) (reverting)

**Fiduciary Funds**

A Schedule of Changes in Assets and Liabilities for Agency Funds is presented in the Supplementary Information section of this report for all Agency Funds maintained by the Department. These funds represent assets held by the Department in a custodial capacity for other entities and consist entirely of agency funds. Agency Funds are used to account for assets held by the Department in a capacity as trustee, custodian, or

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

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

agent for other governmental units and nonpublic organizations. Agency fund reporting is also used when the Department has no direct financial involvement or administrative responsibility for pass-through grants and serves as a cash conduit. Agency funds are custodial in nature and do not involve measurement of the results of operations. The reporting focus is on net assets using the accrual method of accounting.

**D - BASIS OF ACCOUNTING**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements regardless of the measurement focus applied.

**Accrual Basis.** The accrual basis of accounting is utilized in the Government-wide financial statements. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989, are not applied in the preparation of the government-wide financial statements.

**Modified Accrual Basis.** All governmental funds (in the fund financial statements) are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to Governmental Accounting Standards Board Statement No. 33 (GASB 33), Accounting and Financial Reporting for Non-exchange Transactions, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and deferred revenue by the recipient.

A reconciliation is presented on the pages following the Fund Balance Sheets and the Statement of Revenues, Expenditures, and Changes in Fund Balance. The reconciliations briefly explain the adjustments necessary to transform the fund based financial statements (modified accrual basis) into the government-wide presentation (full-accrual).

**E - ASSETS, LIABILITIES AND FUND BALANCES**

**Investments**

Cash consists of investments with the New Mexico State Treasurer's office. A *Supplemental Schedule of Cash Accounts with State Treasurer* is included in the Supplementary Information section of this report.

**Loans Receivable**

Loans to local governments and other entities arise from programs administered by the Board of Finance and the Local Government Division for emergency water supply system construction, voting machines, emergency

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

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

and disaster purposes, and for community development. Collections are generally received in monthly or annual installments, including interest if applicable. Interest rates range from 0 percent to 5.5 percent, while most of the loans are interest free. No allowance for uncollectible accounts has been recognized as all outstanding loans are expected to be collectible.

**Capital Assets**

Capital assets include office/data processing equipment and automobiles which are recorded as expenditures in the fund level Statement of Revenues, Expenditures and Changes in Fund Balances, and are capitalized at cost for assets over \$5,000 in the government-wide Statement of Net Assets. Depreciation or purposes of the government-wide financial statements is calculated using the straight-line method over lives ranging from 3 to 10 years.

**Compensated Absences**

Vacation, compensatory and sick time is reported as a liability in the government-wide financial statements, with expenses being reported during the period that leave is accrued. The fund financial statements reports expenditures during the period that employees are actually paid, or when compensated absences are liquidated with expendable financial resources from the operational portion of state general fund appropriations. Employees are entitled to accumulate annual leave at a graduated rate based on years of service. A maximum of 240 hours can be carried forward at calendar year end. Employees are entitled to accumulate unlimited sick leave at the rate of one day for each month of service. Employees may elect to be compensated for sick leave in excess of 600 hours at half the employee's hourly rate in any fiscal year, not to exceed 120 hours, unless retiring. Retiring employees may convert up to 400 hours in excess of the 600 hours at half the retiring employee's hourly rate. This election may be made at retirement or at specified times during the employment year. All sick leave balances in excess of 600 but less than 720 hours is payable at 50 percent of the employee's hourly rate. The Department also allows eligible employees to defer being paid overtime in exchange for compensatory time.

**F - INTERFUND ACTIVITY**

Inter-fund activity is reported as either, loans, services provided, reimbursements or transfers. Loans are reported as inter-fund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market value, are treated as revenues and expenditures. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other inter-fund transactions are treated as transfers. Transfers between funds are netted upon consolidation.

**G - REVENUES**

Revenues from grants that are restricted for specific uses are recognized when the related expenditures are made. E911 surcharges represent surcharges paid by phone users in New Mexico to fund E911 phone systems, and are recognized as revenue when the underlying exchange transactions occur. Revenue from alcohol beverages tax is also recognized when the underlying exchange transaction occurs. State general fund appropriations, appropriations of severance tax bond proceeds, and interest earnings are susceptible to accrual under the modified accrual basis of accounting, and are deemed both measurable and available if collected within the current year or two months after the end of the fiscal year. Civil court fees are recognized when received by the courts.

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

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

The Department's spending policy is when an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the State's policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the State's policy to spend committed resources first.

**H - RESTRICTED/UNRESTRICTED NET ASSETS AND FUND BALANCE**

In the governmental fund financial statements, fund balances are classified as non-spendable, restricted, or unrestricted (committed, assigned, or unassigned). Restricted represents those portions of fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches of the State. Assigned fund balance is constrained by the Legislature's and Executive Branch's intent to be used for specific purposes or in some cases by legislation. See Note 8 for additional information about fund balances.

**NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Single Year Budget**

The following are the procedures followed in establishing the budgetary data presented in the financial statements:

The Office submits a proposed budget to the New Mexico State Legislature for the fiscal year commencing the following July 1. The State Legislature must approve the budget prior to its legal enactment. The expenditures and encumbrances of each category may not legally exceed the budget for that category. Budgets are controlled at the "category" level within activities (personal services, employee benefits, etc.). The legal level of budgetary control is at the appropriation program level.

Any adjustment to the budget must be submitted to and approved by State Budget Division in the form of a budget adjustment request.

The budget is adopted on a modified accrual basis of accounting that is consistent with generally accepted accounting principles (GAAP). This change was implemented with the laws of 2004, Chapter 114, Section 3.

It is effective for fiscal years beginning July 1, 2004. Balances remaining at the end of the fiscal year from appropriations made from the State General Fund shall revert to the appropriate fund, unless otherwise indicated in the appropriations act or otherwise provided by law.

Most appropriations made to the Department lapse at year-end and revert to the original funding source. Pursuant to the General Appropriation Act of 2006 (Laws of 2006, Chapter 114, Section 3.M) the budgetary basis was converted to the modified accrual basis of accounting, i.e. GAAP basis, beginning with fiscal year 2006 appropriations.

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - continued**

**Multi-Year Budget**

Each year the Legislature approves multiple year appropriations, which the State considers as continuing appropriations. The Legislature authorizes these appropriations for two to five years; however, it does not identify the authorized amount by fiscal year. Consequently, the appropriation is budgeted in its entirety the first year the Legislature authorizes it. The unexpended portion of the budget is carried forward as the next year's beginning budget balance until either the project period has expired or the appropriation has been fully expended. The budget presentations in these financial statements are consistent with this budgeting methodology.

**NOTE 3. STATE GENERAL FUND INVESTMENT POOL NOT RECONCILED**

In June 2012, an independent expert diagnostic report revealed that the State General Fund Investment Pool balances have not been reconciled at the business unit/fund level since the inception of the Statewide Human resources, Accounting, and management REporting system (SHARE) system in July of 2006. The Diagnostic report is available in the Resources section of the Cash Control page of the New Mexico Department of Finance & Administration's website at: [http://www.nmdfa.state.nm.us/Cash\\_Control.aspx](http://www.nmdfa.state.nm.us/Cash_Control.aspx). The document title is, "Current State Diagnostic of Cash Control".

The General Fund Investment Pool is the State of New Mexico's main operating account. State revenues such as income taxes, sales taxes, rents and royalties, and other recurring revenues are credited to the General Fund Investment Pool. The fund also comprises numerous State agency accounts whose assets, by statute (Section 8-6-3 NMSA 1978), must be held at the State Treasury.

As of June 30, 2012, the General Fund Investment Pool has not been reconciled at the business unit/fund level. Essentially, independent, third-party verification/confirmation of the Department's balances at the business unit/fund level is not possible.

Under the direction of the State Controller/Financial Control Division Director, the Financial Control Division of the New Mexico Department of Finance & Administration (DFA/FCD) is taking aggressive action to resolve this serious problem. DFA/FCD has commenced the Cash Management Remediation Project (Remediation Project) in partnership with the New Mexico State Treasurer's Office, the New Mexico Department of Information Technology and a contracted third party PeopleSoft Treasury expert.

The purpose of the Remediation Project is to design and implement the changes necessary to reconcile the General Fund Investment Pool in a manner that is complete, accurate, and timely. The Remediation Project will make changes to the State's current SHARE system configuration, cash accounting policies and procedures, business practices, and banking structure. Management believes that these changes will allow for the completion of a timely and accurate reconciliation on a *point-forward basis only*. The scheduled implementation date for the changes associated with the Remediation Project is February 1, 2013. An approach and plan to address the population of historical reconciling items will be developed during the Remediation Project, but a separate initiative will be undertaken to resolve the historical reconciling items.

The initial phase of the Remediation Project, completed on October 11, 2012, focused on developing a project plan and documenting current statewide business processes. The work product of the initial phase of the Remediation Project is a document entitled Cash Management Plan and Business Processes. This document is available on the Cash Control page of the New Mexico Department of Finance & Administration's website at: [http://www.nmdfa.state.nm.us/Cash\\_Control.aspx](http://www.nmdfa.state.nm.us/Cash_Control.aspx).

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 4. INVESTMENT IN STATE GENERAL FUND INVESTMENT POOL**

State law (Section 8-6-3 NMSA 1978) requires the Department's cash be managed by the New Mexico State Treasurer's Office. Accordingly, the investments of the Department consist of an interest in the General Fund Investment Pool managed by the New Mexico State Treasurer's Office.

At June 30, 2012 the Department had the following invested in the General Fund Investment Pool:

General Fund Investment Pool: \$1,042,115,558

*Interest Rate Risk* - The New Mexico State Treasurer's Office has an investment policy that limits investment maturities to five years or less on allowable investments. This policy is means of managing exposure to fair value losses arising from increasing interest rates. This policy is reviewed and approved annually by the New Mexico State Board of Finance.

Credit risk: The New Mexico State Treasurer pools are not rated.

For additional GASB 40 disclosure information regarding cash held by the New Mexico State Treasurer, the reader should see the separate audit report for the New Mexico State Treasurer's Office for the fiscal year ended June 30, 2012.

**NOTE 5. CAPITAL ASSETS**

<u>Cost</u>	<u>Balance 6/30/2011</u>	<u>Adjustments</u>	<u>Transfer-In/ Additions</u>	<u>Transfer-Out/ Deletions</u>	<u>Balance 6/30/2012</u>
<b>Depreciable assets</b>					
Office/data processing equipment	\$ 1,837,995	\$ 36,332	\$ 10,646	\$ -	\$ 1,884,973
Automobiles	46,054	-	-	-	46,054
Total cost	<u>1,884,049</u>	<u>36,332</u>	<u>10,646</u>	<u>-</u>	<u>1,931,027</u>
<b>Accumulated depreciation</b>					
Office/data processing equipment	(1,668,682)	(30,666)	(33,983)	-	(1,733,331)
Automobiles	<u>(32,237)</u>	<u>-</u>	<u>(9,210)</u>	<u>-</u>	<u>(41,447)</u>
Total accumulated depreciation	<u>(1,700,919)</u>	<u>(30,666)</u>	<u>(43,193)</u>	<u>-</u>	<u>(1,774,778)</u>
<b>Net capital assets</b>	<u>\$ 183,130</u>	<u>\$ 5,666</u>	<u>\$ (32,547)</u>	<u>\$ -</u>	<u>\$ 156,249</u>



**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 5. CAPITAL ASSETS - continued**

Depreciation expense was charged to functions as follows:

Policy development	\$	6,187
Fiscal management		22,432
Community development		10,275
Program support		4,299
 Total depreciation expense	 \$	 <u>43,193</u>

**NOTE 6. LONG TERM OBLIGATIONS**

The long-term liability activity for the year ended June 30, 2012 was as follows:

	<u>Balance at June 30, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at June 30, 2012</u>	<u>Amount Due Within One Year</u>
Compensated Absences	<u>\$ 556,837</u>	<u>\$ 552,353</u>	<u>\$ 518,210</u>	<u>\$ 590,980</u>	<u>\$ 531,882</u>

**Compensated Absences**

Compensated absences represent the estimated liability for employees accrued vacation and sick leave for which employees are entitled to be paid upon termination.

**Severance Tax Bonds Proceeds**

While the Department receives severance tax bond proceeds appropriated to the Local Government Division for projects specified by the Legislature, it has no obligation for repayment of the bonds and reports no liabilities for severance tax bonds payable in its financial statements. These bonds are obligations of the State of New Mexico. The liabilities are reported in the State of New Mexico's Comprehensive Annual Financial Report, or CAFR, issued by the State Controller's Office. The CAFR can be obtained by contacting the State Controller at the Bataan Memorial Building, Santa Fe, NM 87501.

**Operating Leases**

The Department has entered into operating lease agreements for certain items of office equipment such as copiers. These agreements are contingent upon the availability of future appropriations and are therefore cancelable upon proper notice being given to the lessors. Total rental payments made during the year ended June 30, 2012 are \$179,263.

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 7. INTERFUND ACTIVITY**

Due From Other Funds and Due To Other Funds at June 30, 2012 consisted of the following:

	Local DWI Grant Program 56000	Board of Finance Bond Funds	GF Capital Outlay Statewide Fund 93100	STB Capital Projects Fund 61000	STB Capital Outlay Projects 89200	Tribal Infra- Structure Project Fund 10810	Total
<b>Due From:</b>							
General Fund							
Capital Projects -							
52900	\$ -	\$ -	\$ 513,397	\$ -	\$ -	\$ -	\$ 513,397
Board of Finance							
Bond Funds	-	-	-	1,935,194	887,647	1,512,651	4,335,492
STB Capital							
Projects Fund -							
61000	-	11,758	-	-	210,279	-	222,037
Community Dev.							
Block Grant -							
08800	<u>34,602</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,602</u>
<b>Total</b>	<u>\$ 34,602</u>	<u>\$ 11,758</u>	<u>\$ 513,397</u>	<u>\$ 1,935,194</u>	<u>\$ 1,097,926</u>	<u>\$ 1,512,651</u>	<u>\$ 5,105,528</u>

The Board of Finance Bond Fund owes several Capital Project Funds for Severance Tax Bond money for capital projects appropriated by the legislature. All balances are expected to be paid during fiscal year 2013.

**NOTE 8. GOVERNMENTAL FUND BALANCES – RESTRICTED, COMMITTED AND ASSIGNED**

The Department's fund balances represent: Restricted Purposes which include balances that are legally restricted for specific purposes due to constraints that are externally imposed by creditors, grantors contributors, or laws or regulations of other governments; Committed Purposes which include balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislature; Assigned Purposes which includes balances that are constrained by the governments intent to be used for specific purposes, but are neither restricted nor committed. A summary of the nature and purposes of these reserves by fund type at June 30, 2012 follows:

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 8. GOVERNMENTAL FUND BALANCES – RESTRICTED, COMMITTED AND ASSIGNED-  
continued**

	Major Funds						Total
	General Fund	E-911 Fund	BOF Bond Fund	Law Enforce- ment	DWI Fund	Other Funds	
<b>Fund Balance</b>							
<b>Nonspendable</b>							
Outstanding Loans	\$1,498,896	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,498,896
<b>Restricted for:</b>							
Appropriated to HSD for							
Medicaid	-	-	-	-	-	-	-
Issuing new loans	609,555	-	-	-	-	-	609,555
Civil Legal Services							
Commission	-	-	-	-	-	23,155	23,155
Wallace Education							
Leadership Initiative	-	-	-	-	-	410	410
DWI Grant Council	-	-	-	-	473,420	-	473,420
E911 Act, Section							
63-9D-12	-	9,030,164	-	-	-	-	9,030,164
Minimum Fund Balance							
per Sec 29-13-3	-	-	-	100,000	-	-	100,000
City of Santa Fe - 400 <sup>th</sup>							
Anniversary	-	-	-	-	-	-	-
Statewide Teen Court							
Program	-	-	-	-	-	216,478	216,478
Tribal Infrastructure							
Board – Capital Outlay	-	-	-	-	-	311,046	311,046
<b>Committed to:</b>							
Capital Outlay Projects	3,450,000	-	887,710,331	-	-	1,164,589	892,324,920
NM Mortgage Finance							
Authority	-	-	-	-	-	-	-
County Detention							
Reimbursement	25,268	-	-	-	-	-	25,268
<b>Assigned:</b>							
BOF Approved							
Equipment Purchases	-	3,495,500	-	-	-	-	3,495,500
TIF Infrastructure Grants	-	-	-	-	-	81,975	81,975
1 <sup>st</sup> Quarter DWI							
Distribution	-	-	-	-	1,424,610	-	1,424,610
Civil Legal Services							
Professional Services	-	-	-	-	-	180,000	180,000
<b>Total fund balances</b>	<u>\$5,583,719</u>	<u>\$12,525,664</u>	<u>\$887,710,331</u>	<u>\$100,000</u>	<u>\$1,898,030</u>	<u>\$1,977,653</u>	<u>\$909,795,397</u>

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 9. CONTINGENCIES AND OTHER COMMITMENTS**

Federal grant revenues would be refundable in the event of noncompliance with terms of the grant agreements. In the opinion of management, no material refunds will occur. In addition, the Department has approximately \$17,513,982 of future commitments under grant agreements.

The Department has entered into Joint Powers Agreements, or JPA's (Joint Powers Agreements Act, Section 11-1-1 through 11-1-7 NMSA 1978) with numerous state agencies and local governments for the purpose of providing pass-through funds received from federal awards, legislative appropriations, and other state funds to the sub-recipient organization. To ensure compliance with the restrictions and conditions imposed by the applicable legislation, statutes, laws, rules, regulations, or grant/cooperative agreement, JPA's are entered into with the recipient to define the allowable purposes and uses for the funds, the time period that funds will be available, as well as reimbursement and reversion requirements. None of these JPA's creates a joint venture or ongoing financial interest in another organization. Transactions made pursuant to a JPA are voluntary non-exchange revenues and expenditures, and are reported by the Department on the modified accrual basis of accounting in the Statement of Revenue, Expenditures, and Changes in Fund Balance. In the Statement of Activities, these transactions are reported on the full accrual basis as either program income or general income (depending on the funding source), and as program expenses. The Supplemental Schedule of Joint Powers Agreements is in the Supplementary Information section of this report.

Legal counsel for the Department is aware of two pending or threatened litigations, claims, or assessments existing at June 30, 2012. In the opinion of the Department's management and in-house legal counsel, the ultimate resolution of the above matters will not have a material adverse impact on the financial position or results of operations of the Department.

**NOTE 10. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION**

**Plan Description.** Substantially all of the Department's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at [www.pera.state.nm.us](http://www.pera.state.nm.us).

**Funding Policy.** Plan members are required to contribute 8.92% of their gross salary. The Department is required to contribute 5.09% of the gross covered salary. The contribution requirements of plan members and the Department are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Department's contributions to PERA for the fiscal years ending June 30, 2012, 2011 and 2010 were \$1,066,921, \$1,310,336, and \$1,526,929, respectively, which equal the amount of the required contributions for each fiscal year.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012

**NOTE 11. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN**

**Plan Description.** The Department contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

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 RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which the event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

**Funding Policy.** The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at [www.nmrhca.state.nm.us](http://www.nmrhca.state.nm.us).

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. In the fiscal years ending June 30, 2012, for employees who were not members of an enhanced retirement plan, the contribution rates by employer and employees were increased to 1.834% and .917% respectively. For the fiscal year ending June 30, 2013, similar rates will rise to 2.00% and 1.00% respectively.

Also, employers joining the program after 1/1/98 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature.

The Department's contributions to the RHCA for the years ended June 30, 2012, 2011 and 2010 were \$146,000, \$143,596 and \$124,720, respectively, which equal the required contributions for each year.

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012**

**NOTE 12. SPECIAL APPROPRIATIONS**

Special Appropriations: Special appropriations are made to the Department from the State General Fund for various nonrecurring activities as determined by the Legislature. Unexpended and unencumbered appropriations remaining at the end of the appropriation period revert to the State General Fund. Appropriation periods vary in accordance with the underlying legislation. Additional details pertaining to each special appropriation can be found in the Supplemental Schedule of Special Appropriations located in the Supplementary Information section of this report.

**NOTE 13. CHANGE IN CLASSIFICATION OF FUNDS**

GASB Statement No. 54 clarifies the existing governmental fund type definitions and provides clearer fund balance categories and classifications. After evaluating the numerous funds that the Department maintains, the management determined to present the following funds as Capital Projects Funds. These funds were presented as Special Revenue Funds in prior years. The new classification of these funds did not make any difference in the total fund balance of governmental funds. Following are the funds presented as Capital Projects Funds:

- Board of Finance Bond Funds (Presented as a major fund)
- General Fund Capital Projects Fund (Fund 52900)
- Special Community Projects Fund (Fund 58100)
- STB Capital Projects Fund (Fund 61000)
- Tribal Infrastructure Fund (Sec. 32, Ch. 125, Laws of 2009)
- General Fund Capital Outlay Statewide Fund (Fund 93100)
- STB Capital Outlay Statewide Fund (Fund 89200)

**NOTE 14. SUBSEQUENT EVENTS**

Management evaluated subsequent events through December 4, 2012, the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2012, but prior to December 4, 2012, that provided additional evidence about conditions that existed at June 30, 2012 have been recognized in the financial statements for the year ended June 30, 2012. Events or transactions that provided evidence about conditions that did not exist at June 30, 2012, but arose before the financial statements were available to be issued, have not been recognized in the financial statements for the year ended June 30, 2012.

These notes are an integral part of the accompanying financial statements.

**SUPPLEMENTAL INFORMATION**

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

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Combining Balance Sheets - Nonmajor Governmental Funds  
June 30, 2012

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>			
Investment in State General Fund Investment Pool	\$ 491,849	\$ 2,381,923	\$ 2,873,772
Loans Receivable	-	-	-
Travel Advance	-	-	-
Receivable - From Federal Government	335,492	-	335,492
Receivable - State General Fund	-	-	-
Receivable From Other Funds	-	5,059,168	5,059,168
Receivable From Local Governments	-	-	-
Receivable From Other Agencies	160,306	149,746	310,052
<b>Total Assets</b>	<b>\$ 987,647</b>	<b>\$ 7,590,837</b>	<b>\$ 8,578,484</b>
<b>LIABILITIES</b>			
Investment in State General Fund Investment Pool (Deficit)	\$ 62,812	\$ -	\$ 62,812
Accounts Payable	502,336	3,384,003	3,886,339
Accrued Payroll	1,074	-	1,074
Payable to Federal Governments	7	-	7
Payable to State General Fund	-	349,389	349,389
Payable to Other Funds	-	735,434	735,434
Payable To Other State Agencies	-	1,564,401	1,564,401
Payable To Other Entities	1,375	-	1,375
<b>Total Liabilities</b>	<b>567,604</b>	<b>6,033,227</b>	<b>6,600,831</b>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	240,043	311,046	551,089
Committed	-	1,164,589	1,164,589
Assigned	180,000	81,975	261,975
<b>Total Fund Balances</b>	<b>420,043</b>	<b>1,557,610</b>	<b>1,977,653</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 987,647</b>	<b>\$ 7,590,837</b>	<b>\$ 8,578,484</b>

See accompanying notes to financial statements.



STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

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**Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances - Nonmajor Governmental Funds  
For the Year Ended June 30, 2012**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>			
Federal Grants	\$ 11,009,078	\$ -	\$ 11,009,078
Assessments and Fees	144,862	-	144,862
E911 Surcharges	-	-	-
Alcohol Tax Revenue	-	-	-
Civil legal filing fees	1,718,824	-	1,718,824
Private grants	-	-	-
Interest earned	717	-	717
Other Revenue	71,328	-	71,328
Total revenues	12,944,809	-	12,944,809
<b>EXPENDITURES</b>			
Current Operating:			
Community Development	-	-	-
Grants to Others	4,829,198	11,814,706	16,643,904
Other Fiscal Support - State Entities	-	-	-
Other Fiscal Support - Local Governments	-	-	-
Other Fiscal Support - Miscellaneous	3,840,038	1,239,268	5,079,306
Total Expenditures	8,669,236	13,053,974	21,723,210
Excess (Deficiency) of Revenues Over Expenditures	4,275,573	(13,053,974)	(8,778,401)
<b>OTHER FINANCING SOURCES (USES)</b>			
General Fund Appropriation	1,610,700	50,000	1,660,700
STB Appropriation	-	-	-
Reversion 2011	-	(179,361)	(179,361)
Reversion 2012	-	(168,796)	(168,796)
Transfers In - Interfund	-	16,421,977	16,421,977
Transfers In - Other	-	497,847	497,847
Tranfers Out - Interfund	-	(513,397)	(513,397)
Transfers Out - Other	(6,147,529)	(4,693,273)	(10,840,802)
Total Other Financing Sources and Uses	(4,536,829)	11,414,997	6,878,168
Net Change in Fund Balance	(261,256)	(1,638,977)	(1,900,233)
Fund Balance-Beginning of Year	681,299	3,196,587	3,877,886
Fund Balance-End of Year	\$ 420,043	\$ 1,557,610	\$ 1,977,653

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Combining Balance Sheets - Nonmajor Special Revenue Funds  
June 30, 2012

	Civil Legal Services Fund 62400	American Recovery & Reinvestment Fund 89000	Juvenile Adjudication Fund 10780
<b>ASSETS</b>			
Investment in State General Fund Investment Pool	\$ 208,688	\$ 7	\$ 280,569
Loans Receivable	-	-	-
Travel Advance	-	-	-
Receivable - From Federal Government	-	-	-
Receivable - State General Fund	-	-	-
Receivable From Other Funds	-	-	-
Receivable From Local Governments	-	-	-
Receivable From Other Agencies	158,928	-	-
Total Assets	<u>\$ 367,616</u>	<u>\$ 7</u>	<u>\$ 280,569</u>
<b>LIABILITIES</b>			
Investment in State General Fund Investment Pool (Deficit)	\$ -	\$ -	\$ -
Accounts Payable	164,461	-	64,091
Accrued Payroll	-	-	-
Payable to Federal Governments	-	7	-
Payable to State General Fund	-	-	-
Payable to Other Funds	-	-	-
Payable To Other State Agencies	-	-	-
Payable To Other Entities	-	-	-
Total Liabilities	<u>164,461</u>	<u>7</u>	<u>64,091</u>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	23,155	-	216,478
Committed	-	-	-
Assigned	180,000	-	-
Total Fund Balances	<u>203,155</u>	<u>-</u>	<u>216,478</u>
Total Liabilities and Fund Balances	<u>\$ 367,616</u>	<u>\$ 7</u>	<u>\$ 280,569</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Combining Balance Sheets - Nonmajor Special Revenue Funds  
June 30, 2012

	Santa Fe 400 Anniversary Plate Fund 10880	Neighborhood Stabilization Fund 10540	Wallace Foundation SALEP Grant Fund 72600
<b>ASSETS</b>			
Investment in State General Fund Investment Pool	\$ 2,175	\$ -	\$ 410
Loans Receivable	-	-	-
Travel Advance	-	-	-
Receivable - From Federal Government	-	335,492	-
Receivable - State General Fund	-	-	-
Receivable From Other Funds	-	-	-
Receivable From Local Governments	-	-	-
Receivable From Other Agencies	1,375	-	3
Total Assets	<u>\$ 3,550</u>	<u>\$ 335,492</u>	<u>\$ 413</u>
<b>LIABILITIES</b>			
Investment in State General Fund Investment Pool (Deficit)	\$ -	\$ 62,812	\$ -
Accounts Payable	2,175	271,606	3
Accrued Payroll	-	1,074	-
Payable to Federal Governments	-	-	-
Payable to State General Fund	-	-	-
Payable to Other Funds	-	-	-
Payable To Other State Agencies	-	-	-
Payable To Other Entities	1,375	-	-
Total Liabilities	<u>3,550</u>	<u>335,492</u>	<u>3</u>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	-	-	410
Committed	-	-	-
Assigned	-	-	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>410</u>
Total Liabilities and Fund Balances	<u>\$ 3,550</u>	<u>\$ 335,492</u>	<u>\$ 413</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Combining Balance Sheets - Nonmajor Special Revenue Funds  
June 30, 2012

	<u>Total Nonmajor Special Revenue Funds</u>
<b>ASSETS</b>	
Investment in State General Fund Investment Pool	\$ 491,849
Loans Receivable	-
Travel Advance	-
Receivable - From Federal Government	335,492
Receivable - State General Fund	-
Receivable From Other Funds	-
Receivable From Local Governments	-
Receivable From Other Agencies	160,306
Total Assets	<u>\$ 987,647</u>
<b>LIABILITIES</b>	
Investment in State General Fund Investment Pool (Deficit)	\$ 62,812
Accounts Payable	502,336
Accrued Payroll	1,074
Payable to Federal Governments	7
Payable to State General Fund	-
Payable to Other Funds	-
Payable To Other State Agencies	-
Payable To Other Entities	1,375
Total Liabilities	<u>567,604</u>
<b>FUND BALANCES</b>	
Nonspendable	-
Restricted	240,043
Committed	-
Assigned	180,000
Total Fund Balances	<u>420,043</u>
Total Liabilities and Fund Balances	<u>\$ 987,647</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

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**Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances - Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2012**

	Civil Legal Services Fund 62400	American Recovery & Reinvestment Fund 89000	Juvenile Adjudication Fund 10780
<b>REVENUES</b>			
Federal Grants	\$ -	\$ 7,860,296	\$ -
Assessments and Fees	-	-	137,412
E911 Surcharges	-	-	-
Alcohol Tax Revenue	-	-	-
Civil legal filing fees	1,718,824	-	-
Private grants	-	-	-
Interest earned	347	-	-
Other Revenue	2	-	-
Total revenues	<u>1,719,173</u>	<u>7,860,296</u>	<u>137,412</u>
<b>EXPENDITURES</b>			
Current Operating:			
Community Development	-	-	-
Grants to Others	-	1,631,949	154,734
Other Fiscal Support - State Entities	-	-	-
Other Fiscal Support - Local Governments	-	-	-
Other Fiscal Support - Miscellaneous	3,556,478	80,818	-
Total Expenditures	<u>3,556,478</u>	<u>1,712,767</u>	<u>154,734</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,837,305)</u>	<u>6,147,529</u>	<u>(17,322)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
General Fund Appropriation	1,610,700	-	-
STB Appropriation	-	-	-
Reversion 2011	-	-	-
Reversion 2012	-	-	-
Transfers In - Interfund	-	-	-
Transfers In - Other	-	-	-
Tranfers Out - Interfund	-	-	-
Transfers Out - Other	-	(6,147,529)	-
Total Other Financing Sources and Uses	<u>1,610,700</u>	<u>(6,147,529)</u>	<u>-</u>
Net Change in Fund Balance	(226,605)	-	(17,322)
Fund Balance-Beginning of Year	429,760	-	233,800
Fund Balance-End of Year	<u>\$ 203,155</u>	<u>\$ -</u>	<u>\$ 216,478</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

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**Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances - Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2012**

	Santa Fe 400 Anniversary Plate Fund 10880	Neighborhood Stabilization Fund 10540	Wallace Foundation SALEP Grant Fund 72600
<b>REVENUES</b>			
Federal Grants	\$ -	\$ 3,148,782	\$ -
Assessments and Fees	7,450	-	-
E911 Surcharges	-	-	-
Alcohol Tax Revenue	-	-	-
Civil legal filing fees	-	-	-
Private grants	-	-	-
Interest earned	-	-	370
Other Revenue	-	71,300	26
Total revenues	<u>7,450</u>	<u>3,220,082</u>	<u>396</u>
<b>EXPENDITURES</b>			
Current Operating:			
Community Development	-	-	-
Grants to Others	8,175	3,034,340	-
Other Fiscal Support - State Entities	-	-	-
Other Fiscal Support - Local Governments	-	-	-
Other Fiscal Support - Miscellaneous	-	185,742	17,000
Total Expenditures	<u>8,175</u>	<u>3,220,082</u>	<u>17,000</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(725)</u>	<u>-</u>	<u>(16,604)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
General Fund Appropriation	-	-	-
STB Appropriation	-	-	-
Reversion 2011	-	-	-
Reversion 2012	-	-	-
Transfers In - Interfund	-	-	-
Transfers In - Other	-	-	-
Transfers Out - Interfund	-	-	-
Transfers Out - Other	-	-	-
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(725)	-	(16,604)
Fund Balance-Beginning of Year	725	-	17,014
Fund Balance-End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 410</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

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Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances - Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2012

	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>	
Federal Grants	\$ 11,009,078
Assessments and Fees	144,862
E911 Surcharges	-
Alcohol Tax Revenue	-
Civil legal filing fees	1,718,824
Private grants	-
Interest earned	717
Other Revenue	71,328
Total revenues	12,944,809
 <b>EXPENDITURES</b>	
Current Operating:	
Community Development	-
Grants to Others	4,829,198
Other Fiscal Support - State Entities	-
Other Fiscal Support - Local Governments	-
Other Fiscal Support - Miscellaneous	3,840,038
Total Expenditures	8,669,236
Excess (Deficiency) of Revenues Over Expenditures	4,275,573
 <b>OTHER FINANCING SOURCES (USES)</b>	
General Fund Appropriation	1,610,700
STB Appropriation	-
Reversion 2011	-
Reversion 2012	-
Transfers In - Interfund	-
Transfers In - Other	-
Transfers Out - Interfund	-
Transfers Out - Other	(6,147,529)
Total Other Financing Sources and Uses	(4,536,829)
 Net Change in Fund Balance	 (261,256)
 Fund Balance-Beginning of Year	 681,299
Fund Balance-End of Year	\$ 420,043

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

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Combining Balance Sheets - Nonmajor Capital Project Funds  
June 30, 2012

	General Fund Capital Projects Fund 52900	Special Community Capital Projects Fund 58100	STB Capital Projects Fund 61000
<b>ASSETS</b>			
Investment in State General Fund Investment Pool	\$ 1,001,405	\$ 192	\$ 393,749
Loans Receivable	-	-	-
Travel Advance	-	-	-
Receivable - From Federal Government	-	-	-
Receivable - State General Fund	-	-	-
Receivable From Other Funds	-	-	1,935,194
Receivable From Local Governments	-	-	-
Receivable From Other Agencies	-	-	-
Total Assets	\$ 1,001,405	\$ 192	\$ 2,328,943
<b>LIABILITIES</b>			
Investment in State General Fund Investment Pool (Deficit)	\$ -	\$ -	\$ -
Accounts Payable	84,806	-	2,106,906
Accrued Payroll	-	-	-
Payable to State General Fund	349,197	192	-
Payable to Other Funds	513,397	-	222,037
Payable to Federal Governments	-	-	-
Payable To Agency Funds	-	-	-
Payable To Other State Agencies	15,750	-	-
Total Liabilities	963,150	192	2,328,943
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	38,255	-	-
Assigned	-	-	-
Total Fund Balances	38,255	-	-
Total Liabilities and Fund Balances	\$ 1,001,405	\$ 192	\$ 2,328,943

See accompanying notes to financial statements.



STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Combining Balance Sheets - Nonmajor Capital Project Funds  
June 30, 2012

	Tribal Infrastructure Fund 10810	General Fund Capital Outlay Statewide Fund 93100	STB Capital Outlay Statewide Fund 89200
<b>ASSETS</b>			
Investment in State General Fund Investment Pool	\$ 279,275	\$ 661,934	\$ 45,368
Loans Receivable	-	-	-
Travel Advance	-	-	-
Receivable - From Federal Government	-	-	-
Receivable - State General Fund	-	-	-
Receivable From Other Funds	1,512,651	513,397	1,097,926
Receivable From Local Governments	-	-	-
Receivable From Other Agencies	149,746	-	-
Total Assets	<u>\$ 1,941,672</u>	<u>\$ 1,175,331</u>	<u>\$ 1,143,294</u>
<b>LIABILITIES</b>			
Investment in State General Fund Investment Pool (Deficit)	\$ -	\$ -	\$ -
Accounts Payable	-	48,997	1,143,294
Accrued Payroll	-	-	-
Payable to State General Fund	-	-	-
Payable to Other Funds	-	-	-
Payable to Federal Governments	-	-	-
Payable To Agency Funds	-	-	-
Payable To Other State Agencies	1,548,651	-	-
Total Liabilities	<u>1,548,651</u>	<u>48,997</u>	<u>1,143,294</u>
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted	311,046	-	-
Committed	-	1,126,334	-
Assigned	81,975	-	-
Total Fund Balances	<u>393,021</u>	<u>1,126,334</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 1,941,672</u>	<u>\$ 1,175,331</u>	<u>\$ 1,143,294</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Combining Balance Sheets - Nonmajor Capital Project Funds  
June 30, 2012

	Total Nonmajor Capital Project Funds
<b>ASSETS</b>	
Investment in State General Fund Investment Pool	\$ 2,381,923
Loans Receivable	-
Travel Advance	-
Receivable - From Federal Government	-
Receivable - State General Fund	-
Receivable From Other Funds	5,059,168
Receivable From Local Governments	-
Receivable From Other Agencies	149,746
Total Assets	\$ 7,590,837
 <b>LIABILITIES</b>	
Investment in State General Fund Investment Pool (Deficit)	\$ -
Accounts Payable	3,384,003
Accrued Payroll	-
Payable to State General Fund	349,389
Payable to Other Funds	735,434
Payable to Federal Governments	-
Payable To Agency Funds	-
Payable To Other State Agencies	1,564,401
Total Liabilities	6,033,227
 <b>FUND BALANCES</b>	
Nonspendable	-
Restricted	311,046
Committed	1,164,589
Assigned	81,975
Total Fund Balances	1,557,610
Total Liabilities and Fund Balances	\$ 7,590,837

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

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**Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances - Nonmajor Capital Project Funds  
For the Year Ended June 30, 2012**

	General Fund Capital Projects Fund 52900	Special Community Capital Projects Fund 58100	STB Capital Projects Fund 61000
<b>REVENUES</b>			
Federal Grants	\$ -	\$ -	\$ -
Assessments and Fees	-	-	-
E911 Surcharges	-	-	-
Alcohol Tax Revenue	-	-	-
Civil legal filing fees	-	-	-
Private grants	-	-	-
Interest earned	-	-	-
Other Revenue	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current Operating:			
Community Development	-	-	-
Grants to Others	1,368,423	-	6,939,951
Other Fiscal Support - State Entities	-	-	-
Other Fiscal Support - Local Governments	-	-	-
Other Fiscal Support - Miscellaneous	60,000	-	1,160,268
Total Expenditures	1,428,423	-	8,100,219
Excess (Deficiency) of Revenues Over Expenditures	(1,428,423)	-	(8,100,219)
<b>OTHER FINANCING SOURCES (USES)</b>			
General Fund Appropriation	50,000	-	-
STB Appropriation	-	-	-
Reversion 2011	(179,361)	-	-
Reversion 2012	(168,796)	-	-
Transfers In - Interfund	-	-	8,359,685
Transfers In - Other	-	-	-
Tranfers Out - Interfund	(513,397)	-	-
Transfers Out - Other	-	-	(259,466)
Total Other Financing Sources and Uses	(811,554)	-	8,100,219
Net Change in Fund Balance	(2,239,977)	-	-
Fund Balance-Beginning of Year	2,278,232	-	-
Fund Balance-End of Year	\$ 38,255	\$ -	\$ -

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

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**Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances - Nonmajor Capital Project Funds  
For the Year Ended June 30, 2012**

	Tribal Infrastructure Project Fund 10810	General Fund Capital Outlay Statewide Fund 93100	STB Capital Outlay Statewide Fund 89200
<b>REVENUES</b>			
Federal Grants	\$ -	\$ -	\$ -
Assessments and Fees	-	-	-
E911 Surcharges	-	-	-
Alcohol Tax Revenue	-	-	-
Civil legal filing fees	-	-	-
Private grants	-	-	-
Interest earned	-	-	-
Other Revenue	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current Operating:			
Community Development	-	-	-
Grants to Others	-	410,244	3,096,088
Other Fiscal Support - State Entities	-	-	-
Other Fiscal Support - Local Governments	-	-	-
Other Fiscal Support - Miscellaneous	-	-	19,000
Total Expenditures	<u>-</u>	<u>410,244</u>	<u>3,115,088</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(410,244)</u>	<u>(3,115,088)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
General Fund Appropriation	-	-	-
STB Appropriation	-	-	-
Reversion 2011	-	-	-
Reversion 2012	-	-	-
Transfers In - Interfund	4,433,807	513,397	3,115,088
Transfers In - Other	262,040	235,807	-
Transfers Out - Interfund	-	-	-
Transfers Out - Other	(4,433,807)	-	-
Total Other Financing Sources and Uses	<u>262,040</u>	<u>749,204</u>	<u>3,115,088</u>
Net Change in Fund Balance	262,040	338,960	-
Fund Balance-Beginning of Year	130,981	787,374	-
Fund Balance-End of Year	<u>\$ 393,021</u>	<u>\$ 1,126,334</u>	<u>\$ -</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

**Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances - Nonmajor Capital Project Funds  
For the Year Ended June 30, 2012**

	Nonmajor Capital Project Funds
<b>REVENUES</b>	
Federal Grants	\$ -
Assessments and Fees	-
E911 Surcharges	-
Alcohol Tax Revenue	-
Civil legal filing fees	-
Private grants	-
Interest earned	-
Other Revenue	-
Total revenues	-
<b>EXPENDITURES</b>	
Current Operating:	
Community Development	-
Grants to Others	11,814,706
Other Fiscal Support - State Entities	-
Other Fiscal Support - Local Governments	-
Other Fiscal Support - Miscellaneous	1,239,268
Total Expenditures	13,053,974
Excess (Deficiency) of Revenues Over Expenditures	(13,053,974)
<b>OTHER FINANCING SOURCES (USES)</b>	
General Fund Appropriation	50,000
STB Appropriation	-
Reversion 2011	(179,361)
Reversion 2012	(168,796)
Transfers In - Interfund	16,421,977
Transfers In - Other	497,847
Transfers Out - Interfund	(513,397)
Transfers Out - Other	(4,693,273)
Total Other Financing Sources and Uses	11,414,997
Net Change in Fund Balance	(1,638,977)
Fund Balance-Beginning of Year	3,196,587
Fund Balance-End of Year	\$ 1,557,610

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

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Statement of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
Board of Finance Bond Funds - Capital Projects  
For the Year Ended June 30, 2012

Board of Finance Bond Funds	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Bond Proceeds	\$ 346,199,047	\$ 346,199,047	\$ 346,199,047	\$ -
Other Financing Sources	-	2,055,567	2,055,567	-
Total Revenues	346,199,047	348,254,614	348,254,614	-
Fund Balance Budgeted	1,087,692,430	1,087,692,430	191,821,413	(895,871,017)
Total Revenues and Fund Balance Budgeted	\$ 1,433,891,477	\$ 1,435,947,044	540,076,027	\$ (895,871,017)
<b>Expenditures:</b>				
Other Financing Uses	\$ 1,433,891,477	\$ 1,435,947,044	540,076,027	\$ 895,871,017
Total Expenditures	\$ 1,433,891,477	\$ 1,435,947,044	540,076,027	\$ 895,871,017
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>			-	
<b>Reversions</b>			(8,160,686)	
<b>Budgeted Fund Balance</b>			(191,821,413)	
<b>Net Change in Fund Balance</b>			\$ (199,982,099)	

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Statement of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2012

Civil Legal Services Fund 62400	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
State General Fund	\$ 1,610,700	\$ 1,610,700	\$ 1,610,700	\$ -
Civil Action	1,897,100	1,897,100	1,718,824	(178,276)
Interest Earned	-	-	349	349
Fund Balance Budgeted	180,200	180,200	180,200	-
Total Revenues and Fund Balance Budgeted	<u>\$ 3,688,000</u>	<u>\$ 3,688,000</u>	<u>3,510,073</u>	<u>\$ (177,927)</u>
<b>Expenditures:</b>				
Personal Services and Benefits	\$ 80,400	\$ 80,400	45,237	\$ 35,163
Contractual Services	3,588,300	3,588,300	3,499,407	88,893
Other	19,300	19,300	11,834	7,466
Total Expenditures	<u>\$ 3,688,000</u>	<u>\$ 3,688,000</u>	<u>3,556,478</u>	<u>\$ 131,522</u>
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>			(46,405)	
<b>Budgeted Fund Balance</b>			(180,200)	
<b>Net Change in Fund Balance</b>			<u>\$ (226,605)</u>	
<b>American Recovery &amp; Reinvestment Fund 89000</b>				
<b>Revenues:</b>				
Federal Grants	\$ 8,379,239	\$ 9,173,242	\$ 7,860,296	\$ (1,312,946)
Other Financing Sources	-	88,700	-	(88,700)
Total Revenues	<u>\$ 8,379,239</u>	<u>\$ 9,261,942</u>	<u>7,860,296</u>	<u>\$ (1,401,646)</u>
<b>Expenditures:</b>				
Personal Services and Benefits	\$ 12,302	\$ 42,502	28,185	\$ 14,317
Contractual Services	30,159	87,459	52,037	35,422
Other	1,644,291	2,330,491	1,632,545	697,946
Other Financing Uses	6,692,487	6,801,490	6,147,529	653,961
Total Expenditures	<u>\$ 8,379,239</u>	<u>\$ 9,261,942</u>	<u>7,860,296</u>	<u>\$ 1,401,646</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>			-	
<b>Net Change in Fund Balance</b>			<u>\$ -</u>	

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Statement of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2012

Juvenile Adjudication Fund Fund 10780	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Assessments and Fees	\$ -	\$ -	\$ 137,412	\$ 137,412
Fund Balance	233,800	233,800	17,322	(216,478)
Total Revenues and Fund Balance Budgeted	<u>\$ 233,800</u>	<u>\$ 233,800</u>	<u>154,734</u>	<u>\$ (79,066)</u>
<b>Expenditures:</b>				
Other Financing Uses	\$ 233,800	\$ 233,800	154,734	\$ 79,066
Total expenditures	<u>\$ 233,800</u>	<u>\$ 233,800</u>	<u>154,734</u>	<u>\$ 79,066</u>
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>				-
<b>Budgeted Fund Balance</b>			<u>(17,322)</u>	
<b>Net Change in Fund Balance</b>			<u>\$ (17,322)</u>	

Santa Fe 400 Anniversary Plate Fund 10880	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Assessments and Fees	\$ 9,600	\$ 9,600	\$ 7,450	\$ (2,150)
Fund Balance	-	725	725	-
Total Revenues and Fund Balance Budgeted	<u>\$ 9,600</u>	<u>\$ 10,325</u>	<u>8,175</u>	<u>\$ (2,150)</u>
<b>Expenditures:</b>				
Other	\$ 9,600	\$ 10,325	8,175	\$ 2,150
Total expenditures	<u>\$ 9,600</u>	<u>\$ 10,325</u>	<u>8,175</u>	<u>\$ 2,150</u>
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>				-
<b>Budgeted Fund Balance</b>			<u>(725)</u>	
<b>Net Change in Fund Balance</b>			<u>\$ (725)</u>	



STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Statement of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended June 30, 2012

Neighborhood Stabilization Program Fund 10540	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
	<b>Revenues:</b>			
Federal Funds	\$ 8,574,945	\$ 8,574,945	\$ 3,220,082	\$ (5,354,863)
Total Revenues	<u>\$ 8,574,945</u>	<u>\$ 8,574,945</u>	<u>3,220,082</u>	<u>\$ (5,354,863)</u>
<b>Expenditures:</b>				
Personal Services and Benefits	\$ 13,233	\$ 50,000	26,066	\$ 23,934
Contractual Services	237,216	437,216	157,509	279,707
Other	8,324,496	8,087,729	3,036,507	5,051,222
Total Expenditures	<u>\$ 8,574,945</u>	<u>\$ 8,574,945</u>	<u>3,220,082</u>	<u>\$ 5,354,863</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>			-	
<b>Budgeted Fund Balance</b>			-	
<b>Net Change in Fund Balance</b>			<u>\$ -</u>	

Wallace Foundation Grant Fund 72600	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
	<b>Revenues:</b>			
Interest Earned	\$ -	\$ 10	\$ 26	\$ 16
Other Revenue	-	370	370	-
Fund Balance Budgeted	-	17,014	16,604	(410)
Total Revenues and Fund Balance Budgeted	<u>\$ -</u>	<u>\$ 17,394</u>	<u>17,000</u>	<u>\$ (394)</u>
<b>Expenditures:</b>				
Personal Services and Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	17,394	17,000	394
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ 17,394</u>	<u>17,000</u>	<u>\$ 394</u>
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>			-	
<b>Budgeted Fund Balance</b>			(16,604)	
<b>Net Change in Fund Balance</b>			<u>\$ (16,604)</u>	

See accompanying notes to financial statements.

Statement of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
Nonmajor Capital Project Funds  
For the Year Ended June 30, 2012

General Fund Capital Projects Fund 52900	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Other Financing Sources	\$ -	\$ 50,000	\$ 50,000	\$ -
Other Revenue	-	-	-	-
Fund Balance Budgeted	2,278,232	2,278,232	1,891,820	(386,412)
Total Revenues and Fund Balance Budgeted	<u>\$ 2,278,232</u>	<u>\$ 2,328,232</u>	<u>1,941,820</u>	<u>\$ (386,412)</u>
<b>Expenditures:</b>				
Contractual Services	\$ 66,152	\$ 66,152	60,000	\$ 6,152
Other	2,212,080	1,748,682	1,368,423	380,259
Other Financing Uses	-	513,398	513,397	1
Total expenditures	<u>\$ 2,278,232</u>	<u>\$ 2,328,232</u>	<u>1,941,820</u>	<u>\$ 386,412</u>
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>				
				-
<b>Reversions</b>			(348,157)	
<b>Budgeted Fund Balance</b>			(1,891,820)	
<b>Net Change in Fund Balance</b>			<u>\$ (2,239,977)</u>	

Special Community Capital Projects Fund 58100	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Other Financing Sources	\$ -	\$ -	\$ -	\$ -
Fund Balance Budgeted	-	-	-	-
Total Revenues and Fund Balance Budgeted	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Expenditures:</b>				
Contractual services	\$ -	\$ -	-	\$ -
Other	-	-	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>				
				-
<b>Budgeted Fund Balance</b>			-	
<b>Net Change in Fund Balance</b>			<u>\$ -</u>	

Statement of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
Nonmajor Capital Project Funds  
For the Year Ended June 30, 2012

STB Capital Projects Fund 61000	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
Revenues:	Original	Final		
Other Financing Sources - STB	\$ 20,184,227	\$ 13,206,082	\$ 8,359,685	\$ (4,846,397)
Total Revenues Budgeted	\$ 20,184,227	\$ 13,206,082	8,359,685	\$ (4,846,397)
Expenditures:				
Contractual Services	\$ 1,525,207	\$ 1,525,207	1,160,268	\$ 364,939
Other	17,948,592	10,970,447	6,939,951	4,030,496
Other Financing Uses	710,428	710,428	259,466	450,962
Total Expenditures	\$ 20,184,227	\$ 13,206,082	8,359,685	\$ 4,846,397
Excess (Deficiency) of Revenues Over (Under) Expenditures			-	-
Budgeted Fund Balance			-	-
Net Change in Fund Balance			\$ -	

Tribal Infrastructure Project Fund 10810	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
Revenues:	Original	Final		
Other Financing Sources - STB	\$ 5,351,213	\$ 5,351,213	\$ 4,433,807	\$ (917,406)
Other Financing Sources	-	-	262,040	262,040
Fund Balance	81,975	81,975	-	(81,975)
Total Revenues and Fund Balance Budgeted	\$ 5,433,188	\$ 5,433,188	4,695,847	\$ (737,341)
Expenditures:				
Other	\$ -	\$ -	-	\$ -
Other Financing Uses	5,433,188	5,433,188	4,433,807	999,381
Total expenditures	\$ 5,433,188	\$ 5,433,188	4,433,807	\$ 999,381
Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures			262,040	
Budgeted Fund Balance			-	
Net Change in Fund Balance			\$ 262,040	

Statement of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
Nonmajor Capital Project Funds  
For the Year Ended June 30, 2012

General Fund Capital Outlay Statewide Fund 93100	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Other Financing Sources	\$ -	\$ 749,204	\$ 749,204	\$ -
Fund Balance Budgeted	787,374	787,374	-	(787,374)
Total Revenues and Fund Balance Budgeted	\$ 787,374	\$ 1,536,578	749,204	\$ (787,374)
<b>Expenditures:</b>				
Other	\$ 787,374	\$ 1,536,578	410,244	\$ 1,126,334
Total Expenditures	\$ 787,374	\$ 1,536,578	410,244	\$ 1,126,334
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>			338,960	
<b>Budgeted Fund Balance</b>			-	
<b>Net Change in Fund Balance</b>			\$ 338,960	

STB Capital Outlay Statewide Fund 89200	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Other Financing Sources - STB	\$ 9,407,970	\$ 43,055,737	\$ 3,115,088	\$ (39,940,649)
Total Revenues Budgeted	\$ 9,407,970	\$ 43,055,737	3,115,088	\$ (39,940,649)
<b>Expenditures:</b>				
Contractual Services	\$ 19,000	\$ 19,000	19,000	\$ -
Other	9,103,970	42,656,386	3,096,088	39,560,298
Other Financing Uses	285,000	380,351	-	380,351
Total Expenditures	\$ 9,407,970	\$ 43,055,737	3,115,088	\$ 39,940,649
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>			-	
<b>Budgeted Fund Balance</b>			-	
<b>Net Change in Fund Balance</b>			\$ -	

See accompanying notes to financial statements.

**OTHER SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**Board of Finance Bond Funds Summary Schedule**  
**Balance Sheet - by Fund**  
**For the Year Ended June 30, 2012**

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Fund Number	Investment in State Treasurer Investment Pool	Receivable From Other Funds	Receivable From Other State Agencies	Total Assets
00100 Sev. Tax Notes - S 205SA	\$ 476,182	\$ -	\$ -	\$ 476,182
01900 Sev. Tax Bonds, S2006A	9,393,783	-	-	9,393,783
02200 Gen. Oblig. Bonds	92,142	-	-	92,142
02700 Gen. Oblig. Bonds, S2007	839,541	-	8,754	848,295
03300 Gen. Oblig. Bonds, S1997	-	-	-	-
04000 Sev. Tax Bonds, S1999A	73,000	-	-	73,000
04100 Suppl. Sev. Tax Bonds, S2002A	-	-	-	-
05400 Gen. Oblig. Bonds, S2005	642,201	-	-	642,201
06200 Sev. Tax Bonds, S1999B	88,931	-	-	88,931
10590 General Oblig. Bonds, S2009	23,906,942	-	-	23,906,942
10720 Suppl. Sev. Tax Bonds, S2009SB	-	-	-	-
10730 Sev. Tax Bonds, S2009SA	5,669,620	-	-	5,669,620
10740 Sev. Tax Bonds, S2009A	44,464,206	11,238	-	44,475,444
11580 Sev. Tax Bond, S2011SA	21,459,669	-	-	21,459,669
22900 Sev. Tax Bonds, S2005A	304,483	-	9,346	313,829
30100 Suppl. Sev. Tax Bonds, S2003SF	499,550	-	-	499,550
30200 Sev. Tax Bonds, S2003SE	177,791	-	-	177,791
30880 Sev. Tax Bond, S2011SC	1,444,400	-	-	1,444,400
30890 Suppl. Sev. Tax Bond, S2011SD	95,355,275	-	-	95,355,275
31200 Sev. Tax Notes, S2005SC	21,750	-	-	21,750
40300 Sev. Tax Bonds, S2003A	1,268,599	-	-	1,268,599
40700 Sev. Tax Bonds, S2004A	89,000	-	-	89,000
56300 Sev. Tax Bonds, S2002A	60,371	-	-	60,371
57400 Suppl. Sev. Tax Bonds, S2000C	-	-	180,359	180,359
58800 Sev. Tax Bonds, S2000	10,000	-	-	10,000
60900 Sev. Tax Bonds, S2008A1	25,994,368	-	-	25,994,368
60910 Sev. Tax Bonds, S2008SA	12,313,420	-	146,639	12,460,059
60930 Sev. Tax Bonds, S2008SC	5,355,610	-	-	5,355,610
62100 Sev. Tax Notes, S2005SE	49,821	-	-	49,821
62600 Suppl. Sev. Tax Notes, S2005SF	-	-	-	-
62700 Gen. Oblig. Bonds, S2001	-	-	-	-
63000 Suppl. Sev. Tax Bonds, S2002SC	-	-	-	-
65300 Suppl. Sev. Tax Notes, S2004SC	4,224,819	-	-	4,224,819
66300 Sev. Tax Bonds, S2007A	5,824,522	-	-	5,824,522
66400 Sev. Tax Bonds, S2007SA	12,716,465	-	-	12,716,465
66600 Severance Tax Bonds, S2007SC	-	-	-	-
70800 Gen. Oblig. Bonds, S1999	-	-	-	-
73200 Sev. Tax Bonds, S2004SF	204,386	-	-	204,386
73300 Suppl. Sev. Tax Bonds, S2002B	-	-	-	-
74600 Suppl. Sev. Tax Bonds, S2003SC	-	-	-	-
76200 Sev. Tax Bonds, S2000SA	-	-	-	-
79500 Suppl. Sev. Tax Notes, S2004SG	-	-	-	-
80300 Sev. Tax Notes, S2006SC	3,422,183	-	-	3,422,183
80500 Suppl. Sev. Tax Notes, S2007SE	483,131	-	-	483,131
80900 Suppl. Sev. Tax Notes, S2006SD	61,020	-	-	61,020
81500 Sev. Tax Bonds, S2004SA	3,958,976	-	-	3,958,976
82100 Sev. Tax Notes, S2007SD	1,243,812	-	-	1,243,812
88600 Sev. Tax Notes, S2004SB	-	-	-	-
96850 Sev. Tax Bonds, S2008D	12,579,538	520	-	12,580,058
96860 Suppl. Sev. Tax Bonds, S2008D	944,005	-	-	944,005
99600 Sev. Tax Bonds, S1998B	1,368	-	-	1,368
10710 Sev. Tax Bonds, S2009SC	7,464,296	-	-	7,464,296
10910 Sev. Tax Bonds, S2009SD	18,311,244	-	-	18,311,244
10920 Sev. Tax Bonds, S2010A	86,200,262	-	-	86,200,262
10930 Suppl. Sev. Tax Bonds, S2010B	1,691,535	-	-	1,691,535
11160 Sev. Tax Bonds, S2010A	27,007,039	-	-	27,007,039
11170 Suppl. Sev. Tax Bonds, S2010B	94,863,318	-	-	94,863,318
11290 Suppl. Srv. Tax Bonds, S2010SC	31,551,677	-	-	31,551,677
11310 Gen. Oblig. Bonds, S2011	15,920,047	-	-	15,920,047
11330 Suppl. Sev. Tax Bonds, S2011SB	154,607,944	-	-	154,607,944
11350 Sev. Tax Bonds, S2011A-1	50,188,922	-	-	50,188,922
11430 Sup Sev Tax Bond Series 2012SB	50,025,186	-	-	50,025,186
11440 Sev Tax Bonds, Series 2012A	70,292,961	-	-	70,292,961
11450 Seve Tax Bonds, 2011SA	59,775,000	-	-	59,775,000
<b>Total</b>	<b>\$ 963,614,311</b>	<b>\$ 11,758</b>	<b>\$ 345,098</b>	<b>\$ 963,971,167</b>

See accompanying notes to financial statements.

**STATE OF NEW MEXICO DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**Board of Finance Bond Funds Summary Schedule**  
**Balance Sheet - by Fund**  
**For the Year Ended June 30, 2012**

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Fund Number	Payable To Other Funds	Payable To Other State Agencies	Payable To Other Entities	Total Liabilities
00100 Sev. Tax Notes - S 205SA	\$ 90,714	\$ -	\$ -	\$ 90,714
01900 Sev. Tax Bonds, S2006A	-	510,258	-	510,258
02200 Gen. Oblig. Bonds	-	-	-	-
02700 Gen. Oblig. Bonds, S2007	-	-	10,000	10,000
03300 Gen. Oblig. Bonds, S1997	-	-	-	-
04000 Sev. Tax Bonds, S1999A	-	-	-	-
04100 Suppl. Sev. Tax Bonds, S2002A	-	-	-	-
05400 Gen. Oblig. Bonds, S2005	-	-	-	-
06200 Sev. Tax Bonds, S1999B	-	-	-	-
10590 General Oblig. Bonds, S2009	-	3,972,802	7,545,587	11,518,389
10720 Suppl. Sev. Tax Bonds, S2009SB	-	-	-	-
10730 Sev. Tax Bonds, S2009SA	-	2,069,550	-	2,069,550
10740 Sev. Tax Bonds, S2009A	625,561	1,329,063	1,966,727	3,921,351
11580 Sev. Tax Bond, S2011SA	-	-	1,568,348	1,568,348
22900 Sev. Tax Bonds, S2005A	-	11,793	-	11,793
30100 Suppl. Sev. Tax Bonds, S2003SF	-	-	-	-
30200 Sev. Tax Bonds, S2003SE	-	-	-	-
30880 Sev. Tax Bond, S2011SC	-	-	-	-
30890 Suppl. Sev. Tax Bond, S2011SD	-	13,464,108	-	13,464,108
31200 Sev. Tax Notes, S2005SC	-	-	-	-
40300 Sev. Tax Bonds, S2003A	-	7,406	-	7,406
40700 Sev. Tax Bonds, S2004A	-	10,000	-	10,000
56300 Sev. Tax Bonds, S2002A	-	-	-	-
57400 Suppl. Sev. Tax Bonds, S2000C	-	-	-	-
58800 Sev. Tax Bonds, S2000	-	-	-	-
60900 Sev. Tax Bonds, S2008A1	620,287	2,150,987	39,140	2,810,414
60910 Sev. Tax Bonds, S2008SA	922,188	1,212,989	304,616	2,439,793
60930 Sev. Tax Bonds, 2008SC	-	426,109	-	426,109
62100 Sev. Tax Notes, S2005SE	-	-	-	-
62600 Suppl. Sev. Tax Notes, S2005SF	-	-	-	-
62700 Gen. Oblig. Bonds, S2001	-	-	-	-
63000 Suppl. Sev. Tax Bonds, S2002SC	-	-	-	-
65300 Suppl. Sev. Tax Notes, S2004SC	-	-	-	-
66300 Sev. Tax Bonds, S2007A	-	1,000,582	-	1,000,582
66400 Sev. Tax Bonds, S2007SA	113,382	10,058	1,941,947	2,065,387
66600 Severance Tax Bonds, S2007SC	-	-	-	-
70800 Gen. Oblig. Bonds, S1999	-	-	-	-
73200 Sev. Tax Bonds, S2004SF	-	-	-	-
73300 Suppl. Sev. Tax Bonds, S2002B	-	-	-	-
74600 Suppl. Sev. Tax Bonds, S2003SC	-	-	-	-
76200 Sev. Tax Bonds, S2000SA	-	-	-	-
79500 Suppl. Sev. Tax Notes, S2004SG	-	-	-	-
80300 Sev. Tax Notes, S2006SC	888,923	11,894	-	900,817
80500 Suppl. Sev. Tax Notes, S2007SE	-	-	-	-
80900 Suppl. Sev. Tax Notes, S2006SD	-	-	-	-
81500 Sev. Tax Bonds, S2004SA	-	-	-	-
82100 Sev. Tax Notes, S2007SD	8,638	-	-	8,638
88600 Sev. Tax Notes, S2004SB	-	-	-	-
96850 Sev. Tax Bonds, S2008D	20,065	2,184,478	1,243,933	3,448,476
96860 Suppl. Sev. Tax Bonds, S2008D	-	82,115	-	82,115
99600 Sev. Tax Bonds, S1998B	-	-	-	-
10710 Sev. Tax Bonds, S2009SC	-	150,358	237,120	387,478
10910 Sev. Tax Bonds, S2009SD	682,709	1,706,957	-	2,389,666
10920 Sev. Tax Bonds, S2010A	140,611	4,808,509	95,476	5,044,596
10930 Suppl. Sev. Tax Bonds, S2010B	-	285,125	-	285,125
11160 Sev. Tax Bonds, S2010A	222,414	1,192,165	3,424,834	4,839,413
11170 Suppl. Sev. Tax Bonds, S2010B	-	11,160,852	-	11,160,852
11290 Suppl. Srv. Tax Bonds, S2010SC	-	2,675,371	-	2,675,371
11310 Gen. Oblig. Bonds, S2011	-	1,962,571	-	1,962,571
11330 Suppl. Sev. Tax Bonds, S2011SB	-	-	-	-
11350 Sev. Tax Bonds, S2011A-1	-	1,134,361	17,155	1,151,516
11430 Sup Sev Tax Bond Series 2012SB	-	-	-	-
11440 Sev Tax Bonds, Series 2012A	-	-	-	-
11450 Seve Tax Bonds, 2011SA	-	-	-	-
<b>Total</b>	<b>\$ 4,335,492</b>	<b>\$ 53,530,461</b>	<b>\$ 18,394,883</b>	<b>\$ 76,260,836</b>

See accompanying notes to financial statements.

**STATE OF NEW MEXICO DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**Board of Finance Bond Funds Summary Schedule**  
**Balance Sheet - by Fund**  
**For the Year Ended June 30, 2012**

Fund Number	<i>Total Fund Balance</i>	<i>Total Liabilities and Fund Balances</i>
00100 Sev. Tax Notes - S 205SA	\$ 385,468	\$ 476,182
01900 Sev. Tax Bonds, S2006A	8,883,525	9,393,783
02200 Gen. Oblig. Bonds	92,142	92,142
02700 Gen. Oblig. Bonds, S2007	838,295	848,295
03300 Gen. Oblig. Bonds, S1997	-	-
04000 Sev. Tax Bonds, S1999A	73,000	73,000
04100 Suppl. Sev. Tax Bonds, S2002A	-	-
05400 Gen. Oblig. Bonds, S2005	642,201	642,201
06200 Sev. Tax Bonds, S1999B	88,931	88,931
10590 General Oblig. Bonds, S2009	12,388,553	23,906,942
10720 Suppl. Sev. Tax Bonds, S2009SB	-	-
10730 Sev. Tax Bonds, S2009SA	3,600,070	5,669,620
10740 Sev. Tax Bonds, S2009A	40,554,093	44,475,444
11580 Sev. Tax Bond, S2011SA	19,891,321	21,459,669
22900 Sev. Tax Bonds, S2005A	302,036	313,829
30100 Suppl. Sev. Tax Bonds, S2003SF	499,550	499,550
30200 Sev. Tax Bonds, S2003SE	177,791	177,791
30880 Sev. Tax Bond, S2011SC	1,444,400	1,444,400
30890 Suppl. Sev. Tax Bond, S2011SD	81,891,167	95,355,275
31200 Sev. Tax Notes, S2005SC	21,750	21,750
40300 Sev. Tax Bonds, S2003A	1,261,193	1,268,599
40700 Sev. Tax Bonds, S2004A	79,000	89,000
56300 Sev. Tax Bonds, S2002A	60,371	60,371
57400 Suppl. Sev. Tax Bonds, S2000C	180,359	180,359
58800 Sev. Tax Bonds, S2000	10,000	10,000
60900 Sev. Tax Bonds, S2008A1	23,183,954	25,994,368
60910 Sev. Tax Bonds, S2008SA	10,020,266	12,460,059
60930 Sev. Tax Bonds, 2008SC	4,929,501	5,355,610
62100 Sev. Tax Notes, S2005SE	49,821	49,821
62600 Suppl. Sev. Tax Notes, S2005SF	-	-
62700 Gen. Oblig. Bonds, S2001	-	-
63000 Suppl. Sev. Tax Bonds, S2002SC	-	-
65300 Suppl. Sev. Tax Notes, S2004SC	4,224,819	4,224,819
66300 Sev. Tax Bonds, S2007A	4,823,940	5,824,522
66400 Sev. Tax Bonds, S2007SA	10,651,078	12,716,465
66600 Severance Tax Bonds, S2007SC	-	-
70800 Gen. Oblig. Bonds, S1999	-	-
73200 Sev. Tax Bonds, S2004SF	204,386	204,386
73300 Suppl. Sev. Tax Bonds, S2002B	-	-
74600 Suppl. Sev. Tax Bonds, S2003SC	-	-
76200 Sev. Tax Bonds, S2000SA	-	-
79500 Suppl. Sev. Tax Notes, S2004SG	-	-
80300 Sev. Tax Notes, S2006SC	2,521,366	3,422,183
80500 Suppl. Sev. Tax Notes, S2007SE	483,131	483,131
80900 Suppl. Sev. Tax Notes, S2006SD	61,020	61,020
81500 Sev. Tax Bonds, S2004SA	3,958,976	3,958,976
82100 Sev. Tax Notes, S2007SD	1,235,174	1,243,812
88600 Sev. Tax Notes, S2004SB	-	-
96850 Sev. Tax Bonds, S2008D	9,131,582	12,580,058
96860 Suppl. Sev. Tax Bonds, S2008D	861,890	944,005
99600 Sev. Tax Bonds, S1998B	1,368	1,368
10710 Sev. Tax Bonds, S2009SC	7,076,818	7,464,296
10910 Sev. Tax Bonds, S2009SD	15,921,578	18,311,244
10920 Sev. Tax Bonds, S2010A	81,155,666	86,200,262
10930 Suppl. Sev. Tax Bonds, S2010B	1,406,410	1,691,535
11160 Sev. Tax Bonds, S2010A	22,167,626	27,007,039
11170 Suppl. Sev. Tax Bonds, S2010B	83,702,466	94,863,318
11290 Suppl. Srv. Tax Bonds, S2010SC	28,876,306	31,551,677
11310 Gen. Oblig. Bonds, S2011	13,957,476	15,920,047
11330 Suppl. Sev. Tax Bonds, S2011SB	154,607,944	154,607,944
11350 Sev. Tax Bonds, S2011A-1	49,037,406	50,188,922
11430 Sup Sev Tax Bond Series 2012SB	50,025,186	50,025,186
11440 Sev Tax Bonds, Series 2012A	70,292,961	70,292,961
11450 Seve Tax Bonds, 2011SA	59,775,000	59,775,000
<b>Total</b>	<b>\$ 887,710,331</b>	<b>\$ 963,971,167</b>

See accompanying notes to financial statements.



STATE OF NEW MEXICO DEPARTMENT OF FINANCE AND ADMINISTRATION  
 Board of Finance Bond Funds Summary Schedule  
 Revenues, Expenditures and Change in Fund Balance - by Fund  
 For the Year Ended June 30, 2012

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Fund Number	Bond Proceeds	Reversion	Transfers In	Transfers Out	Total Other Financing Sources and (Uses)
00100 Sev. Tax Notes - S 205SA	\$ -	\$ (91)	\$ 78,378	\$ (1,132,866)	\$ (1,054,579)
01900 Sev. Tax Bonds, S2006A	-	(399,095)	118,689	(10,355,923)	(10,636,329)
02200 Gen. Oblig. Bonds	-	-	-	-	-
02700 Gen. Oblig. Bonds, S2007	-	(592,347)	-	(3,441,754)	(4,034,101)
03300 Gen. Oblig. Bonds, S1997	-	(4,623)	-	-	(4,623)
04000 Sev. Tax Bonds, S1999A	-	-	-	-	-
04100 Suppl. Sev. Tax Bonds, S2002A	-	(105)	-	-	(105)
05400 Gen. Oblig. Bonds, S2005	-	(90,373)	-	-	(90,373)
06200 Sev. Tax Bonds, S1999B	-	-	-	(49,513)	(49,513)
10590 General Oblig. Bonds, S2009	-	(71,868)	-	(73,800,753)	(73,872,621)
10720 Suppl. Sev. Tax Bonds, S2009SB	-	-	-	(126,118,886)	(126,118,886)
10730 Sev. Tax Bonds, S2009SA	-	-	-	(2,910,232)	(2,910,232)
10740 Sev. Tax Bonds, S2009A	-	(155,138)	15,448	(27,815,406)	(27,955,096)
11580 Sev. Tax Bond, S2011SA	-	-	-	(7,381,898)	(7,381,898)
22900 Sev. Tax Bonds, S2005A	-	11,191	-	(550,839)	(539,648)
30100 Suppl. Sev. Tax Bonds, S2003SF	-	-	-	-	-
30200 Sev. Tax Bonds, S2003SE	-	-	-	-	-
30880 Sev. Tax Bond, S2011SC	16,444,400	-	-	(15,000,000)	1,444,400
30890 Suppl. Sev. Tax Bond, S2011SD	98,718,500	-	-	(16,827,333)	81,891,167
31200 Sev. Tax Notes, S2005SC	-	-	-	(8,250)	(8,250)
40300 Sev. Tax Bonds, S2003A	-	(4,924)	999	(193,831)	(197,756)
40700 Sev. Tax Bonds, S2004A	-	(17,151)	-	(10,000)	(27,151)
56300 Sev. Tax Bonds, S2002A	-	(775,021)	-	(51,120)	(826,141)
57400 Suppl. Sev. Tax Bonds, S2000C	-	(8,143)	-	-	(8,143)
58800 Sev. Tax Bonds, S2000	-	-	-	-	-
60900 Sev. Tax Bonds, S2008A1	-	(273,804)	-	(20,492,325)	(20,766,129)
60910 Sev. Tax Bonds, S2008SA	-	(76,357)	70,459	(7,382,417)	(7,388,315)
60930 Sev. Tax Bonds, 2008SC	-	-	1,047,011	(1,843,618)	(796,607)
62100 Sev. Tax Notes, S2005SE	-	-	-	(1,433,294)	(1,433,294)
62600 Suppl. Sev. Tax Notes, S2005SF	-	-	-	(119,082)	(119,082)
62700 Gen. Oblig. Bonds, S2001	-	(160,953)	-	-	(160,953)
63000 Suppl. Sev. Tax Bonds, S2002SC	-	(27)	-	-	(27)
65300 Suppl. Sev. Tax Notes, S2004SC	-	-	578,853	-	578,853
66300 Sev. Tax Bonds, S2007A	-	(732,078)	26,765	(4,141,336)	(4,846,649)
66400 Sev. Tax Bonds, S2007SA	-	(3,624,044)	106,847	(13,523,782)	(17,040,979)
66600 Severance Tax Bonds, S2007SC	-	-	-	(6,300,000)	(6,300,000)
70800 Gen. Oblig. Bonds, S1999	-	(114,660)	-	-	(114,660)
73200 Sev. Tax Bonds, S2004SF	-	-	-	(1,116)	(1,116)
73300 Suppl. Sev. Tax Bonds, S2002B	-	(6,543)	-	-	(6,543)
74600 Suppl. Sev. Tax Bonds, S2003SC	-	(129,540)	-	-	(129,540)
76200 Sev. Tax Bonds, S2000SA	-	-	-	(50,000)	(50,000)
79500 Suppl. Sev. Tax Notes, S2004SG	-	(33,549)	-	-	(33,549)
80300 Sev. Tax Notes, S2006SC	-	(39,206)	-	(1,658,267)	(1,697,473)
80500 Suppl. Sev. Tax Notes, S2007SE	-	-	-	(332,330)	(332,330)
80900 Suppl. Sev. Tax Notes, S2006SD	-	(17)	-	-	(17)
81500 Sev. Tax Bonds, S2004SA	-	-	-	(6,000)	(6,000)
82100 Sev. Tax Notes, S2007SD	-	(711,568)	-	(1,853,377)	(2,564,945)
88600 Sev. Tax Notes, S2004SB	-	(40)	-	-	(40)
96850 Sev. Tax Bonds, S2008D	-	(42,056)	520	(17,650,471)	(17,692,007)
96860 Suppl. Sev. Tax Bonds, S2008D	-	-	-	(7,820,996)	(7,820,996)
99600 Sev. Tax Bonds, S1998B	-	(97,152)	-	-	(97,152)
10710 Sev. Tax Bonds, S2009SC	-	-	-	(3,015,925)	(3,015,925)
10910 Sev. Tax Bonds, S2009SD	-	(8,954)	-	(11,306,400)	(11,315,354)
10920 Sev. Tax Bonds, S2010A	-	(2,398)	-	(49,354,220)	(49,356,618)
10930 Suppl. Sev. Tax Bonds, S2010B	-	-	-	(48,418,759)	(48,418,759)
11160 Sev. Tax Bonds, S2010A	-	(41)	11,598	(19,564,739)	(19,553,182)
11170 Suppl. Sev. Tax Bonds, S2010B	-	-	-	(13,297,534)	(13,297,534)
11290 Suppl. Sev. Tax Bonds, S2010SC	-	-	-	(17,213,328)	(17,213,328)
11310 Gen. Oblig. Bonds, S2011	-	(11)	-	(5,742,513)	(5,742,524)
11330 Suppl. Sev. Tax Bonds, S2011SB	-	-	-	-	-
11350 Sev. Tax Bonds, S2011A-1	50,943,000	-	-	(1,905,594)	49,037,406
11430 Sup Sev Tax Bond Series 2012SB	50,025,186	-	-	-	50,025,186
11440 Sev Tax Bonds, Series 2012A	70,292,961	-	-	-	70,292,961
11450 Sev. Tax Bonds, 2011SA	59,775,000	-	-	-	59,775,000
<b>Total</b>	<b>\$ 346,199,047</b>	<b>\$ (8,160,686)</b>	<b>\$ 2,055,567</b>	<b>\$ (540,076,027)</b>	<b>\$ (199,982,099)</b>

See accompanying notes to the financial statements.

STATE OF NEW MEXICO DEPARTMENT OF FINANCE AND ADMINISTRATION  
 Board of Finance Bond Funds Summary Schedule  
 Revenues, Expenditures and Change in Fund Balance - by Fund  
 For the Year Ended June 30, 2012

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Fund Number	Net Change in Fund Balance	Fund Balance Beginning of Year	Fund Balance End of Year
00100 Sev. Tax Notes - S 205SA	\$ (1,054,579)	\$ 1,440,047	\$ 385,468
01900 Sev. Tax Bonds, S2006A	(10,636,329)	19,519,854	8,883,525
02200 Gen. Oblig. Bonds	-	92,142	92,142
02700 Gen. Oblig. Bonds, S2007	(4,034,101)	4,872,396	838,295
03300 Gen. Oblig. Bonds, S1997	(4,623)	4,623	-
04000 Sev. Tax Bonds, S1999A	-	73,000	73,000
04100 Suppl. Sev. Tax Bonds, S2002A	(105)	105	-
05400 Gen. Oblig. Bonds, S2005	(90,373)	732,574	642,201
06200 Sev. Tax Bonds, S1999B	(49,513)	138,444	88,931
10590 General Oblig. Bonds, S2009	(73,872,621)	86,261,174	12,388,553
10720 Suppl. Sev. Tax Bonds, S2009SB	(126,118,886)	126,118,886	-
10730 Sev. Tax Bonds, S2009SA	(2,910,232)	6,510,302	3,600,070
10740 Sev. Tax Bonds, S2009A	(27,955,096)	68,509,189	40,554,093
11580 Sev. Tax Bond, S2011SA	(7,381,898)	27,273,219	19,891,321
22900 Sev. Tax Bonds, S2005A	(539,648)	841,684	302,036
30100 Suppl. Sev. Tax Bonds, S2003SF	-	499,550	499,550
30200 Sev. Tax Bonds, S2003SE	-	177,791	177,791
30880 Sev. Tax Bond, S2011SC	1,444,400	-	1,444,400
30890 Suppl. Sev. Tax Bond, S2011SD	81,891,167	-	81,891,167
31200 Sev. Tax Notes, S2005SC	(8,250)	30,000	21,750
40300 Sev. Tax Bonds, S2003A	(197,756)	1,458,949	1,261,193
40700 Sev. Tax Bonds, S2004A	(27,151)	106,151	79,000
56300 Sev. Tax Bonds, S2002A	(826,141)	886,512	60,371
57400 Suppl. Sev. Tax Bonds, S2000C	(8,143)	188,502	180,359
58800 Sev. Tax Bonds, S2000	-	10,000	10,000
60900 Sev. Tax Bonds, S2008A1	(20,766,129)	43,950,083	23,183,954
60910 Sev. Tax Bonds, S2008SA	(7,388,315)	17,408,581	10,020,266
60930 Sev. Tax Bonds, S2008SC	(796,607)	5,726,108	4,929,501
62100 Sev. Tax Notes, S2005SE	(1,433,294)	1,483,115	49,821
62600 Suppl. Sev. Tax Notes, S2005SF	(119,082)	119,082	-
62700 Gen. Oblig. Bonds, S2001	(160,953)	160,953	-
63000 Suppl. Sev. Tax Bonds, S2002SC	(27)	27	-
65300 Suppl. Sev. Tax Notes, S2004SC	578,853	3,645,966	4,224,819
66300 Sev. Tax Bonds, S2007A	(4,846,649)	9,670,589	4,823,940
66400 Sev. Tax Bonds, S2007SA	(17,040,979)	27,692,057	10,651,078
66600 Severance Tax Bonds, S2007SC	(6,300,000)	6,300,000	-
70800 Gen. Oblig. Bonds, S1999	(114,660)	114,660	-
73200 Sev. Tax Bonds, S2004SF	(1,116)	205,502	204,386
73300 Suppl. Sev. Tax Bonds, S2002B	(6,543)	6,543	-
74600 Suppl. Sev. Tax Bonds, S2003SC	(129,540)	129,540	-
76200 Sev. Tax Bonds, S2000SA	(50,000)	50,000	-
79500 Suppl. Sev. Tax Notes, S2004SG	(33,549)	33,549	-
80300 Sev. Tax Notes, S2006SC	(1,697,473)	4,218,839	2,521,366
80500 Suppl. Sev. Tax Notes, S2007SE	(332,330)	815,461	483,131
80900 Suppl. Sev. Tax Notes, S2006SD	(17)	61,037	61,020
81500 Sev. Tax Bonds, S2004SA	(6,000)	3,964,976	3,958,976
82100 Sev. Tax Notes, S2007SD	(2,564,945)	3,800,119	1,235,174
88600 Sev. Tax Notes, S2004SB	(40)	40	-
96850 Sev. Tax Bonds, S2008D	(17,692,007)	26,823,589	9,131,582
96860 Suppl. Sev. Tax Bonds, S2008D	(7,820,996)	8,682,886	861,890
99600 Sev. Tax Bonds, S1998B	(97,152)	98,520	1,368
10710 Sev. Tax Bonds, S2009SC	(3,015,925)	10,092,743	7,076,818
10910 Sev. Tax Bonds, S2009SD	(11,315,354)	27,236,932	15,921,578
10920 Sev. Tax Bonds, S2010A	(49,356,618)	130,512,284	81,155,666
10930 Suppl. Sev. Tax Bonds, S2010B	(48,418,759)	49,825,169	1,406,410
11160 Sev. Tax Bonds, S2010A	(19,553,182)	41,720,808	22,167,626
11170 Suppl. Sev. Tax Bonds, S2010B	(13,297,534)	97,000,000	83,702,466
11290 Suppl. Sev. Tax Bonds, S2010SC	(17,213,328)	46,089,634	28,876,306
11310 Gen. Oblig. Bonds, S2011	(5,742,524)	19,700,000	13,957,476
11330 Suppl. Sev. Tax Bonds, S2011SB	-	154,607,944	154,607,944
11350 Sev. Tax Bonds, S2011A-1	49,037,406	-	49,037,406
11430 Sup Sev Tax Bond Series 2012SB	50,025,186	-	50,025,186
11440 Sev Tax Bonds, Series 2012A	70,292,961	-	70,292,961
11450 Sev. Tax Bonds, 2011SA	59,775,000	-	59,775,000
<b>Total</b>	<b>\$ (199,982,099)</b>	<b>\$ 1,087,692,430</b>	<b>\$ 887,710,331</b>

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

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Schedule of Changes in Assets and Liabilities - Agency Funds  
For the Year Ended June 30, 2012

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	\$ 27,828,160	\$ 884,472,565	\$ 877,534,565	\$ 34,766,160
Due from Other State Entities	10,598,322	7,156,684	11,755,628	5,999,378
Due from State General Fund	-	-	-	-
Due From Other Funds	332,936	-	332,936	-
Due From Agency Funds	1,265	7,909	848	8,326
<b>Total Assets</b>	<b><u>\$ 38,760,683</u></b>	<b><u>\$ 891,637,158</u></b>	<b><u>\$ 889,623,977</u></b>	<b><u>\$ 40,773,864</u></b>
<b><u>Liabilities</u></b>				
Due to Other Entities	\$ 5,073,307	\$ 755,011,201	\$ 755,208,370	\$ 4,876,138
Due to Other State Entities	24,409,770	102,877,625	101,046,929	26,240,466
Due to State General Fund	3,426,358	3,585,387	3,427,858	3,583,887
Due to Agency Fund	1,265	-	-	1,265
Due to Employees/third party	183,640	3,893	2,154	185,379
Due to Local Governments	5,394,435	26,680,058	26,459,672	5,614,821
Other Liabilities	271,908	-	-	271,908
<b>Total Liabilities</b>	<b><u>\$ 38,760,683</u></b>	<b><u>\$ 888,158,164</u></b>	<b><u>\$ 886,144,983</u></b>	<b><u>\$ 40,773,864</u></b>

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DEPARTMENT OF FINANCE AND ADMINISTRATION

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Combined Schedule of Changes in Assets and Liabilities - Agency Funds  
Fiscal Management  
For the Year Ended June 30, 2012

	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2012</u>
<b>Combined Fiscal Management</b>				
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	\$ 9,565,649	\$ 778,464,919	\$ 778,154,067	\$ 9,876,501
Due from Other State Entities	5,298,568	5,619,401	5,671,781	5,246,188
Due from State General Fund	-	-	-	-
Due From Agency Fund	1,265	7,909	848	8,326
<b>Total Assets</b>	<b><u>\$ 14,865,482</u></b>	<b><u>\$ 784,092,229</u></b>	<b><u>\$ 783,826,696</u></b>	<b><u>\$ 15,131,015</u></b>
<b><u>Liabilities</u></b>				
Due to Other Entities	\$ 5,073,307	\$ 755,011,201	\$ 755,208,370	\$ 4,876,138
Due to State General Fund	-	-	-	-
Due to Other State Entities	9,335,362	23,171,257	22,710,294	9,796,325
Due to Agency Fund	1,265	-	-	1,265
Due to Employees/Third Party	183,640	3,893	2,154	185,379
Other Liabilities	271,908	-	-	271,908
<b>Total Liabilities</b>	<b><u>\$ 14,865,482</u></b>	<b><u>\$ 778,186,351</u></b>	<b><u>\$ 777,920,818</u></b>	<b><u>\$ 15,131,015</u></b>

See accompanying notes to financial statements

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

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Schedule of Changes in Assets and Liabilities - Agency Funds  
Fiscal Management  
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	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
<b>Contribution Fund Fund 00300</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ 259,542	\$ 11,261	\$ 64,700	\$ 206,103
<b>Total Assets</b>	<u>\$ 259,542</u>	<u>\$ 11,261</u>	<u>\$ 64,700</u>	<u>\$ 206,103</u>
<u>Liabilities</u>				
Due to Other State Entities	<u>\$ 259,542</u>	<u>\$ 11,261</u>	<u>\$ 64,700</u>	<u>\$ 206,103</u>
 <b>Computer System Enhancement Fund 00900</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ 7,881,215	\$ 16,654,000	\$ 16,121,082	\$ 8,414,133
Due From Other State Agencies/Entities	-	-	-	-
<b>Total Assets</b>	<u>\$ 7,881,215</u>	<u>\$ 16,654,000</u>	<u>\$ 16,121,082</u>	<u>\$ 8,414,133</u>
<u>Liabilities</u>				
Due to State General Fund	\$ -	\$ -	\$ -	\$ -
Due to Other State Entities	7,881,215	16,654,000	16,121,082	8,414,133
	<u>\$ 7,881,215</u>	<u>16,654,000</u>	<u>16,121,082</u>	<u>8,414,133</u>
 <b>Carrie Tingley Hospital Fund 04500</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ 2,964	\$ 778,080	\$ 776,754	\$ 4,290
Due from Other State Entities	59,168	58,639	59,168	58,639
<b>Total Assets</b>	<u>\$ 62,132</u>	<u>\$ 836,719</u>	<u>\$ 835,922</u>	<u>\$ 62,929</u>
<u>Liabilities</u>				
Due to Other State Entities	\$ 62,132	\$ 777,551	\$ 776,754	\$ 62,929
<b>Total Liabilities</b>	<u>\$ 62,132</u>	<u>\$ 777,551</u>	<u>\$ 776,754</u>	<u>\$ 62,929</u>

See accompanying notes to financial statements

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DEPARTMENT OF FINANCE AND ADMINISTRATION

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Schedule of Changes in Assets and Liabilities - Agency Funds  
Fiscal Management  
For the Year Ended June 30, 2012

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
<b>San Juan College Fund 10300</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ -	\$ 21,801,000	\$ 21,801,000	\$ -
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 21,801,000</u>	<u>\$ 21,801,000</u>	<u>\$ -</u>
<u>Liabilities</u>				
Due to Other Entities	<u>\$ -</u>	<u>\$ 21,801,000</u>	<u>\$ 21,801,000</u>	<u>\$ -</u>
<b>NM Junior College Fund 10400</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ -	\$ 5,829,300	\$ 5,829,300	\$ -
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 5,829,300</u>	<u>\$ 5,829,300</u>	<u>\$ -</u>
<u>Liabilities</u>				
Due to Other Entities	<u>\$ -</u>	<u>\$ 5,829,300</u>	<u>\$ 5,829,300</u>	<u>\$ -</u>
<b>NM State University Fund 10500</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ -	\$ 192,868,279	\$ 192,868,279	\$ -
Due from Other State Entities	222,094	223,598	222,094	223,598
Due from State General Fund	-	-	-	-
<b>Total Assets</b>	<u>\$ 222,094</u>	<u>\$ 193,091,877</u>	<u>\$ 193,090,373</u>	<u>\$ 223,598</u>
<u>Liabilities</u>				
Due to Other Entities	<u>\$ 222,094</u>	<u>\$ 192,869,783</u>	<u>\$ 192,868,279</u>	<u>\$ 223,598</u>
<b>Central New Mexico Community College Fund 10600</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ -	\$ 43,086,000	\$ 43,086,000	\$ -
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 43,086,000</u>	<u>\$ 43,086,000</u>	<u>\$ -</u>
<u>Liabilities</u>				
Due to Other Entities	<u>\$ -</u>	<u>\$ 43,086,000</u>	<u>\$ 43,086,000</u>	<u>\$ -</u>

See accompanying notes to financial statements

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DEPARTMENT OF FINANCE AND ADMINISTRATION

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Schedule of Changes in Assets and Liabilities - Agency Funds  
Fiscal Management  
For the Year Ended June 30, 2012

	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2012</u>
<b>Eastern NM University Fund 10700</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ -	\$ 39,848,119	\$ 39,848,119	\$ -
Due from Other State Entities	-	77,940	38,606	39,334
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 39,926,059</u>	<u>\$ 39,886,725</u>	<u>\$ 39,334</u>
<u>Liabilities</u>				
Due to Other Entities	<u>\$ -</u>	<u>\$ 39,887,453</u>	<u>\$ 39,848,119</u>	<u>\$ 39,334</u>
 <b>Luna Vocational School Fund 10800</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ -	\$ 7,749,620	\$ 7,749,620	\$ -
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 7,749,620</u>	<u>\$ 7,749,620</u>	<u>\$ -</u>
<u>Liabilities</u>				
Due to Other Entities	<u>\$ -</u>	<u>\$ 7,448,100</u>	<u>\$ 7,448,100</u>	<u>\$ -</u>
 <b>Santa Fe Community College Fund 10900</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ -	\$ 12,166,100	\$ 12,166,100	\$ -
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 12,166,100</u>	<u>\$ 12,166,100</u>	<u>\$ -</u>
<u>Liabilities</u>				
Due to Other Entities	<u>\$ -</u>	<u>\$ 12,166,100</u>	<u>\$ 12,166,100</u>	<u>\$ -</u>

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Schedule of Changes in Assets and Liabilities - Agency Funds  
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	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2012</u>
<b>NM Highlands University Fund 22200</b>				
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	\$ -	\$ 27,587,152	\$ 27,587,152	\$ -
Due from Other State Entities	12,609	12,629	12,609	12,629
Due from State General Fund	-	-	-	-
<b>Total Assets</b>	<u>\$ 12,609</u>	<u>\$ 27,599,781</u>	<u>\$ 27,599,761</u>	<u>\$ 12,629</u>
<b><u>Liabilities</u></b>				
Due to Other Entities	<u>\$ 12,609</u>	<u>\$ 27,587,172</u>	<u>\$ 27,587,152</u>	<u>\$ 12,629</u>
<b>Mesalands Community College Fund 22300</b>				
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	\$ -	\$ 4,179,400	\$ 4,179,400	\$ -
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 4,179,400</u>	<u>\$ 4,179,400</u>	<u>\$ -</u>
<b><u>Liabilities</u></b>				
Due to Other Entities	<u>\$ -</u>	<u>\$ 4,179,400</u>	<u>\$ 4,179,400</u>	<u>\$ -</u>
<b>NM Institute of Mining and Technology Fund 22400</b>				
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	\$ 8,333	\$ 35,733,762	\$ 35,742,095	\$ -
Due from Other State Entities	92,600	94,289	92,600	94,289
Due from State General Fund	-	-	-	-
<b>Total Assets</b>	<u>\$ 100,933</u>	<u>\$ 35,828,051</u>	<u>\$ 35,834,695</u>	<u>\$ 94,289</u>
<b><u>Liabilities</u></b>				
Due to Other Entities	<u>\$ 100,933</u>	<u>\$ 35,735,451</u>	<u>\$ 35,742,095</u>	<u>\$ 94,289</u>

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	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
<b>NM Military Institute Fund 22600</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ -	\$ 20,410,985	\$ 20,410,985	\$ -
Due from Other State Entities	1,505,081	1,548,772	1,505,081	1,548,772
<b>Total Assets</b>	<b>\$ 1,505,081</b>	<b>\$ 21,959,757</b>	<b>\$ 21,916,066</b>	<b>\$ 1,548,772</b>
<u>Liabilities</u>				
Due to Other Entities	\$ 1,505,081	\$ 20,454,676	\$ 20,410,985	\$ 1,548,772
<b>Western NM University Fund 22700</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ -	\$ 16,686,832	\$ 16,686,832	\$ -
Due from Other State Entities	12,682	12,701	12,682	12,701
<b>Total Assets</b>	<b>\$ 12,682</b>	<b>\$ 16,699,533</b>	<b>\$ 16,699,514</b>	<b>\$ 12,701</b>
<u>Liabilities</u>				
Due to Other Entities	\$ 12,682	\$ 16,686,851	\$ 16,686,832	\$ 12,701
<b>Northern New Mexico College Fund 22800</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ -	\$ 10,212,453	\$ 10,212,453	\$ -
Due from Other State Entities	9,942	10,012	9,942	10,012
<b>Total Assets</b>	<b>\$ 9,942</b>	<b>\$ 10,222,465</b>	<b>\$ 10,222,395</b>	<b>\$ 10,012</b>
<u>Liabilities</u>				
Due to Other Entities	\$ 9,942	\$ 10,212,523	\$ 10,212,453	\$ 10,012

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	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2012</u>
<b>Clovis Community College Fund 23000</b>				
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	\$ -	\$ 8,428,800	\$ 8,428,800	\$ -
Due from State General Fund	-	-	-	-
<b>Total Assets</b>	<b><u>\$ -</u></b>	<b><u>\$ 8,428,800</u></b>	<b><u>\$ 8,428,800</u></b>	<b><u>\$ -</u></b>
<b><u>Liabilities</u></b>				
Due to Other Entities	<u>\$ -</u>	<u>\$ 8,428,800</u>	<u>\$ 8,428,800</u>	<u>\$ -</u>
<b>NM School for the Visually Handicapped Fund 23100</b>				
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	\$ -	\$ 11,969,202	\$ 11,969,202	\$ -
Due from Other State Entities	918,453	937,333	918,453	937,333
Due from State General Fund	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 918,453</u></b>	<b><u>\$ 12,906,535</u></b>	<b><u>\$ 12,887,655</u></b>	<b><u>\$ 937,333</u></b>
<b><u>Liabilities</u></b>				
Due to Other Entities	<u>\$ 918,453</u>	<u>\$ 11,988,082</u>	<u>\$ 11,969,202</u>	<u>\$ 937,333</u>
<b>NM School for the Deaf Fund 23200</b>				
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	\$ -	\$ 14,706,641	\$ 14,706,641	\$ -
Due from Other State Entities	920,717	939,556	920,717	939,556
Due from State General Fund	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 920,717</u></b>	<b><u>\$ 15,646,197</u></b>	<b><u>\$ 15,627,358</u></b>	<b><u>\$ 939,556</u></b>
<b><u>Liabilities</u></b>				
Due to Other Entities	<u>\$ 920,717</u>	<u>\$ 14,725,480</u>	<u>\$ 14,706,641</u>	<u>\$ 939,556</u>

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Schedule of Changes in Assets and Liabilities - Agency Funds  
Fiscal Management  
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	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2012</u>
<b>University of New Mexico Fund 23300</b>				
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	\$ 275,508	\$ 280,887,742	\$ 281,046,953	\$ 116,297
Due from Other State Entities	850,867	826,256	906,083	771,040
Due from State General Fund	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 1,126,375</u></b>	<b><u>\$ 281,713,998</u></b>	<b><u>\$ 281,953,036</u></b>	<b><u>\$ 887,337</u></b>
<b><u>Liabilities</u></b>				
Due to Other Entities	<u>\$ 1,126,375</u>	<u>\$ 280,903,278</u>	<u>\$ 281,142,316</u>	<u>\$ 887,337</u>
<b>Saline Land Income Fund 23400</b>				
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	\$ -	\$ 68,528	\$ 68,528	\$ -
Due from Other State Entities	2,510	11,048	2,510	11,048
<b>Total Assets</b>	<b><u>\$ 2,510</u></b>	<b><u>\$ 79,576</u></b>	<b><u>\$ 71,038</u></b>	<b><u>\$ 11,048</u></b>
<b><u>Liabilities</u></b>				
Due to Other Entities	<u>\$ 2,510</u>	<u>\$ 77,066</u>	<u>\$ 68,528</u>	<u>\$ 11,048</u>
<b>Judicial Educational Fund Fund 58900</b>				
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	\$ 93,862	\$ 875,972	\$ 876,864	\$ 92,970
Due from Other State Entities	148,049	98,723	180,213	66,559
<b>Total Assets</b>	<b><u>\$ 241,911</u></b>	<b><u>\$ 974,695</u></b>	<b><u>\$ 1,057,077</u></b>	<b><u>\$ 159,529</u></b>
<b><u>Liabilities</u></b>				
Due to Other Entities	<u>\$ 241,911</u>	<u>\$ 944,686</u>	<u>\$ 1,027,068</u>	<u>\$ 159,529</u>

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Schedule of Changes in Assets and Liabilities - Agency Funds  
Fiscal Management  
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	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2012</u>
<b>Judicial Educational Municipal Fund 59000</b>				
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	\$ 29,412	\$ 419,460	\$ 410,441	\$ 38,431
Due from Other State Entities	69,631	37,080	69,632	37,079
<b>Total Assets</b>	<b><u>\$ 99,043</u></b>	<b><u>\$ 456,540</u></b>	<b><u>\$ 480,073</u></b>	<b><u>\$ 75,510</u></b>
<b><u>Liabilities</u></b>				
Due to Other State Entities	<u>\$ 99,043</u>	<u>\$ 535,364</u>	<u>\$ 558,897</u>	<u>\$ 75,510</u>
<b>Central Payroll Bond Account Fund 71900</b>				
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	<u>\$ 42,437</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,437</u>
<b><u>Liabilities</u></b>				
Other Liabilities	\$ 41,172	\$ -	\$ -	\$ 41,172
Due to Agency Funds	1,265	-	-	1,265
<b>Total Liabilities</b>	<b><u>\$ 42,437</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 42,437</u></b>
<b>CRS Central Payroll Account Fund 72400</b>				
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	\$ 109,078	\$ 317,350	\$ 327,906	\$ 98,522
Due from Other State Entities	73,297	325,756	320,522	78,531
Due from Agency Funds	1,265	7,909	848	8,326
<b>Total Assets</b>	<b><u>\$ 183,640</u></b>	<b><u>\$ 651,015</u></b>	<b><u>\$ 649,276</u></b>	<b><u>\$ 185,379</u></b>
<b><u>Liabilities</u></b>				
Due to Employees/3rd party	<u>\$ 183,640</u>	<u>\$ 3,893</u>	<u>\$ 2,154</u>	<u>\$ 185,379</u>

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Schedule of Changes in Assets and Liabilities - Agency Funds  
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	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
<b>Capital Projects Fund 74700</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ 632,562	\$ -	\$ -	\$ 632,562
<u>Liabilities</u>				
Due to Other State Entities	\$ 632,562	\$ -	\$ -	\$ 632,562
 <b>Charitable, Penal and Reformatory Institutions Fund 76100</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ -	\$ 5,188,881	\$ 5,188,861	\$ 20
Due from Other State Entities	400,868	405,069	400,869	405,068
<b>Total Assets</b>	<b>\$ 400,868</b>	<b>\$ 5,593,950</b>	<b>\$ 5,589,730</b>	<b>\$ 405,088</b>
<u>Liabilities</u>				
Due to Other State Entities	\$ 400,868	\$ 5,193,081	\$ 5,188,861	\$ 405,088
	<b>\$ 400,868</b>	<b>\$ 5,193,081</b>	<b>\$ 5,188,861</b>	<b>\$ 405,088</b>
 <b>Cancelled Payroll Warrants Fund 83400</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ 230,736	\$ -	\$ -	\$ 230,736
<u>Liabilities</u>				
Other Liabilities	\$ 230,736	\$ -	\$ -	\$ 230,736

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Combined Schedule of Changes in Assets and Liabilities - Agency Funds  
Community Development  
For the Year Ended June 30, 2012

	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2012</u>
<b>Combined Community Development</b>				
<b><u>Assets</u></b>				
Investment in State General Fund Investment Pool	\$ 4,809,074	\$ 26,505,906	\$ 20,914,624	\$ 10,400,356
Due From Other State Entities	5,299,754	753,191	5,299,755	753,190
<b>Total Assets</b>	<b><u>\$ 10,108,828</u></b>	<b><u>\$ 27,259,097</u></b>	<b><u>\$ 26,214,379</u></b>	<b><u>\$ 11,153,546</u></b>
<b><u>Liabilities</u></b>				
Due To General Fund	\$ 3,346,594	\$ 3,576,387	\$ 3,346,594	\$ 3,576,387
Due to Local Governments	5,388,000	26,659,808	26,444,172	5,603,636
Due to Other State Entities	1,374,234	599,289	-	1,973,523
<b>Total Liabilities</b>	<b><u>\$ 10,108,828</u></b>	<b><u>\$ 30,835,484</u></b>	<b><u>\$ 29,790,766</u></b>	<b><u>\$ 11,153,546</u></b>

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Schedule of Changes in Assets and Liabilities - Agency Funds  
Community Development  
For the Year Ended June 30, 2012

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
<b>Domestic Violence Treatment Program Fund 37600</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ 1,374,234	\$ 599,289	\$ -	\$ 1,973,523
<u>Liabilities</u>				
Due to Local Governments	\$ -	\$ -	\$ -	\$ -
Due to Other State Entities	1,374,234	599,289	-	1,973,523
	<u>\$ 1,374,234</u>	<u>\$ 599,289</u>	<u>\$ -</u>	<u>\$ 1,973,523</u>
 <b>Small Communities Assistance Fund 73700</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ 3,434,840	\$ 13,570,950	\$ 8,734,593	\$ 8,271,197
Due from Other State Entities	5,299,754	753,191	5,299,755	753,190
<b>Total Assets</b>	<u>\$ 8,734,594</u>	<u>\$ 14,324,141</u>	<u>\$ 14,034,348</u>	<u>\$ 9,024,387</u>
<u>Liabilities</u>				
Due to State General Fund	\$ 3,346,594	\$ 3,576,387	\$ 3,346,594	\$ 3,576,387
Due to Local Governments	5,388,000	14,324,141	14,264,141	5,448,000
	<u>\$ 8,734,594</u>	<u>\$ 17,900,528</u>	<u>\$ 17,610,735</u>	<u>\$ 9,024,387</u>
 <b>Federal Taylor Grazing Act Fund 73800</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ -	\$ 512,076	\$ 356,440	\$ 155,636
<u>Liabilities</u>				
Due to Local Governments	\$ -	\$ 512,076	\$ 356,440	\$ 155,636
 <b>Federal National Forest Proceeds Fund 73900</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ -	\$ 11,823,591	\$ 11,823,591	\$ -
<u>Liabilities</u>				
Due to Local governments	\$ -	\$ 11,823,591	\$ 11,823,591	\$ -

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STATE OF NEW MEXICO  
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Combined Schedule of Changes in Assets and Liabilities - Agency Funds  
Policy Development  
For the Year Ended June 30, 2012

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	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2012</u>
<b>Combined Policy Development</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ 13,453,437	\$ 79,501,740	\$ 78,465,874	\$ 14,489,303
Due from Other State Entities	-	784,092	784,092	-
Due From Other Funds	332,936	-	332,936	-
<b>Total Assets</b>	<u>\$ 13,786,373</u>	<u>\$ 80,285,832</u>	<u>\$ 79,582,902</u>	<u>\$ 14,489,303</u>
<u>Liabilities</u>				
Due to Other State Entities	\$ 13,700,174	\$ 79,107,079	\$ 78,336,635	\$ 14,470,618
Due to State General Fund	79,764	9,000	81,264	7,500
Due to Local Governments	6,435	20,250	15,500	11,185
<b>Total Liabilities</b>	<u>\$ 13,786,373</u>	<u>\$ 79,136,329</u>	<u>\$ 78,433,399</u>	<u>\$ 14,489,303</u>

See accompanying notes to financial statements



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Schedule of Changes in Assets and Liabilities - Agency Funds  
Policy Development  
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	<u>Balance</u> <u>July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
<b>County Treasurers Remittance Fund</b>				
<b>Fund 80000</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ 13,367,238	79,472,490	\$ 78,369,110	\$ 14,470,618
Due from Other State Entities	-	784,092	784,092	-
Dur From Other Funds	332,936	-	332,936	-
<b>Total Assets</b>	<u>\$ 13,700,174</u>	<u>\$ 80,256,582</u>	<u>\$ 79,486,138</u>	<u>\$ 14,470,618</u>
<u>Liabilities</u>				
Due to Other State Entities	\$ 13,700,174	\$ 79,107,079	\$ 78,336,635	\$ 14,470,618
	<u>\$ 13,700,174</u>	<u>\$ 79,107,079</u>	<u>\$ 78,336,635</u>	<u>\$ 14,470,618</u>
<b>Private Activity Bond Suspense</b>				
<b>Fund 96600</b>				
<u>Assets</u>				
Investment in State General Fund Investment Pool	\$ 86,199	\$ 29,250	\$ 96,764	\$ 18,685
<u>Liabilities</u>				
Due to State General Fund	\$ 79,764	\$ 9,000	\$ 81,264	\$ 7,500
Due to Local Governments	6,435	20,250	15,500	11,185
<b>Total Liabilities</b>	<u>\$ 86,199</u>	<u>\$ 29,250</u>	<u>\$ 96,764</u>	<u>\$ 18,685</u>

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Schedule of Interest in State Treasurer Investment Pool Accounts  
June 30, 2012

Fund/Fund Description	Fund	Financial Statement Balance
<b>General Fund:</b>		
DFA Operating Fund	01000	\$ 4,127,631
DFA Special Appropriation Fund	62000	3,480,271
County Detention Reimbursement Fund	20130	25,268
Board of Finance Emergency Fund	20900	959,007
Emergency Water Supply Fund	21000	90,800
Electronic Voting Machine Fund	21200	387,606
Tobacco Settlement Program Fund	69700	130
NM Community Assistance Fund	28100	231,147
<b>GENERAL FUND TOTAL</b>		<b>9,301,860</b>
<b>Other Governmental Funds:</b>		
County Supported Medicaid Fund	02100	1,691,742
Community Development Block Grant	08800	(63,989)
General Fund Capital Projects	52900	1,001,405
Local DWI Grant Program	56000	4,083,398
Special Community Capital Projects Fund	58100	192
Severance Tax Bond Capital Project Fund	61000	393,749
Civil Legal Services Fund	62400	208,688
Wallace Foundation SAELP Grant	72600	410
Law Enforcement Protection Fund	73600	13,571,658
E-911 Enhancement Fund	74500	12,339,458
GF Capital Outlay Statewide	93100	661,934
Juvenile Adjudication Fund	10780	280,569
Tribal Infrastructure Project	10810	279,275
American Recovery/Reinvestment Act	89000	7
STB Capital Outlay Statewide	89200	45,368
Neighborhood Stabilization	10540	(62,812)
SF 400 Anniversary Plate	10880	2,175
<b>OTHER GOVERNMENTAL FUNDS TOTAL</b>		<b>34,433,227</b>
<b>Board of Finance Bond Funds:</b>		
Severance Tax Note, 2005 SA	00100	476,182
Severance Tax Bonds, 2006 SA	01900	9,393,783
General Obligation Bond Series 2003	02200	92,142
General Obligation Bond Series 2007	02700	839,541
Severance Tax Bond 1999 SA	04000	73,000
General Obligation Bonds, Series 2005	05400	642,201
Severance Tax Bond 1999 SB	06200	88,931
Gen Obligation Bonds, Ser 2009	10590	23,906,942
Severance Tax Bonds, Ser 2009SC	10710	7,464,296
Sev. Tax Bonds, Ser 2009SA	10730	5,669,620
Sev. Tax Bonds, Ser 2009A	10740	44,464,206

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Schedule of Interest in State Treasurer Investment Pool Accounts  
June 30, 2012

Fund/Fund Description	Fund	Financial Statement Balance
<b>Board of Finance Bond Funds - continued</b>		
Sev. Tax Bonds, Ser 2009SD	10910	18,311,244
Sev. Tax Bonds, Ser 2010A	10920	86,200,262
Supp. Sev. Tax Bonds, Ser 2010B	10930	1,691,535
Sev. Tax Bonds, Ser 2010SA	11160	27,007,039
Supp Sev Tax Bonds, Ser 2010SB	11170	94,863,318
Supplemental Severance Tax Bonds Series 2010SC	11290	31,551,677
General Obligation Bonds Series 2011	11310	15,920,047
Supplemental Severance Tax Bond Series 2011SB	11330	154,607,944
Severance Tax Bond Series 2011A-	11330	50,188,922
SUP SEV TAX BOND SERIES 2012SB	11430	50,025,186
SEV TAX BOND SERIES 2012A	11440	70,292,961
SEV TAX BOND SERIES 2012SA	11450	59,775,000
Severance Tax Bond Series 2011SA	11580	21,459,669
Severance Tax Bonds, 2005 SA	22900	304,483
Supplemental Severance Tax Bond 2003 SF	30100	499,550
Severance Tax Bonds 2003 SE	30200	177,791
Severance Tax Bonds 2011SC	30880	1,444,400
Severance Tax Bonds 2011SD	30890	95,355,275
Severance Tax Note 2005 SC	31200	21,750
Severance Tax Bond 2003 SA	40300	1,268,599
Severance Tax Bond 2004 SA	40700	89,000
Severance Tax Bond 2002 SA	56300	60,371
Severance Tax Bond Series 2000	58800	10,000
Severance Tax Bonds Series 2008A-1	60900	25,994,368
Severance Tax Bonds Series 2008SA	60910	12,313,420
Severance Tax Bonds Series 2008SC	60930	5,355,610
Severance Tax Note 2005 SE	62100	49,821
Supplemental Severance Tax Note 2004 SC	65300	4,224,819
Severance Tax Bonds 2007 A	66300	5,824,522
Severance Tax Bond 2007 SA	66400	12,716,465
Severance Tax Note 2004 SF	73200	204,386
Severance Tax Notes 2006 S-C	80300	3,422,183
Supplemental Severance Tax Bond Note Series 2006 S-D	80500	483,131
Supplemental Severance Tax Notes 2006 S-D	80900	61,020
Severance Tax Note 2004 SA	81500	3,958,976
Severance Tax Note Series 2007SC	82100	1,243,812
Sev. Tax Bonds, Series 2008D	96850	12,579,538
Supplemental Severance Tax Bonds Ser 2008SE	96860	944,005
Severance Tax Bond Series 1998-B	99600	1,368
<b>BOARD OF FINANCE BOND FUND TOTAL</b>		<b>963,614,311</b>

See accompanying notes to financial statements

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Schedule of Interest in State Treasurer Investment Pool Accounts  
June 30, 2012

Fund/Fund Description	Fund	Financial Statement Balance
<b>Fiduciary Funds:</b>		
Contribution Fund	00300	206,103
Computer System Enhancement	00900	8,414,133
Carrie Tingley Hospital	04500	4,290
University of New Mexico	23300	116,297
Domestic Violence Treatment Program	37600	1,973,523
Judicial Education Fund - General	58900	92,970
Judicial Education Fund - Municipal Courts	59000	38,431
Central Payroll Bond Account	71900	42,437
Payroll Reissue Account	72400	98,522
Small Counties Assistance Program	73700	8,271,197
Federal Taylor Grazing Act	73800	155,636
Capital Projects	74700	632,562
Charitable, Penal and Reformatory Institutions	76100	20
County Treasurers Remittance Fund	80000	14,470,618
Cancelled Payroll Warrant - Suspense	83400	230,736
Private Activity Bond Suspense	96600	18,685
<b>FIDUCIARY FUND TOTAL</b>		<u>34,766,160</u>
		<u>\$ 1,042,115,558</u>

See accompanying notes to financial statements

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Schedule of Special Appropriations  
June 30, 2012

Department	Appropriation Amount	FY12 Budget	FY12 Expenses	Expenses from Inception to June 30, 2012	2012 Reversion Amount	Balance as of June 30, 2012
Z20507	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
Z20508	3,000,000	3,000,000	-	-	-	3,000,000
Z20509	250,000	250,000	-	-	-	250,000
Z10511	150,000	150,000	145,322	145,322	4,678	-
Totals	<u>\$ 3,600,000</u>	<u>\$ 3,600,000</u>	<u>\$ 145,322</u>	<u>\$ 145,322</u>	<u>\$ 4,678</u>	<u>\$ 3,450,000</u>

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
Combining Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis) -  
General Fund by Department  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget Favorable (Unfavorable)
	Original	Final		
<b>P541 Policy Development</b>				
<b>Revenues:</b>				
State General fund	3,235,400	3,235,400	3,235,400	-
Total Revenues	<u>\$ 3,235,400</u>	<u>\$ 3,235,400</u>	<u>\$ 3,235,400</u>	<u>\$ -</u>
<b>Expenditures:</b>				
Personal Services/Employee Benefits	\$ 2,984,400	\$ 2,859,200	\$ 2,235,406	\$ 623,794
Contractual Services	83,900	190,900	174,120	16,780
Other	167,100	185,300	135,419	49,881
Total Expenditures	<u>\$ 3,235,400</u>	<u>\$ 3,235,400</u>	<u>\$ 2,544,945</u>	<u>\$ 690,455</u>
<b>P542 Program Support</b>				
<b>Revenues:</b>				
State General fund	\$ 1,528,000	\$ 1,528,000	\$ 1,528,000	\$ -
Total Revenues	<u>\$ 1,528,000</u>	<u>\$ 1,528,000</u>	<u>\$ 1,528,000</u>	<u>\$ -</u>
<b>Expenditures:</b>				
Personal Services/Employee Benefits	\$ 1,395,000	\$ 1,334,200	\$ 1,298,867	\$ 35,333
Contractual Services	85,100	99,700	82,144	17,556
Other	47,900	94,100	87,131	6,969
Total Expenditures	<u>\$ 1,528,000</u>	<u>\$ 1,528,000</u>	<u>\$ 1,468,142</u>	<u>\$ 59,858</u>
<b>P543 Community Development</b>				
<b>Revenues:</b>				
State General fund	\$ 2,003,800	\$ 2,003,800	\$ 2,003,800	\$ -
Total Revenues	<u>\$ 2,003,800</u>	<u>\$ 2,003,800</u>	<u>\$ 2,003,800</u>	<u>\$ -</u>
<b>Expenditures:</b>				
Personal Services/Employee Benefits	\$ 1,913,900	\$ 1,785,900	\$ 1,684,747	\$ 101,153
Contractual Services	14,500	14,500	13,181	1,319
Other	75,400	203,400	160,235	43,165
Total Expenditures	<u>\$ 2,003,800</u>	<u>\$ 2,003,800</u>	<u>\$ 1,858,163</u>	<u>\$ 145,637</u>
<b>P544 Fiscal Management</b>				
<b>Revenues:</b>				
State General fund	\$ 4,826,800	\$ 4,826,800	\$ 4,826,800	\$ -
Other Financing Sources	588,800	588,800	595,000	6,200
Total Revenues	<u>\$ 5,415,600</u>	<u>\$ 5,415,600</u>	<u>\$ 5,421,800</u>	<u>\$ 6,200</u>
<b>Expenditures:</b>				
Personal Services/Employee Benefits	\$ 4,547,500	\$ 4,207,500	\$ 4,162,335	\$ 45,165
Contractual Services	245,300	485,300	409,806	75,494
Other	622,800	722,800	660,282	42,518
Total Expenditures	<u>\$ 5,415,600</u>	<u>\$ 5,415,600</u>	<u>\$ 5,252,423</u>	<u>\$ 163,177</u>

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
Combining Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis) -  
General Fund by Department  
For the Year Ended June 30, 2012

		Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget Favorable (Unfavorable)
		Original	Final		
<b>Z2010</b>	<b>Dues and Memberships</b>				
<b>Revenues:</b>					
	State General fund	\$ 642,300	\$ 642,300	\$ 642,300	\$ -
	Total Revenues	<u>\$ 642,300</u>	<u>\$ 642,300</u>	<u>\$ 642,300</u>	<u>\$ -</u>
<b>Expenditures:</b>					
	Other	\$ 642,300	\$ 642,300	\$ 642,300	\$ -
	Total Expenditures	<u>\$ 642,300</u>	<u>\$ 642,300</u>	<u>\$ 642,300</u>	<u>\$ -</u>
<b>Z2020</b>	<b>Citizen Review Board</b>				
<b>Revenues:</b>					
	State General fund	\$ 319,000	\$ 319,000	\$ 319,000	\$ -
	Federal Funds	174,300	174,300	153,639	(20,661)
	Total Revenues	<u>\$ 493,300</u>	<u>\$ 493,300</u>	<u>\$ 472,639</u>	<u>\$ (20,661)</u>
<b>Expenditures:</b>					
	Contractual Services	\$ 493,300	\$ 493,300	\$ 472,639	\$ 20,661
	Total Expenditures	<u>\$ 493,300</u>	<u>\$ 493,300</u>	<u>\$ 472,639</u>	<u>\$ 20,661</u>
<b>Z4030</b>	<b>Fiscal Agent Contract</b>				
<b>Revenues:</b>					
	State General fund	840,000	840,000	840,000	-
	Total Revenues	<u>\$ 840,000</u>	<u>\$ 840,000</u>	<u>\$ 840,000</u>	<u>\$ -</u>
<b>Expenditures:</b>					
	Contractual Services	\$ 840,000	\$ 840,000	\$ 812,269	\$ 27,731
	Total Expenditures	<u>\$ 840,000</u>	<u>\$ 840,000</u>	<u>\$ 812,269</u>	<u>\$ 27,731</u>
<b>Z8030</b>	<b>State Planning Districts</b>				
<b>Revenues:</b>					
	State General fund	\$ 670,200	\$ 670,200	\$ 670,200	\$ -
	Total Revenues	<u>\$ 670,200</u>	<u>\$ 670,200</u>	<u>\$ 670,200</u>	<u>\$ -</u>
<b>Expenditures:</b>					
	Other	\$ 670,200	\$ 670,200	\$ 670,199	\$ 1
	Total Expenditures	<u>\$ 670,200</u>	<u>\$ 670,200</u>	<u>\$ 670,199</u>	<u>\$ 1</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
Combining Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis) -  
General Fund by Department  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Z8040 Mentoring Program</b>				
<b>Revenues:</b>				
State General fund	\$ 2,207,700	\$ 2,207,700	\$ 2,207,700	\$ -
Total Revenues	<u>\$ 2,207,700</u>	<u>\$ 2,207,700</u>	<u>\$ 2,207,700</u>	<u>\$ -</u>
<b>Expenditures:</b>				
Contractual Services	\$ 2,207,700	\$ 2,207,700	\$ 2,207,700	\$ -
Total Expenditures	<u>\$ 2,207,700</u>	<u>\$ 2,207,700</u>	<u>\$ 2,207,700</u>	<u>\$ -</u>
<b>Z8050 Acequia and Comm Ditch</b>				
<b>Revenues:</b>				
State General fund	\$ 200,000	\$ 200,000	\$ 200,000	\$ -
Total Revenues	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ -</u>
<b>Expenditures:</b>				
Contractual Services	\$ 200,000	\$ 200,000	\$ 199,200	\$ 800
Total Expenditures	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 199,200</u>	<u>\$ 800</u>
<b>Z805010 Acequia Commission</b>				
<b>Revenues:</b>				
State General fund	\$ 13,400	\$ 13,400	\$ 13,400	\$ -
Total Revenues	<u>\$ 13,400</u>	<u>\$ 13,400</u>	<u>\$ 13,400</u>	<u>\$ -</u>
<b>Expenditures:</b>				
Contractual Services	\$ 13,400	\$ 3,500	\$ 3,067	\$ 433
Other	-	9,900	9,474	426
Total Expenditures	<u>\$ 13,400</u>	<u>\$ 13,400</u>	<u>\$ 12,541</u>	<u>\$ 859</u>
<b>Z8060 Food Banks</b>				
<b>Revenues:</b>				
State General fund	\$ 339,400	\$ 339,400	\$ 339,400	\$ -
Total Revenues	<u>\$ 339,400</u>	<u>\$ 339,400</u>	<u>\$ 339,400</u>	<u>\$ -</u>
<b>Expenditures:</b>				
Contractual Services	\$ 339,400	\$ 339,400	\$ 339,400	\$ -
Total Expenditures	<u>\$ 339,400</u>	<u>\$ 339,400</u>	<u>\$ 339,400</u>	<u>\$ -</u>



STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
Combining Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis) -  
General Fund by Department  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Z20609 L-2012 Special Appropriation</b>				
<b>Revenues:</b>				
State General fund	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
Total Revenues	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
<b>Expenditures:</b>				
Contractual Services	\$ 50,000	\$ 50,000	\$ 20,661	\$ 29,339
Total Expenditures	\$ 50,000	\$ 50,000	\$ 20,661	\$ 29,339
<b>Fund 20130 County Detention Reimbursement</b>				
<b>Revenues:</b>				
State General fund	\$ 3,300,000	\$ 3,300,000	\$ 3,300,000	\$ -
Total Revenues	\$ 3,300,000	\$ 3,300,000	\$ 3,300,000	\$ -
<b>Expenditures:</b>				
Other	\$ 3,300,000	\$ 3,270,000	\$ 3,270,000	\$ -
Other Financing Uses	-	30,000	30,000	-
Total Expenditures	\$ 3,300,000	\$ 3,300,000	\$ 3,300,000	\$ -
<b>Fund 20900 Board of Finance Emergency Loan</b>				
<b>Revenues:</b>				
State General fund	\$ 417,100	417,100	1,550,698	\$ 1,133,598
Total Revenues	417,100	417,100	1,550,698	1,133,598
Fund Balance Budgeted	1,483,451	1,483,451	1,483,451	-
Total Revenues	\$ 1,900,551	1,900,551	3,034,149	\$ 1,133,598
<b>Expenditures:</b>				
Other Financing Uses	\$ 417,100	\$ 417,100	\$ -	\$ 417,100
Other	1,483,451	1,483,451	1,483,451	-
Total Expenditures	\$ 1,900,551	1,900,551	1,483,451	\$ 417,100
<b>Fund 21000 Emergency Water Supply</b>				
<b>Revenues:</b>				
State General fund	\$ 118,400	118,400	118,400	\$ -
Fund Balance Budgeted	-	99,850	-	(99,850)
Total Revenues and Fund Balance	118,400	218,250	118,400	(99,850)
<b>Expenditures:</b>				
Other	\$ 118,400	218,250	99,850	\$ 118,400
Total Expenditures	\$ 118,400	218,250	99,850	\$ 118,400
<b>Fund 21200 Electronic Voting Machine</b>				
<b>Revenues:</b>				
Other State Funds	\$ -	-	5,095	\$ 5,095
Fund Balance Budgeted	55,095	55,095	17,086	(38,009)
Total Revenues and Fund Balance	\$ 55,095	55,095	22,181	\$ (32,914)
<b>Expenditures:</b>				
Contractual Services	\$ 50,000	50,000	17,086	\$ 32,914
Other	5,095	5,095	5,095	-
Total Expenditures	\$ 55,095	\$ 55,095	\$ 22,181	\$ 32,914

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
Combining Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis) -  
General Fund by Department  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from final Budget Favorable (Unfavorable)
	Original	Final		
<b>Fund 61800 Lease Hold Community Assistance</b>				
<b>Revenues:</b>				
State General fund	\$ 128,900	128,900	128,900	\$ -
Total Revenues	\$ 128,900	128,900	128,900	\$ -
<b>Expenditures:</b>				
Other	\$ 128,900	128,900	128,900	\$ -
Total Expenditures	\$ 128,900	128,900	128,900	\$ -
<b>Fund 69700 Tobacco Settlement</b>				
<b>Revenues:</b>				
Other Financing Sources	\$ 39,320,878	39,320,878	39,320,878	\$ -
Total Revenues	\$ 39,320,878	39,320,878	39,320,878	\$ -
<b>Expenditures:</b>				
Other Financing Uses	\$ 39,320,878	39,320,878	39,320,878	\$ -
Total Expenditures	\$ 39,320,878	39,320,878	39,320,878	\$ -
<b>Fund 10820 NM Recovery and Reinvestment</b>				
<b>Revenues:</b>				
Budgeted Fund Balance	\$ 11,806,622	\$ 11,806,622	\$ 11,806,622	\$ -
Total Revenues and Fund Balance	\$ 11,806,622	\$ 11,806,622	\$ 11,806,622	\$ -
<b>Expenditures:</b>				
Other Financing Uses	\$ 11,806,622	\$ 11,806,622	\$ 11,806,622	\$ -
Total Expenditures	\$ 11,806,622	\$ 11,806,622	\$ 11,806,622	\$ -
<b>Special Appropriations</b>				
<b>Revenues:</b>				
State General fund	\$ 3,600,000	3,600,000	3,450,000	\$ (150,000)
Total Revenues	\$ 3,600,000	3,600,000	3,450,000	\$ (150,000)
<b>Expenditures:</b>				
Contractual Services	\$ 200,000	\$ 200,000	-	200,000
Other	3,400,000	3,400,000	145,322	3,254,678
Total Expenditures	\$ 3,600,000	3,600,000	145,322	\$ 3,454,678

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
Combining Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis) -  
General Fund by Department  
For the Year Ended June 30, 2012

Total General Fund	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance from Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
State General Fund	\$ 24,440,400	\$ 24,440,400	\$ 25,423,998	\$ 983,598
Other State Funds	-	-	5,095	5,095
Federal Funds	174,300	174,300	153,639	(20,661)
Other Financing Sources	39,909,678	39,909,678	39,915,878	6,200
	<u>\$ 64,524,378</u>	<u>\$ 64,524,378</u>	<u>\$ 65,498,610</u>	<u>\$ 974,232</u>
Fund Balance Budgeted	\$ 13,345,168	\$ 13,445,018	\$ 13,307,159	(137,859)
Total Revenues and Budgeted Fund Balance	<u>\$ 77,869,546</u>	<u>\$ 77,969,396</u>	<u>\$ 78,805,769</u>	<u>\$ 836,373</u>
<b>Expenditures:</b>				
Personal Services/Employee Benefits	\$ 10,840,800	\$ 10,186,800	\$ 9,381,355	\$ 805,445
Contractual Services	4,822,600	5,174,300	4,751,273	423,027
Other	10,661,546	11,033,696	7,517,658	3,516,038
Other Financing Uses	51,544,600	51,574,600	51,157,500	417,100
Total Expenditures	<u>\$ 77,869,546</u>	<u>\$ 77,969,396</u>	<u>\$ 72,807,786</u>	<u>\$ 5,161,610</u>
Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures			5,997,983	
Reversions			(1,483,485)	
GAAP Adjustments to Expenses (Loans Converted to Grants)			(1,598,163)	
Budgeted Fund Balance			(13,307,159)	
Net Change in Fund Balance			<u>\$ (10,390,824)</u>	

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Combining Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
General Fund Capital Projects - by Department  
For the Year Ended June 30, 2012

SHARE Fund 52900	Budgeted Amounts		Current Amounts (Budgetary Basis)	Variance from Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Other Revenue	\$ -	\$ -	\$ -	\$ -
Other Financing Sources	-	50,000	50,000	-
Fund Balance Budgeted	2,278,232	2,278,232	1,891,820	(386,412)
<b>Total Revenues</b>	<b>2,278,232</b>	<b>2,328,232</b>	<b>1,941,820</b>	<b>(386,412)</b>
<b>Expenditures:</b>				
<b>Contractual Services</b>				
A083953 - Rodeo Initiative Statewide	\$ 66,152	\$ 66,152	\$ 60,000	\$ 6,152
Total Contractual Services	66,152	66,152	60,000	6,152
<b>Other - Grants to Organizations</b>				
A051445 - Dona Ana Co Park Improve, Ret	9,789	9,789	-	9,789
A051497 - Grant Co Boys' & Girls' Club	1,980	1,980	-	1,980
A051343 - Explora Science Ctr & Children	345,518	19,182	19,182	-
A073382 - Grady Ambulances Purchase	100,000	100,000	-	100,000
A075366 - Alamogordo Public Library Cons	159,303	159,303	121,049	38,254
A083951 - Film & Media Initiative	44,000	44,000	43,616	384
A083956 - Taos Co At-Risk Youth Congrega	32,500	32,500	-	32,500
A083982 - Gallup East Side Fire Station	21,163	21,163	21,163	-
A084095 - Bernalillo Co Altamont Little	16,663	16,663	16,533	130
A084099 - Bernalillo Co Little League	379	379	-	379
A084103 - Bernalillo Co Raymond G. Sanch	8,477	8,477	8,477	-
A084109 - South Valley/Bern Co Library	820	820	-	820
A084115 - Alb Alameda Little League Impr	1,170	1,170	1,100	70
A084144 - Alb Iso Provider For Disabled	60,000	60,000	60,000	-
A084147 - Alb Kimo Theatre Repair	1,337	1,337	1,337	-
A084148 - Alb Ladera Golf Course Improve	35,406	35,406	35,406	-
A084153 - Alb Manzano Mesa Multigenerati	2,165	2,165	-	2,165
A084167 - Alb Public Art Construct	20,000	-	-	-
A084168 - Alb Public Sculpture Or Mural	10,000	-	-	-
A084179 - Alb Taylor Ranch Lib Renovate	95,000	5,176	5,176	-
A084208 - Chaves Co Cultural & Educ Cent	19,463	19,463	-	19,463
A084209 - Chaves Co Defibrillators Repla	9	9	-	9
A084222 - Roswell Refug Shelter Buildin	780	780	778	2
A084225 - Cibola Co Pioneer Memorial Park	13	13	-	13
A084249 - Melrose Health Care Clinic	3,157	3,157	-	3,157
A084266 - Anthony Sheriff's Substation	43	43	-	43
A084267 - Anthony Valley Public Library	14	14	-	14
A084270 - Dona Ana Boxing Club Construct	3,262	3,262	-	3,262
A084274 - Dona Ana Co Crisis Triage Cent	219	219	219	-
A084276 - Las Cruces Amador Museum Renov	2,318	2,318	2,315	3
A084277 - Las Cruces Animal Shelter Cons	448	448	-	448
A084278 - Las Cruces Branigan Library	90,553	90,553	90,553	-
A084279 - Las Cruces Burn Lake/Esslinger	30,000	-	-	-
A084283 - Las Cruces Kitchen Construct	20,000	20,000	20,000	-
A084285 - Las Cruces Mesilla Park Comm	1,450	1,450	1,450	-
A084286 - Las Cruces Mesilla Park Lighting	20,000	-	-	-
A084291 - Las Cruces Skeet & Trap Ranges	9,031	9,031	9,031	-
A084307 - Carlsbad Battered Families Shelter	14,213	14,213	11,347	2,866
A084313 - Loving Sports Complex Construc	38,012	38,012	37,876	136
A084319 - Santa Clara Public Safety Bldg	121,609	121,609	121,609	-
A084322 - Silver City Memory Lane Cemetery	806	806	-	806
A084344 - Ruidoso Downs Hubbard Museum	19,159	19,159	-	19,159
A084346 - Deming Youth Recreational Fiel	201,079	201,079	201,079	-
A084378 - Chilli Land Grant Solar Water	-	50,000	49,924	76
A084383 - Alamogordo Emergency Operation	80,000	80,000	-	80,000
A084388 - Cloudcroft Mountain Park Depot	10,376	10,376	-	10,376
A084404 - Chama Mltprps Fclty Construct	4,348	4,348	-	4,348

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Combining Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
General Fund Capital Projects - by Department  
For the Year Ended June 30, 2012

SHARE Fund 52900	Budgeted Amounts		Current Amounts (Budgetary Basis)	Variance from Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Expenditures:</b>				
<b>Other - Grants to Organizations</b>				
A000000 - Unidentified Fund Balance	35,097	35,097	-	35,097
A084418 - Portales Fire Dept Main Station	12,665	12,665	12,665	-
A084445 - Sandoval Co Econ Dvlp Industrial	25,264	25,264	25,264	-
A084457 - Rio Rancho Veterans Memorial	14,935	14,935	14,935	-
A084462 - Santa Fe Co Agua Fria Comm Park	872	872	-	872
A084465 - Santa Fe Co Detention Facilities	20,020	20,020	20,020	-
A084466 - Santa Fe Co Esperanza Shelter	43,295	43,295	43,295	-
A084467 - Santa Fe Co Head Start Facility	9,002	9,002	8,992	10
A084468 - Santa Fe Co Mountain Ctr Const	40,293	40,293	40,047	246
A084470 - Santa Fe Co Tennis Courts-Pojo	848	848	848	-
A084471 - Santa Fe Co Vehicles & Equip	1,385	1,385	1,385	-
A084487 - Santa Fe Co Disabilities Services	1,252	1,252	-	1,252
A084495 - Santa Fe Women's Health Facility	153,695	153,695	142,800	10,895
A084507 - Socorro Convention Ctr/Rodeo/R	158,400	158,400	158,400	-
A084511 - Taos Co Arroyo Seco Cmty Center	13,350	13,350	12,115	1,235
A084528 - Valdez Mdwc & Mswa Community	8,437	8,437	8,437	-
A084546 - Valencia Co Casa Colorada Cmty	17,238	-	-	-
Total Other - Grants to Organizations	<u>2,212,080</u>	<u>1,748,682</u>	<u>1,368,423</u>	<u>380,259</u>
<b>Total Expenditures</b>	<u>2,278,232</u>	<u>1,814,834</u>	<u>1,428,423</u>	<u>386,411</u>
<b>Other Financing (Uses):</b>				
<b>Transfers out:</b>				
A084167 - Alb Public Art Construct	-	20,000	20,000	-
A084168 - Alb Public Sculpture Or Mural	-	10,000	10,000	-
A084179 - Alb Taylor Ranch Lib Renovate	-	89,824	89,824	-
A084286 - Las Cruces Mesilla Park Lighting	-	20,000	20,000	-
A084279 - Las Cruces Burn Lake/Esslinger	-	30,000	30,000	-
A084546 - Valencia Co Casa Colorada Cmty	-	17,238	17,238	-
A051343 - Explora Science Ctr & Children	-	326,335	326,335	-
Total Transfers Out	<u>-</u>	<u>513,397</u>	<u>513,397</u>	<u>-</u>
Total Other Financing (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures				-
Reversions			(348,157)	
Budgeted Fund Balance			(1,891,820)	
Net Change in Fund Balance			<u>\$ (2,239,977)</u>	

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Combining Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
Severance Tax Bond Projects Fund - by Department  
For the Year Ended June 30, 2012

SHARE Fund 61000	Budgeted Amounts		Current Amounts (Budgetary Basis)	Variance from Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Other Financing Sources - STB	\$ 20,184,227	\$ 17,554,431	\$ 8,359,685	\$ (9,194,746)
<b>Total Revenues</b>	<b>20,184,227</b>	<b>17,554,431</b>	<b>8,359,685</b>	<b>(9,194,746)</b>
<b>Expenditures:</b>				
<b>Contractual Services</b>				
A083151 - River Ecosystem Restoration	1,523,207	1,523,207	1,160,268	362,939
A093820 - Colonias Infrastructure Improv	2,000	2,000	-	2,000
<b>Total Contractual Services</b>	<b>1,525,207</b>	<b>1,525,207</b>	<b>1,160,268</b>	<b>364,939</b>
<b>Other - Grants to Organizations</b>				
A093907 - Colonias Infr Improve & Emerg	6,000	6,000	-	6,000
A093906 - Socorro Co Veguila Health & Cm	172,780	172,780	-	172,780
A093905 - T Or C Swimming Pool Cover	100,000	100,000	41,953	58,047
A093902 - La Familia Medical Ctr Improve	360,345	360,345	92,838	267,507
A093899 - Santa Fe Co Esperanza Shelter	267,300	267,300	163,172	104,128
A093898 - Esperanza Admin Complex Modula	420,750	420,750	420,750	-
A093897 - Sandoval Co Haven House Expand	181,203	181,203	146,784	34,419
A093893 - San Juan Co Consolidated Crime	136,261	136,261	136,261	-
A093889 - Gallup Economic Resource Ctr	75,000	75,000	-	75,000
A093882 - Grant Co Health Facilities	276,514	276,514	276,514	-
A093880 - Eddy Co Shooting Range, Vgf	8,122	8,122	2,412	5,710
A093878 - Las Cruces Natural History Mus eum	29	29	-	29
A093877 - Las Cruces Aquatic & Family Re	293,876	293,876	233,751	60,125
A093872 - Curry Co La Casa Family Health	109	109	109	-
A093870 - Roswell Working Mothers' Day	72,295	72,295	60,521	11,774
A093868 - Chilli Land Grant Tractor, Vg	137,500	137,500	-	137,500
A093867 - West Mesa Little League Field	195,742	195,742	188,611	7,131
A093866 - Mesa Verde Community Center	100,000	100,000	-	100,000
A093865 - Explora Science Ctr & Child Mu seum	770,742	770,742	224,368	546,374
A093864 - Alb Zoo Polar Bear/Penguin Facility	95,298	95,298	-	95,298
A093863 - Alb West Central Development	183,150	183,150	-	183,150
A093862 - Alb Sawmill Cmty Land Trust	105,000	105,000	-	105,000
A093861 - Alb Petroglyph Little League	100,000	100,000	-	100,000
A093859 - Alb Los Griegos Library Renova	99,099	99,099	6,884	92,215
A093858 - Alb Dance Co Fcly Construct	154,722	154,722	-	154,722
A093857 - Alb Jerry Cline Park Rec Center	393,993	393,993	393,993	-
A093856 - Alb Food Distribution Facility	153,450	153,450	-	153,450
A093855 - Alb Disabilities Multiprps Ctr	95,000	95,000	-	95,000
A093854 - Alb Dance Fcly Low-Income/Dis	103,950	103,950	-	103,950
A093853 - Alb City Council Dist 8 Multig	148,500	148,500	-	148,500
A093852 - South Valley/Bern Co Mitrprps	1,388	1,388	1,388	-
A093822 - Tribal Infrastructure Projects	243,391	243,391	-	243,391
A093821 - Film Production Education	30,429	30,429	-	30,429
A093820 - Colonias Infrastructure Improv	318,399	318,399	188,606	129,793
A093120 - DFA Infra Improve For Business	4,348,349	4,348,349	-	4,348,349
A093118 - Colonias Infrastructure Improv	1,799,764	1,799,764	1,390,473	409,291
A093012 - Film/Media Training Facilities	50,738	50,738	-	50,738
A093007 - Film Facilities And Programs	24,982	24,982	-	24,982
A083278 - Bosque Farms Library Improve	230,365	-	-	-
A083272 - Magdalena Fire & Ems Facilities	5,104	5,104	-	5,104
A083271 - Socorro Co Parks & Roads Impro	65,809	65,809	65,809	-
A083270 - Sierra Co Hospital Construct	1,013,760	815,761	815,761	-
A083263 - Edgewood East Mountain Area	7,566	7,566	7,566	-
A083260 - Rio Rancho Haven House Shelter	232,650	219,494	219,494	-
A083259 - Bernalillo Soccer Complex	8,221	-	-	-
A083248 - Alamogordo Fire Station At Rel	102,776	102,776	17,565	85,211
A083246 - Otero Co Chaparral Medical Clinic	171,374	171,374	49,368	122,006
A083244 - Gallup Mainstreet Landscape	20,938	20,938	20,938	-
A083241 - Deming Adult Softball Complex	54,256	54,256	54,255	1

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Combining Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
Severance Tax Bond Projects Fund - by Department  
For the Year Ended June 30, 2012

SHARE Fund 61000	Budgeted Amounts		Current Amounts (Budgetary Basis)	Variance from Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Expenditures:</b>				
<b>Other - Grants to Organizations</b>				
A083239 - Luna Co Youth Recreational Facility	69,155	69,155	10,845	58,310
A083235 - Lovington Recreational Center	27,876	27,876	27,876	-
A083233 - Virden Village Hall Improve	99,279	-	-	-
A083226 - Eddy Co Legacy Regional Treatment	525,000	525,000	525,000	-
A083225 - Santa Teresa Emergency Respons	267,264	154,361	154,361	-
A083224 - Las Cruces Shelter & Transition	166,696	80,046	80,046	-
A083223 - Las Cruces Regional Rec & Aqua	543,391	543,391	543,391	-
A083222 - Las Cruces Homeless Veterans	227,700	-	-	-
A083221 - Las Cruces Downtown Plaza Cons	63,852	63,852	63,852	-
A083218 - Dona Ana Camino Real Area Impr	16,590	16,590	16,590	-
A083216 - Melrose Fire Dept Substation	9,681	9,681	-	9,681
A083202 - Bernalillo Co Edw L Romero Park	77	77	-	77
A083199 - Alb West Central Redevelopment	137,021	137,021	137,021	-
A083192 - Alb Cmty Ctr/North Domingo Baca	16,823	16,823	16,823	-
A083191 - Alb Balloon Museum Exhibits	39,919	-	-	-
A083188 - Bernalillo Co Regional Rec Com	79,747	79,747	79,269	478
A083187 - Bernalillo Co.Patricia Cassidy	36,139	36,139	-	36,139
A083142 - Alb Anderson-Abruzzo Intl Ball	17,897	14,139	7,083	7,056
A083054 - Alb Hiland Theater Construct	36,650	36,650	36,650	-
A073784 - N Belen Interchange	199,914	-	-	-
A073769 - Belen Mltprps Park Improve	8,892	-	-	-
A073768 - Behavioral Hlth Fac. Infra-Native Am.	39,968	-	-	-
A073754 - Eddy Co Regional Rehab Ctr Construct	217,438	-	-	-
A073745 - Alb Arena Construct	887,996	-	-	-
A060543 - Socorro Clinic Site Prep & Bldg Acquire	10,491	-	-	-
A060470 - Alamogordo High Schl Tennis Complex	7,958	-	-	-
A050231 - Explora Science Ctr & Children's Museum	250,597	21,000	21,000	-
A041763 - Little League Fields Renovate	6,934	-	-	-
A040325 - Oscar Huber Memorial Ballpark Improve	75	-	-	-
A040183 - Santa Fe Transitional Living	65	-	-	-
A020620 - Oscar Huber Memorial Ballpark Improve	518	-	-	-
Total Other - Grants to Organizations	17,948,592	15,318,796	6,939,951	8,378,845
<b>Total Expenditures</b>	<b>19,473,799</b>	<b>16,844,003</b>	<b>8,100,219</b>	<b>8,743,784</b>
<b>Other Financing (Uses):</b>				
<b>Transfers out:</b>				
A083267 - Santa Fe Police Substation	2,500	2,500	-	2,500
A093115 - DFA Bern Co Finan Svcs Econ	40,000	40,000	-	40,000
A093116 - DFA Bern Co Solar Equip Econ	60,000	60,000	-	60,000
A093117 - DFA Rio Rancho Tech Support Ct	60,000	60,000	-	60,000
A093119 - County Fairgrounds & Rodeo Facilities	10,000	10,000	-	10,000
A093121 - DFA Solar Equip Econ Dvlp Project	30,000	30,000	-	30,000
A093822 - Tribal Infrastructure Projects	507,928	507,928	259,466	248,462
<b>Total Transfers Out</b>	<b>\$ 710,428</b>	<b>\$ 710,428</b>	<b>259,466</b>	<b>\$ 450,962</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and other Financing Sources (Uses)</b>			-	-
<b>Net Change in Fund Balance</b>			<b>\$ -</b>	-

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Combining Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
GF Capital Outlay (Statewide) Fund - by Department  
For the Year Ended June 30, 2012

SHARE Fund 93100	Budgeted Amounts		Current Amounts (Budgetary Basis)	Variance from Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Other Financing Sources	\$ -	749,204	749,204	\$ -
Fund Balance Budgeted	787,374	787,374	-	(787,374)
<b>Total Revenues and Budgeted Fund Balance</b>	<u>787,374</u>	<u>1,536,578</u>	<u>749,204</u>	<u>(787,374)</u>
<b>Expenditures:</b>				
<b>Other - Grants to Organizations</b>				
A074809 - Ojo Sarco Community Center Ren	149,949	149,949	50,000	99,949
A075776 - Camino Real Revitalization	110,104	110,104	2,186	107,918
A073977 - Bern Co South Valley Pool	30,000	30,000	4,044	25,956
A052158 - ALB ALAMOSA PARK RENOVATE	100,000	100,000	-	100,000
A075108 - 13th Jud Dist Atty Office Reno	26,514	26,514	-	26,514
A075111 - Cibola Co Facility Renovate	4,697	4,697	-	4,697
A075337 - Gallup Low-Income Apartments R	72,433	72,433	72,433	-
A075462 - Bernalillo Veterans' Mem Cons	14,884	14,884	-	14,884
A075554 - Sierra Co Hospital Construct	66,020	66,020	66,020	-
A075565 - Socorro Convention And Rodeo F	186,714	186,714	186,714	-
A084230 - Cibola Co Plaza And Courthouse	26,059	26,059	-	26,059
A075221 - San Miguel Sports Complex Cons	-	48,790	-	48,790
A084179 - ALB TAYLOR RANCH LIB RENOVATE	-	89,825	-	89,825
A084167 - ALB PUBLIC ART CONSTRUCT	-	20,000	19,000	1,000
A084168 - ALB PUBLIC SCULPTURE OR MURAL	-	10,000	9,847	153
A084286 - LAS CRUCES MESILLA PARK LIGHTI	-	20,000	-	20,000
A084546 - VALENCIA CO CASA COLORADA CMTY	-	17,238	-	17,238
A084279 - LAS CRUCES BURN LAKE/ESSLINGER	-	30,000	-	30,000
A051343 - Explora Science Ctr & Children	-	326,335	-	326,335
A083757 - ESPANOLA MILITARY ACADEMY INFO	-	20,000	-	20,000
A083841 - DONA ANA MUTUAL DOMESTIC WAT	-	45,674	-	45,674
A083847 - MONTANA VISTA WASTEWATER SYS	-	20,000	-	20,000
A083849 - TALAVERA MUTUAL DOMESTIC WAT	-	31,184	-	31,184
A083856 - LAS CRUCES SEWER LINE IN THE W	-	70,158	-	70,158
<b>Total Expenditures</b>	<u>\$ 787,374</u>	<u>\$ 1,536,578</u>	<u>410,244</u>	<u>\$ 1,126,334</u>
<b>Excess (Deficiency) of Revenues and Budgeted Fund Balance Over (Under) Expenditures</b>			338,960	
<b>Reversions</b>			-	
<b>Net Change in Fund Balance</b>			<u>\$ 338,960</u>	



STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Combining Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
STB Capital Outlay (Statewide) Fund - by Department  
For the Year Ended June 30, 2012

SHARE Fund 89200	Budgeted Amounts		Current Amounts (Budgetary Basis)	Variance from Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Other Financing Sources - STB	\$ 9,407,970	43,055,737	3,115,088	(39,940,649)
<b>Total Revenues</b>	<b>9,407,970</b>	<b>43,055,737</b>	<b>3,115,088</b>	<b>(39,940,649)</b>
<b>Expenditures:</b>				
<b>Contractual Services</b>				
A101283 - Colonias Infrastructure Improv	19,000	19,000	19,000	-
<b>Total Contractual Services</b>	<b>19,000</b>	<b>19,000</b>	<b>19,000</b>	<b>-</b>
<b>Other - Grants to Organizations</b>				
A101283 - Colonias Infrastructure Improv	1,860,887	1,860,887	1,253,666	607,221
A101115 - Sunland Park Municipal Complex	247,500	247,500	-	247,500
A101114 - San Juan Co Archaeological Ctr	221,637	221,637	-	221,637
A101113 - South Valley Multi Purpose Fami	1,098,794	1,098,794	57,101	1,041,693
A101288 - Tribal Infrastructure Project	2,500,000	-	-	-
A093904 - Site Santa Fe Museum Construct	215,000	215,000	75,366	139,634
A093073 - Santa Teresa Poe Emergency Res	800,000	800,000	606,767	193,233
A050231 - Explora Science Ctr & Children	-	229,597	90,714	138,883
A121408 - BERN CO ATRISCO VALLEY LITTLE	-	2,000	-	2,000
A121409 - BERN CO WESTSIDE CMTY CENTER	-	200,000	-	200,000
A121411 - ALB ALAMEDA LL JUNIOR BASEBALL	-	234,000	-	234,000
A121412 - ALB BERN CO SOUTHWEST MESA LIB	-	393,030	-	393,030
A121413 - ALB BIOPARK ALLIGATOR ALCOVE	-	148,500	-	148,500
A121414 - ALB CESAR CHAVEZ COMMUNITY CTR	-	500,000	-	500,000
A121415 - ALB EXPLORA SCI CTR & CHILDREN	-	1,287,000	-	1,287,000
A121416 - ALB ROADRUNNER LITTLE LEAGUE	-	90,000	-	90,000
A121417 - ALB ROBINSON PARK RENOVATE	-	150,000	-	150,000
A121418 - ALB WESTGATE/TOWER PARK FIELDS	-	300,000	-	300,000
A121420 - BERN CO CORRECTIONAL FACILITY	-	525,000	-	525,000
A121421 - MILE HIGH LITTLE LEAGUE EQUIP/	-	105,000	-	105,000
A121422 - PARADISE HILLS LITTLE LEAGUE	-	450,000	-	450,000
A121423 - SOUTH VALLEY LIBRARY IMPROVE	-	40,000	-	40,000
A121424 - CATRON CO HEALTH CLINIC CONSTR	-	198,000	-	198,000
A121425 - CHAVES CO MIDWAY VFD IMPROVE	-	100,000	-	100,000
A121426 - DEXTER LAKE VAN RESTROOM FCLTI	-	140,000	-	140,000
A121427 - ROSWELL WOOL BOWL SOFTBALL COM	-	487,000	-	487,000
A121428 - ROSWELL WORKING MOTHER'S DAY	-	100,000	-	100,000
A121429 - CIBOLA CO LAW ENFORCEMENT VEHI	-	134,000	-	134,000
A121430 - EAGLE NEST ENCHANTED EAGLE ASB	-	50,000	-	50,000
A121431 - COLFAX GENERAL LTC RENOVATE	-	30,000	-	30,000
A121432 - CANNON AIR FORCE BASE LAND PUR	-	177,000	-	177,000
A121434 - MESILLA VALLEY 911 CENTER CONS	-	836,550	-	836,550
A121435 - ANTHONY WSD LA UNION COMMUNITY	-	300,000	-	300,000
A121436 - LAS CRUCES EAST MESA PUB SAFET	-	1,201,860	-	1,201,860
A121437 - LAS CRUCES JARDIN DE LOS NINOS	-	50,000	-	50,000
A121438 - MESILLA PLAZA RENOVATE	-	247,500	-	247,500
A121439 - EDDY CO SHOOTING RANGE	-	100,000	-	100,000
A121440 - ARTESIA FIRE DEPARTMENT PUMPER	-	440,000	-	440,000
A121441 - HOPE FIRE DEPT BUILDING EXPANS	-	168,300	-	168,300
A121442 - LOVING LL PARK IMPROVE	-	100,700	-	100,700
A121443 - BAYARD MUNICIPAL CEMETERY	-	200,000	-	200,000
A121444 - SANTA CLARA PUBLIC SAFETY BLDG	-	178,200	-	178,200
A121445 - SANTA ROSA ILFELD BUILDING REN	-	321,750	-	321,750
A121446 - SANTA ROSA PARK LAKE CONSTRUCT	-	100,000	-	100,000
A121447 - HIDALGO CO DISPATCH CONTROL	-	250,000	-	250,000
A121448 - EUNICE FIRE SUBSTATION CONSTRU	-	198,000	-	198,000
A121449 - LEA CO FAIRGROUNDS INFRA IMPRO	-	402,000	-	402,000
A121450 - NOR-LEA HOSPITAL DIST FLOORING	-	327,000	-	327,000
A121451 - CARRIZOZO ASPHALT ZIPPER PURCH	-	180,000	-	180,000
A121452 - FT STANTON VOL FIRE DEPT BUILD	-	397,000	-	397,000
A121453 - LUNA CO DETENTION CENTER FACIL	-	100,000	-	100,000

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Combining Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
STB Capital Outlay (Statewide) Fund - by Department  
For the Year Ended June 30, 2012

SHARE Fund 89200	Budgeted Amounts		Current Amounts (Budgetary Basis)	Variance from Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Other - Grants to Organizations</b>				
A121454 - LUNA CO DOMESTIC VIOLENCE SHEL	-	50,000	-	50,000
A121455 - LUNA CO SHERIFF'S OFFICE/LAW	-	204,930	-	204,930
A121456 - GALLUP COMMUNITY PANTRY IMPROV	-	40,000	-	40,000
A121457 - GALLUP FIRE STATION 1 IMPROVE	-	38,500	-	38,500
A121458 - GALLUP VETERANS' MEMORIAL CEME	-	185,000	-	185,000
A121459 - WAGON MOUND PUBLIC WORKS FACIL	-	50,000	-	50,000
A121460 - OTERO CO FAIRGROUNDS RODEO	-	347,000	-	347,000
A121462 - QUAY CO COURTHOUSE RENOVATE	-	185,000	-	185,000
A121461 - TULAROSA POLICE VEHICLES & INFO	-	300,000	-	300,000
A121463 - ESPANOLA LIBRARY AND DIGITAL	-	297,000	-	297,000
A121464 - RIO ARRIBA CO HOY RECOVERY FCL	-	187,209	-	187,209
A121465 - ELIDA MULTIPURPOSE SENIOR/CMTY	-	100,000	-	100,000
A121466 - ROOSEVELT GENERAL HOSPITAL CON	-	184,140	-	184,140
A121467 - FARMINGTON REGIONAL ANIMAL SHEL.	-	2,713,590	-	2,713,590
A121468 - KIRTLAND RIVERVIEW RECREATIONA	-	202,000	-	202,000
A121469 - DINEH WATER USERS ASSN EXCAVAT	-	125,000	-	125,000
A121470 - LAS VEGAS SPECIAL OLYMPICS	-	5,000	-	5,000
A121471 - BERNALILLO CORONADO LITTLE LEA	-	75,000	-	75,000
A121472 - SANTA FE CO CORRECTIONS FACILI	-	110,000	-	110,000
A121475 - SANTA FE CO ROMERO PARK IMPROV	-	75,000	-	75,000
A121476 - MADRID OSCAR HUBER MEM PARK	-	332,000	-	332,000
A121477 - SANTA FE BOYS' & GIRLS' CLUB	-	7,000	-	7,000
A121478 - SANTA FE BOYS' & GIRLS' CLUB	-	3,500	-	3,500
A121479 - SANTA FE BOYS' & GIRLS' CLUB	-	32,734	-	32,734
A121480 - SANTA FE BOYS' & GIRLS' CLUB	-	2,500	-	2,500
A121481 - SANTA FE MULTIPURPOSE CTR	-	109,890	-	109,890
A121482 - SANTA FE POLICE STATION RENOVA	-	435,600	-	435,600
A121483 - SANTA FE RODEO MULTIUSE ARENA	-	81,000	-	81,000
A121484 - SABINAL COMM CTR CONSTRUCTION	-	100,000	-	100,000
A121485 - SOCORRO RODEO & RECREATION FAC	-	292,000	-	292,000
A121486 - CERRO COMMUNITY CTR CONSTRUC	-	90,000	-	90,000
A121487 - LLANO QUEMADO ER/CMTY CTR AIR	-	50,000	-	50,000
A121488 - TAOS CO SHERIFF DEPT PATROL	-	100,000	-	100,000
A121489 - CHAMISAL FIRE STATION IMPROVE	-	50,000	-	50,000
A121490 - PENASCO COMMUNITY CTR FURNACE	-	24,000	-	24,000
A121491 - QUESTA WATERSHED & RIVER RESTO	-	90,000	-	90,000
A121492 - RED RIVER EARLY CHILDHOOD DEVE	-	50,000	-	50,000
A121493 - TAOS CO 4-H INDOOR ARENA	-	85,000	-	85,000
A121494 - TAOS KIT CARSON PARK PUBLIC RE	-	50,000	-	50,000
A121495 - ESTANCIA MVD & MUNICIPAL COURT	-	12,000	-	12,000
A121496 - VALENCIA CO SHERIFF'S DEPT PAT	-	202,500	-	202,500
A121497 - BOSQUE FARMS LIBRARY ADDITION	-	128,700	-	128,700
A121498 - VALENCIA CO ANIMAL CONTROL FCL	-	150,000	-	150,000
A120012 - TRIBAL INFRASTRUCTURE PROJECTS	-	13,207,965	-	13,207,965
A111284 - ROSWELL DORMITORY FACILITIES	-	2,000,000	-	2,000,000
A083142 - ALB ANDERSON-ABRUZZO INTL BALL	-	3,758	-	3,758
A083191 - ALB BALLOON MUSEUM EXHIBITS	-	39,918	3,000	36,918
A083222 - LAS CRUCES HOMELESS VETERANS	-	227,700	102,712	124,988
A083224 - LAS CRUCES SHELTER & TRANSITIO	-	86,650	79,157	7,493
A083225 - SANTA TERESA EMERGENCY RESPON	-	112,903	-	112,903
A083259 - BERNALILLO SOCCER COMPLEX	-	8,221	-	8,221
A083260 - RIO RANCHO HAVEN HOUSE SHELTER	-	13,156	-	13,156
A083278 - BOSQUE FARMS LIBRARY IMPROVE	-	230,365	-	230,365
A073766 - Sierra Co Hospital Construct	1,326,757	1,326,757	113,382	1,213,375
A073743 - Bern. Co Fisher & Smith Mem Gym Const.	216,446	216,446	216,446	-
A060462 - Sangre De Cristo Complex Construct	121,467	121,467	2,295	119,172
A050492 - Questa Spire Solar Project Construct	96,991	96,991	96,991	-
A050386 - Questa Infra Improve	348,491	348,491	348,491	-
A050138 - Mora Co Courthouse Complex 12	50,000	50,000	50,000	-

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Combining Schedule of Revenues and Expenditures -  
Budget and Actual (Budgetary Basis)  
STB Capital Outlay (Statewide) Fund - by Department  
For the Year Ended June 30, 2012

SHARE Fund 89200	Budgeted Amounts		Current Amounts (Budgetary Basis)	Variance from Final Budget Favorable (Unfavorable)
	Original	Final		
Total Other - Grants to Organizations	9,103,970	42,656,386	3,096,088	39,560,298
<b>Total Expenditures</b>	<b>9,122,970</b>	<b>42,675,386</b>	<b>3,115,088</b>	<b>39,560,298</b>
<b>Other Financing (Uses):</b>				
<b>Transfers out:</b>				
A101116 - Acequia Technical Assistance	200,000	200,000	-	200,000
A101284 - Bern Co Financial Svcs Economi	25,000	25,000	-	25,000
A101285 - Rio Rancho Tech Support Center	60,000	60,000	-	60,000
A121412 - ALB BERN CO SOUTHWEST MESA LIB	-	3,970	-	3,970
A121413 - ALB BIOPARK ALLIGATOR ALCOVE	-	1,500	-	1,500
A121415 - ALB EXPLORA SCI CTR & CHILDREN	-	13,000	-	13,000
A121424 - CATRON CO HEALTH CLINIC CONSTR	-	2,000	-	2,000
A121434 - MESILLA VALLEY 911 CENTER CONS	-	8,450	-	8,450
A121436 - LAS CRUCES EAST MESA PUB SAFET	-	12,140	-	12,140
<b>Other Financing (Uses):</b>				
<b>Transfers out:</b>				
A121438 - MESILLA PLAZA RENOVATE	-	2,500	-	2,500
A121441 - HOPE FIRE DEPT BUILDING EXPANS	-	1,700	-	1,700
A121444 - SANTA CLARA PUBLIC SAFETY BLDG	-	1,800	-	1,800
A121445 - SANTA ROSA ILFELD BUILDING REN	-	3,250	-	3,250
A121448 - EUNICE FIRE SUBSTATION CONSTRU	-	2,000	-	2,000
A121455 - LUNA CO SHERIFF'S OFFICE/LAW	-	2,070	-	2,070
A121463 - ESPANOLA LIBRARY AND DIGITAL	-	3,000	-	3,000
A121464 - RIO ARRIBA CO HOY RECOVERY FCL	-	1,891	-	1,891
A121466 - ROOSEVELT GENERAL HOSPITAL CON	-	1,860	-	1,860
A121467 - FARMINGTON REGIONAL ANIMAL SHE	-	27,410	-	27,410
A121481 - SANTA FE MULTIPURPOSE CTR	-	1,110	-	1,110
A121482 - SANTA FE POLICE STATION RENOVA	-	4,400	-	4,400
A121497 - BOSQUE FARMS LIBRARY ADDITION	-	1,300	-	1,300
<b>Total Transfers Out</b>	<b>\$ 285,000</b>	<b>380,351</b>	<b>-</b>	<b>\$ 380,351</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and other Financing Sources (Uses)</b>			<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>			<b>\$ -</b>	<b>-</b>

STATE OF NEW MEXICO  
Department of Finance and Administration

Schedule of Transfers  
June 30, 2012

Agency	Fund	Description	DFA Fund	Transfer In/(Out)
<b>General Fund</b>				
36100	20360	HRMS Fees Laws of 2011, Ch 179, Sctn 4, pages 39-41	01000	\$ 595,000
33700	95200	063011 XFER of 100% of Tobacco Funds	69700	39,320,878
		Total Other Transfers In		<u>39,915,878</u>
35400	34700	To fund the annual calculation of the felony offender incarceration distribution	20130	(30,000)
34100	23300	Laws 2010, Ch 6, Sec 4 - Tobacco Settlement Program Fund	69700	(3,020,163)
60900	04800	Laws 2010, Ch 6, Sec 4 - Tobacco Settlement Program Fund	69700	(254,207)
63000	97600	Laws 2010, Ch 6, Sec 4 - Tobacco Settlement Program Fund	69700	(29,060,734)
66500	06104	Laws 2010, Ch 6, Sec 4 - Tobacco Settlement Program Fund	69700	(6,985,774)
63000	97600	Remaining NMARRA Funding	10820	(11,806,622)
		Total Other Transfer Out		<u>(51,157,500)</u>
		<b>Total General Fund Transfers</b>		<b><u>(11,241,622)</u></b>
<b>Severance Tax Bond Projects Fund</b>				
34103	00100	Severance Tax Bond Transfers	61000	21,000
34103	10710	Severance Tax Bond Transfers	61000	36,650
34103	10740	Severance Tax Bond Transfers	61000	1,139,365
34103	10910	Severance Tax Bond Transfers	61000	1,535,384
34103	10920	Severance Tax Bond Transfers	61000	1,827,997
34103	60900	Severance Tax Bond Transfers	61000	1,827,409
34103	60910	Severance Tax Bond Transfers	61000	1,413,407
34103	66400	Severance Tax Bond Transfers	61000	251,108
34103	96850	Severance Tax Bond Transfers	61000	307,365
		Total Interfund Transfers In		<u>8,359,685</u>
60900	42900	Transfer capital project appropriation per MOU	61000	(259,466)
		Total Transfers Out		<u>(259,466)</u>
		<b>Total Severance Tax Bond Transfers</b>		<b><u>8,100,219</u></b>
<b>Board of Finance Bond Funds</b>				
N/A	N/A	Return of over-drawn funds - NM Finance Authority	00100	78,378
92400	81600	Return of over-drawn funds	01900	118,689
34100	61000	Return of over-drawn funds	10740	11,238
N/A	N/A	Return of over-drawn funds - Nm School For The Deaf	10740	2,968
N/A	N/A	Return of over-drawn funds - NM Finance Authority	10740	1,242
N/A	N/A	Return of over-drawn funds - NM Finance Authority	11160	11,598
35000	64105	Return of over-drawn funds	40300	999
N/A	N/A	Return of over-drawn funds - NM Finance Authority	60910	70,459
80500	10060	Return of over-drawn funds	60930	1,047,011
92400	81600	Return of over-drawn funds	65300	578,853
50500	64700	Return of over-drawn funds	66300	22,077
N/A	N/A	Return of over-drawn funds - NM Highlands University	66300	4,688
N/A	N/A	Return of over-drawn funds - NM Finance Authority	66400	106,847
34100	61000	Return of over-drawn funds	96850	520
		Total Other Transfers In		<u>2,055,567</u>

See accompanying notes to the financial statements.

STATE OF NEW MEXICO  
Department of Finance and Administration

Schedule of Transfers  
June 30, 2012

Agency	Fund	Description	DFA Fund	Transfer In/(Out)
<b>Board of Finance Bond Funds - (continued)</b>				
34100	61000	Severance Tax Bond Transfers	00100	(21,000)
34100	61000	Severance Tax Bond Transfers	10710	(36,650)
34100	61000	Severance Tax Bond Transfers	10740	(1,139,365)
34100	61000	Severance Tax Bond Transfers	10910	(1,535,384)
34100	61000	Severance Tax Bond Transfers	10920	(1,827,997)
34100	61000	Severance Tax Bond Transfers	60900	(1,827,409)
34100	61000	Severance Tax Bond Transfers	60910	(1,413,407)
34100	61000	Severance Tax Bond Transfers	66400	(251,108)
34100	61000	Severance Tax Bond Transfers	96850	(307,365)
34100	10810	Severance Tax Bond Transfers	10740	(2,796,815)
34100	10810	Severance Tax Bond Transfers	80300	(1,636,992)
34100	89200	Severance Tax Bond Transfers	00100	(536,196)
34100	89200	Severance Tax Bond Transfers	10910	(682,134)
34100	89200	Severance Tax Bond Transfers	11160	(1,272,665)
34100	89200	Severance Tax Bond Transfers	60900	(184,868)
34100	89200	Severance Tax Bond Transfers	62100	(50,000)
34100	89200	Severance Tax Bond Transfers	66300	(216,446)
34100	89200	Severance Tax Bond Transfers	66400	(115,677)
34100	89200	Severance Tax Bond Transfers	82100	(57,102)
<b>Total Interfund Transfers Out</b>				<b>(15,908,580)</b>
50500	69800	Severance Tax Bond Transfers	00100	(31,536)
55000	26700	Severance Tax Bond Transfers	00100	(228,306)
80500	10060	Severance Tax Bond Transfers	00100	(122,421)
N/A	N/A	Severance Tax Bond Transfers - NM Finance Authority	00100	(193,407)
35000	64105	Severance Tax Bond Transfers	01900	(49,823)
41900	02800	Severance Tax Bond Transfers	01900	(3,288,797)
50500	69800	Severance Tax Bond Transfers	01900	(168,649)
60900	10100	Severance Tax Bond Transfers	01900	(2,450)
66700	10360	Severance Tax Bond Transfers	01900	(489,288)
80500	10060	Severance Tax Bond Transfers	01900	(4,806,661)
N/A	N/A	Severance Tax Bond Transfers - NM Finance Authority	01900	(1,507,856)
N/A	N/A	Severance Tax Bond Transfers - University of New Mexico	01900	(42,399)
50500	26300	Severance Tax Bond Transfers	02700	(389,459)
62400	96500	Severance Tax Bond Transfers	02700	(3,042,295)
N/A	N/A	Severance Tax Bond Transfers - University of New Mexico	02700	(10,000)
35000	64105	Severance Tax Bond Transfers	06200	(49,513)
35000	64105	Severance Tax Bond Transfers	10590	(2,683,011)
50500	26300	Severance Tax Bond Transfers	10590	(3,177,630)
62400	64800	Severance Tax Bond Transfers	10590	(7,554,525)
66500	05900	Severance Tax Bond Transfers	10590	(497,402)
66500	05901	Severance Tax Bond Transfers	10590	(36,342)
92400	81600	Severance Tax Bond Transfers	10590	(416,767)
95000	64400	Severance Tax Bond Transfers	10590	(19,120,417)
N/A	N/A	Severance Tax Bond Transfers - Eastern NM University	10590	(2,168,288)
N/A	N/A	Severance Tax Bond Transfers - Eastern NM University-Roswell	10590	(2,676,892)
N/A	N/A	Severance Tax Bond Transfers - NM Highlands University	10590	(2,343,243)

See accompanying notes to the financial statements.

STATE OF NEW MEXICO  
Department of Finance and Administration

Schedule of Transfers  
June 30, 2012

Agency	Fund	Description	DFA Fund	Transfer In/(Out)
<b>Board of Finance Bond Funds - (continued)</b>				
N/A	N/A	Severance Tax Bond Transfers - NM Institute of Mining & Tech	10590	(1,336,016)
N/A	N/A	Severance Tax Bond Transfers - Nm School For The Deaf	10590	(2,211,843)
N/A	N/A	Severance Tax Bond Transfers - Northern NM College	10590	(3,928,835)
N/A	N/A	Severance Tax Bond Transfers - NM State University	10590	(20,055,646)
N/A	N/A	Severance Tax Bond Transfers - University of NM	10590	(715,256)
N/A	N/A	Severance Tax Bond Transfers - Western NM University	10590	(4,878,640)
41900	02800	Severance Tax Bond Transfers	10710	(819,758)
66700	06400	Severance Tax Bond Transfers	10710	(407,947)
79000	89200	Severance Tax Bond Transfers	10710	(287,910)
N/A	N/A	Severance Tax Bond Transfers - NM Finance Authority	10710	(711,705)
N/A	N/A	Severance Tax Bond Transfers - State Fair Commission	10710	(96,874)
N/A	N/A	Severance Tax Bond Transfers - University of NM	10710	(655,081)
94000	94700	Severance Tax Bond Transfers	10720	(126,118,886)
41900	02800	Severance Tax Bond Transfers	10730	(1,992,400)
51600	88700	Severance Tax Bond Transfers	10730	(181,070)
52100	89200	Severance Tax Bond Transfers	10730	(77,150)
60900	10100	Severance Tax Bond Transfers	10730	(659,612)
21500	10170	Severance Tax Bond Transfers	10740	(5,246)
21800	44300	Severance Tax Bond Transfers	10740	(185,446)
23600	14600	Severance Tax Bond Transfers	10740	(132,088)
23700	03500	Severance Tax Bond Transfers	10740	(2,708)
23800	14800	Severance Tax Bond Transfers	10740	(3,233)
24100	52600	Severance Tax Bond Transfers	10740	(19,938)
35000	64105	Severance Tax Bond Transfers	10740	(2,403,486)
35000	89200	Severance Tax Bond Transfers	10740	(899,279)
36100	20340	Severance Tax Bond Transfers	10740	(1,537,611)
43000	55000	Severance Tax Bond Transfers	10740	(15,901)
50500	26300	Severance Tax Bond Transfers	10740	(1,224,612)
50500	69800	Severance Tax Bond Transfers	10740	(74,065)
52100	50900	Severance Tax Bond Transfers	10740	(1,005,777)
52100	89200	Severance Tax Bond Transfers	10740	(16,654)
55000	26700	Severance Tax Bond Transfers	10740	(9,885)
60900	89200	Severance Tax Bond Transfers	10740	(257,100)
62400	70000	Severance Tax Bond Transfers	10740	(1,276,966)
66500	05901	Severance Tax Bond Transfers	10740	(7,931)
66700	69400	Severance Tax Bond Transfers	10740	(452,136)
70500	89700	Severance Tax Bond Transfers	10740	(290,035)
80500	10060	Severance Tax Bond Transfers	10740	(103,452)
79500	89200	Severance Tax Bond Transfers	10740	(498,252)
94000	94700	Severance Tax Bond Transfers	10740	(3,131,602)
N/A	N/A	Severance Tax Bond Transfers - NM Finance Authority	10740	(7,706,267)
N/A	N/A	Severance Tax Bond Transfers - NM Military Institute	10740	(404,091)
N/A	N/A	Severance Tax Bond Transfers - NM State University	10740	(1,563,948)
N/A	N/A	Severance Tax Bond Transfers - University of NM	10740	(564,975)
N/A	N/A	Severance Tax Bond Transfers - Western NM University	10740	(86,542)
35000	64105	Severance Tax Bond Transfers	10910	(192,908)
41900	02800	Severance Tax Bond Transfers	10910	(2,587,533)
49500	87100	Severance Tax Bond Transfers	10910	(1,488,895)
50500	26300	Severance Tax Bond Transfers	10910	(40,910)

See accompanying notes to the financial statements.

STATE OF NEW MEXICO  
Department of Finance and Administration

Schedule of Transfers  
June 30, 2012

Agency	Fund	Description	DFA Fund	Transfer In/(Out)
<b>Board of Finance Bond Funds - (continued)</b>				
55000	26700	Severance Tax Bond Transfers	10910	(136,383)
60900	10100	Severance Tax Bond Transfers	10910	(28,494)
66700	10360	Severance Tax Bond Transfers	10910	(1,393,308)
80500	10060	Severance Tax Bond Transfers	10910	(851,756)
92400	81600	Severance Tax Bond Transfers	10910	(2,368,695)
35000	64105	Severance Tax Bond Transfers	10920	(100,266)
49500	89200	Severance Tax Bond Transfers	10920	(17,679,676)
50500	26300	Severance Tax Bond Transfers	10920	(125,000)
55000	26700	Severance Tax Bond Transfers	10920	(662,015)
55000	26700	Severance Tax Bond Transfers	10920	(107,728)
60900	10100	Severance Tax Bond Transfers	10920	(450)
66700	10360	Severance Tax Bond Transfers	10920	(541,530)
70500	89700	Severance Tax Bond Transfers	10920	(67,775)
80500	10060	Severance Tax Bond Transfers	10920	(26,569,627)
92400	81600	Severance Tax Bond Transfers	10920	(418,659)
N/A	N/A	Severance Tax Bond Transfers - NM Highlands University	10920	(651,888)
N/A	N/A	Severance Tax Bond Transfers - Northern NM College	10920	(301,950)
N/A	N/A	Severance Tax Bond Transfers - NM State University	10920	(212,386)
N/A	N/A	Severance Tax Bond Transfers - State Fair Commission	10920	(87,273)
92400	63400	Severance Tax Bond Transfers	10930	(5,811,611)
94000	94700	Severance Tax Bond Transfers	10930	(42,607,148)
21800	89200	Severance Tax Bond Transfers	11160	(118,029)
35000	89200	Severance Tax Bond Transfers	11160	(6,910,108)
50500	89200	Severance Tax Bond Transfers	11160	(546,160)
55000	26700	Severance Tax Bond Transfers	11160	(247,815)
95000	89200	Severance Tax Bond Transfers	11160	(1,840,824)
N/A	N/A	Severance Tax Bond Transfers - Cumbres & Toltec Rr Commission	11160	(220,400)
N/A	N/A	Severance Tax Bond Transfers - Eastern NM University	11160	(481,163)
N/A	N/A	Severance Tax Bond Transfers - NM Finance Authority	11160	(7,927,575)
94000	89200	Severance Tax Bond Transfers	11170	(13,297,534)
92400	89200	Severance Tax Bond Transfers	11290	(7,672,223)
94000	89200	Severance Tax Bond Transfers	11290	(9,541,105)
50500	89200	Severance Tax Bond Transfers	11310	(70,492)
62400	89200	Severance Tax Bond Transfers	11310	(1,705,364)
92400	89200	Severance Tax Bond Transfers	11310	(2,954,816)
95000	89200	Severance Tax Bond Transfers	11310	(1,011,841)
21800	89200	Severance Tax Bond Transfers	11350	(125,926)
21900	89200	Severance Tax Bond Transfers	11350	(642,926)
35000	89200	Severance Tax Bond Transfers	11350	(160,142)
50500	89200	Severance Tax Bond Transfers	11350	(88,250)
52100	89200	Severance Tax Bond Transfers	11350	(125,303)
62400	89200	Severance Tax Bond Transfers	11350	(112,178)
70500	89200	Severance Tax Bond Transfers	11350	(620,054)
N/A	N/A	Severance Tax Bond Transfers - Cumbres & Toltec Rr Commission	11350	(30,815)
N/A	N/A	Severance Tax Bond Transfers - NM Finance Authority	11580	(7,381,898)
50500	64700	Severance Tax Bond Transfers	22900	(180,900)
55000	89200	Severance Tax Bond Transfers	22900	(57,056)
80500	89200	Severance Tax Bond Transfers	22900	(312,883)
55000	89200	Severance Tax Bond Transfers	30880	(15,000,000)

See accompanying notes to the financial statements.

STATE OF NEW MEXICO  
Department of Finance and Administration

Schedule of Transfers  
June 30, 2012

Agency	Fund	Description	DFA Fund	Transfer In/(Out)
<b>Board of Finance Bond Funds - (continued)</b>				
92400	89200	Severance Tax Bond Transfers	30890	(7,196,805)
94000	94700	Severance Tax Bond Transfers	30890	(9,630,528)
50500	69800	Severance Tax Bond Transfers	31200	(8,250)
35000	30605	Severance Tax Bond Transfers	40300	(16,994)
55000	89200	Severance Tax Bond Transfers	40300	(41,676)
80500	89200	Severance Tax Bond Transfers	40300	(135,000)
N/A	N/A	Severance Tax Bond Transfers - University of NM	40300	(161)
55000	89200	Severance Tax Bond Transfers	40700	(10,000)
50500	69800	Severance Tax Bond Transfers	56300	(30,000)
51600	88700	Severance Tax Bond Transfers	56300	(19,744)
62400	38600	Severance Tax Bond Transfers	56300	(1,376)
21500	89200	Severance Tax Bond Transfers	60900	(151,858)
35000	64100	Severance Tax Bond Transfers	60900	(313,293)
35000	89200	Severance Tax Bond Transfers	60900	(8,500,070)
50500	26300	Severance Tax Bond Transfers	60900	(434,020)
50500	69800	Severance Tax Bond Transfers	60900	(255,625)
52100	50900	Severance Tax Bond Transfers	60900	(33,303)
52100	89200	Severance Tax Bond Transfers	60900	(25,601)
55000	26700	Severance Tax Bond Transfers	60900	(1,553,493)
60900	10100	Severance Tax Bond Transfers	60900	(814,182)
62400	89200	Severance Tax Bond Transfers	60900	(732,679)
66700	10360	Severance Tax Bond Transfers	60900	(2,588,250)
66700	89200	Severance Tax Bond Transfers	60900	(185,641)
70500	89200	Severance Tax Bond Transfers	60900	(65,745)
70500	89700	Severance Tax Bond Transfers	60900	(300,247)
80500	10060	Severance Tax Bond Transfers	60900	(1,365,890)
92400	81600	Severance Tax Bond Transfers	60900	(253,485)
N/A	N/A	Severance Tax Bond Transfers - NM State University	60900	(906,666)
35000	89200	Severance Tax Bond Transfers	60910	(1,132,066)
50500	26300	Severance Tax Bond Transfers	60910	(304,723)
52100	50900	Severance Tax Bond Transfers	60910	(166,951)
60900	42900	Severance Tax Bond Transfers	60910	(236,651)
80500	10060	Severance Tax Bond Transfers	60910	(1,074,728)
N/A	N/A	Severance Tax Bond Transfers - NM Finance Authority	60910	(2,681,986)
N/A	N/A	Severance Tax Bond Transfers - NM Institute of Mining & Tech	60910	(216,693)
N/A	N/A	Severance Tax Bond Transfers - Northern NM College	60910	(54,457)
N/A	N/A	Severance Tax Bond Transfers - State Fair Commission	60910	(100,755)
49500	87100	Severance Tax Bond Transfers	60930	(605,541)
80500	10060	Severance Tax Bond Transfers	60930	(1,238,077)
50500	26300	Severance Tax Bond Transfers	62100	(11,600)
55000	20170	Severance Tax Bond Transfers	62100	(1,371,694)
92400	63400	Severance Tax Bond Transfers	62600	(119,082)
35000	64105	Severance Tax Bond Transfers	66300	(3,671,298)
50500	26300	Severance Tax Bond Transfers	66300	(253,592)
35000	64105	Severance Tax Bond Transfers	66400	(10,228)
50500	69800	Severance Tax Bond Transfers	66400	(69,361)
55000	26700	Severance Tax Bond Transfers	66400	(142,447)
66700	89200	Severance Tax Bond Transfers	66400	(21,309)
80500	10060	Severance Tax Bond Transfers	66400	(483,337)

See accompanying notes to the financial statements.



STATE OF NEW MEXICO  
Department of Finance and Administration

Schedule of Transfers  
June 30, 2012

Agency	Fund	Description	DFA Fund	Transfer In/(Out)
<b>Board of Finance Bond Funds - (continued)</b>				
94000	94700	Severance Tax Bond Transfers	66400	(3,148,101)
N/A	N/A	Severance Tax Bond Transfers - NM Finance Authority	66400	(7,784,449)
N/A	N/A	Severance Tax Bond Transfers - NM State University	66400	(157,147)
N/A	N/A	Severance Tax Bond Transfers - University of NM	66400	(1,340,618)
55000	20170	Severance Tax Bond Transfers	66600	(6,300,000)
51600	88700	Severance Tax Bond Transfers	73200	(1,116)
51600	88700	Severance Tax Bond Transfers	76200	(50,000)
50500	53000	Severance Tax Bond Transfers	80300	(21,275)
92400	81600	Severance Tax Bond Transfers	80300	-
92400	63400	Severance Tax Bond Transfers	80500	(332,330)
41900	02800	Severance Tax Bond Transfers	81500	-
50500	69800	Severance Tax Bond Transfers	81500	(1,000)
51600	88700	Severance Tax Bond Transfers	81500	(5,000)
49500	87100	Severance Tax Bond Transfers	82100	(1,510,613)
50500	26300	Severance Tax Bond Transfers	82100	(129,795)
52100	89200	Severance Tax Bond Transfers	82100	(155,867)
49500	87100	Severance Tax Bond Transfers	96850	-
50500	69800	Severance Tax Bond Transfers	96850	(30,000)
52100	50900	Severance Tax Bond Transfers	96850	(2,129,490)
52100	89200	Severance Tax Bond Transfers	96850	(318,142)
55000	26700	Severance Tax Bond Transfers	96850	(398,848)
55000	20170	Severance Tax Bond Transfers	96850	(2,100,000)
60900	10100	Severance Tax Bond Transfers	96850	(61,209)
62400	39600	Severance Tax Bond Transfers	96850	(82,151)
66700	10360	Severance Tax Bond Transfers	96850	(394,938)
80500	10060	Severance Tax Bond Transfers	96850	(10,004,355)
92400	81600	Severance Tax Bond Transfers	96850	(325,871)
N/A	N/A	Severance Tax Bond Transfers - Nm School For The Deaf	96850	(1,498,102)
92400	63400	Severance Tax Bond Transfers	96860	(680,567)
94000	94700	Severance Tax Bond Transfers	96860	(7,140,429)
35000	24905	Severance Tax Bond Transfers	99600	-
		Total Other Transfers out		<u>(524,167,447)</u>
		<b>Total Board of Finance Bond Transfers</b>		<u><b>(538,020,460)</b></u>
<b>American Recovery and Reinvestment Fund</b>				
79000	89000	State Fiscal Stabilization Government Services Allocation -	89000	(971,548)
67000	89000	State Fiscal Stabilization Government Services Allocation - Veterans Services	89000	(175,000)
50500	89000	State Fiscal Stabilization Government Services Allocation - Los Luceros	89000	(698,725)
26400	89000	State Fiscal Stabilization Government Services Allocation - Admin. Office of the DA	89000	(120,748)
69000	89000	State Fiscal Stabilization Government Services Allocation - Child Services	89000	(185,997)
55000	89000	State Fiscal Stabilization Government Services Allocation - Interstate Stream	89000	(852,169)
63000	89000	State Fiscal Stabilization Government Services Allocation - Food Insecurity Prog	89000	(1,307,461)
66700	89000	State Fiscal Stabilization Government Services Allocation -	89000	(700)
92400	89000	State Fiscal Stabilization Government Services Allocation - State Fund Restoration	89000	(966,629)

See accompanying notes to the financial statements.

STATE OF NEW MEXICO  
Department of Finance and Administration

Schedule of Transfers  
June 30, 2012

Agency	Fund	Description	DFA Fund	Transfer In/(Out)
<b>American Recovery and Reinvestment Fund - (Continued)</b>				
95000	89000	State Fiscal Stabilization Government Services Allocation - State Fund Restoration	89000	(618,552)
N/A	N/A	State Fiscal Stabilization Government Services Allocation - Expo NM	89000	(250,000)
		Total Other Transfers out		<u>(6,147,529)</u>
		<b>Total American Recovery and Reinvestment Transfers</b>		<b><u>(6,147,529)</u></b>
<b>County Supported Medicaid Fund</b>				
63000	97601	CSMF Distribution	02100	(25,465,272)
63000	05201	CSMF Distribution	02100	(787,586)
66500	21904	CSMF Distribution	02100	(2,596,436)
		Total Other Transfers Out		<u>(28,849,294)</u>
		<b>Total County Supported Medicaid Transfers</b>		<b><u>(28,849,294)</u></b>
<b>Local DWI Grant Program Fund</b>				
21800	13900	Transfer funds to AOC for Drug Court Programs	56000	(800,000)
80500	82600	Transfer funds to DOT for ignition interlock program	56000	(300,000)
		Total Other Transfers Out		<u>(1,100,000)</u>
		<b>Total Local DWI Grant Program Fund Transfers</b>		<b><u>(1,100,000)</u></b>
<b>General Fund</b>				
34100	93100	Transfer reauthorized project per HB 190	52900	(513,397)
		Total Interfund Transfers Out		<u>(513,397)</u>
		<b>Total Capital Projects Fund Transfers</b>		<b><u>(513,397)</u></b>
<b>Tribal Infrastructure Fund</b>				
34103	10740	Severance Tax Bond Transfers	10810	2,796,815
34103	80300	Severance Tax Bond Transfers	10810	1,636,992
		Total Interfund Transfers In		<u>4,433,807</u>
60900	10000	FY2011 General Fund TIF Reverted Funds	10810	262,040
		Total Other Transfers In		<u>262,040</u>
60900	42900	Transfer TIF projects per MOU	10810	(4,433,807)
		Total Interfund Transfers Out		<u>(4,433,807)</u>
		<b>Total Tribal Infrastructure Fund Transfers</b>		<b><u>262,040</u></b>
<b>General Fund Capital Outlay Statewide Fund</b>				
66700	10350	Transfer reauthorized project per HB 190	93100	167,017
92400	81800	Transfer reauthorized project per HB 190	93100	20,000
92400	93100	Transfer reauthorized project per HB 190	93100	48,790
		Total Other Transfers In		<u>235,807</u>
34100	52900	Transfer reauthorized project per HB 190	93100	513,397
		Total Interfund Transfers In		<u>513,397</u>
		<b>Total General Fund Capital Outlay Statewide Transfers</b>		<b><u>749,204</u></b>

See accompanying notes to the financial statements.

STATE OF NEW MEXICO  
Department of Finance and Administration

Schedule of Transfers  
June 30, 2012

<u>Agency</u>	<u>Fund</u>	<u>Description</u>	<u>DFA Fund</u>	<u>Transfer In/(Out)</u>
<b>STB Capital Outlay Statewide Fund</b>				
34103	00100	Severance Tax Bond Transfers	89200	536,196
34103	10910	Severance Tax Bond Transfers	89200	682,134
34103	11160	Severance Tax Bond Transfers	89200	1,272,665
34103	60900	Severance Tax Bond Transfers	89200	184,868
34103	62100	Severance Tax Bond Transfers	89200	50,000
34103	66300	Severance Tax Bond Transfers	89200	216,446
34103	66400	Severance Tax Bond Transfers	89200	115,677
34103	82100	Severance Tax Bond Transfers	89200	57,102
Total Interfund Transfers In				<u>3,115,088</u>
<b>Total GF Capital Outlay Statewide Transfers</b>				<u><b>3,115,088</b></u>
<b>Total Transfers</b>				<u><b>\$ (573,645,751)</b></u>

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
Schedule of Receivables From Other State Agencies  
June 30, 2012

Receiving Fund	State Agency Due From	Purpose	Transfer Fund	Amount
General Fund:				
01000	69000 - Children, Youth and Families	Foster Care Title IV-E	67000	\$ 35,548
62000	66500 - Department of Health	KRONOS refund	6100	5,846
<b>Total General Fund</b>				<u>41,394</u>
Other Governmental Funds:				
02100	33300 - Taxation and Revenue Department	TAA Suspense	82800	1,607,561
02100	39400 - Office of the State Treasurer	Interest Earned	80100	804
10810	60900 - Indian Affairs Department	Tribal Infrastructure Projects	42900	149,746
10880	33300 - Taxation and Revenue Department	400th Anniversary Plate Fund	N/A	1,375
62400	39400 - Office of the State Treasurer	Interest Earned	80100	36
62400	21800 - Administrative Office of the Courts	Fees Collected	60000	158,892
72600	39400 - Office of the State Treasurer	Interest Earned	80100	3
74500	39400 - Office of the State Treasurer	Interest Earned	80100	2,513
74500	33300 - Taxation and Revenue Department	Surcharge Revenue	82800	1,005,161
<b>Total Other Governmental Funds:</b>				<u>2,926,091</u>
Board of Finance Bond Fund:				
02700	Public Education Department	Severance Tax Bonds	81600	8,754
22900	Public Education Department	Severance Tax Bonds	81600	9,346
57400	Public Education Department	Severance Tax Bonds	81600	180,359
60910	Department of Cultural Affairs	Severance Tax Bonds	26300	146,639
<b>Total Board of Finance Bond Funds</b>				<u>345,098</u>
Fiduciary Funds				
04500	33700- State Investment Council	Land Grant	60100	772
04500	34100 - Department of Finance & Admin	C.P. & R. Fund	76100	57,867
10500	33700- State Investment Council	Land Grant	60100	223,598
10700	33700- State Investment Council	Land Grant	60100	39,334
22200	33700- State Investment Council	Land Grant	60100	12,629
22400	33700- State Investment Council	Land Grant	60100	94,289
22600	33700- State Investment Council	Land Grant	60100	1,548,772
22700	33700- State Investment Council	Land Grant	60100	12,701
22800	33700- State Investment Council	Land Grant	60100	10,012
23100	33700- State Investment Council	Land Grant	60100	937,333
23200	33700- State Investment Council	Land Grant	60100	939,556
23300	33700- State Investment Council	Land Grant	60100	702,278
23300	33300 - Taxation and Revenue Department	Land Grant	82800	68,762
23400	33300 - Taxation and Revenue Department	Land Grant	82800	11,048
58900	39400 - Office of the State Treasurer	Interest Earned	80100	11
58900	21800 - Administrative Office of the Courts	Judicial Education Fee	57700	27,477
58900	33300 - Taxation and Revenue Department	Trans & MVD	82500	39,071
59000	39400 - Office of the State Treasurer	Interest Earned	80100	6
59000	Municipal Courts and Metropolitan Courts	Municipal/Metro Fees	N/A	37,073
72400	Various agencies	Payroll Reissues	N/A	78,531
76100	33700- State Investment Council	Land Grant	60100	405,068
73700	33300 - Taxation and Revenue Department	Compensation Tax	83200	753,190
<b>Total Fiduciary Funds</b>				<u>5,999,378</u>
<b>TOTAL</b>				<u>\$ 9,311,961</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

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Schedule of Payables To Other State Agencies  
June 30, 2012

Disbursing Fund	State Agency Due To	Purpose	Receiving Fund	Amount
<b>General Fund:</b>				
01000	Various Agencies to be identified	Federal Tax Refunds	N/A	\$ 988,289
01000	Various Agencies to be identified	Coll Barg & Fed Lobbyist	06700	1,197
	<b>Total General Fund</b>			<u>989,486</u>
<b>Other Governmental Funds:</b>				
02100	63000 - Human Services Department	Cnty Supported Medicaid	05201	90,092
02100	63000 - Human Services Department	Cnty Supported Medicaid	97601	2,913,005
02100	66500 - Department of Health	Cnty Supported Medicaid	21904	297,010
10810	60900 - Indian Affairs Department	MOU-Tribal Infrastructure Projects	42900	1,548,651
52900	Cultural Affairs Department	Arts in Public Places		15,750
	<b>Total Other Governmental Funds</b>			<u>4,864,508</u>
<b>Board of Finance Bond Funds:</b>				
01900	66700 - NM Environment Department	Severance Tax Bonds	10360	431,119
01900	80500 - Department of Transportation	Severance Tax Bonds	89200	29,316
01900	49100 - Military Base Planning and Support	Severance Tax Bonds	74800	49,823
10590	50500 - Department of Cultural Affairs	Severance Tax Bonds	26300	73,985
10590	62400 - Aging and Long Term Services	General Obligation Bonds	64800	2,704,470
10590	92400 - Public Education Department	General Obligation Bonds	81600	196,656
10590	95000 - NM Higher Education Department	General Obligation Bonds	64400	997,691
10710	41900 - Economic Development Department	Severance Tax Bonds	89200	73,948
10710	66700 - NM Environment Department	Severance Tax Bonds	06400	76,410
10730	41900 - Economic Development Department	Severance Tax Bonds	89200	1,992,400
10730	52100 - Energy, Minerals and Resource Dept.	Severance Tax Bonds	89200	77,150
10740	21800 - Administrative Office of the Courts	Severance Tax Bonds	44300	39,299
10740	23700 - Seventh Judicial Court	Severance Tax Bonds	03500	2,708
10740	35000 - General Services Department	Severance Tax Bonds	64105	755,746
10740	50500 - Department of Cultural Affairs	Severance Tax Bonds	26300	15,825
10740	52100 - Energy, Minerals and Resource Dept.	Severance Tax Bonds	50900	5,092
10740	52100 - Energy, Minerals and Resource Dept.	Severance Tax Bonds	89200	16,654
10740	62400 - Aging and Long Term Services	Severance Tax Bonds	70000	114,275
10740	66500 - Department of Health	Severance Tax Bonds	05900	7,931
10740	94000 - Public School Facilities Authority	Severance Tax Bonds	94700	371,533
10910	35000 - General Services Department	Severance Tax Bonds	64105	74,375
10910	41900 - Economic Development Department	Severance Tax Bonds	02800	859,139
10910	50500 - Department of Cultural Affairs	Severance Tax Bonds	26300	35,910
10910	66700 - NM Environment Department	Severance Tax Bonds	10360	54,087
10910	92400 - Public Education Department	Severance Tax Bonds	81600	683,446
10920	49500 - New Mexico Spaceport Authority	Severance Tax Bonds	89200	1,314,983
10920	49500 - New Mexico Spaceport Authority	Severance Tax Bonds	20510	32,910
10920	55000 - Office of State Engineer	Severance Tax Bonds	26700	418,689
10920	55000 - Office of State Engineer	Severance Tax Bonds	89200	100,136
10920	60900 - Indian Affairs Department	Severance Tax Bonds	10100	449
10920	80500 - Department of Transportation	Severance Tax Bonds	10060	2,938,279

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

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Schedule of Payables To Other State Agencies  
June 30, 2012

Disbursing Fund	State Agency Due To	Purpose	Receiving Fund	Amount
10920	92400 - Public Education Department	Severance Tax Bonds	81600	3,063
10930	92400 - Public Education Department	Severance Tax Bonds	63400	285,125
11160	21800 - Administrative Office of the Courts	Severance Tax Bonds	89200	4,998
11160	35000 - General Services Department	Severance Tax Bonds	89200	881,275
11160	50500 - Department of Cultural Affairs	Severance Tax Bonds	89200	13,681
11160	55000 - Office of State Engineer	Severance Tax Bonds	89200	100,807
11160	95000 - NM Higher Education Department	Severance Tax Bonds	89200	191,404
11170	94000 - Public School Facilities Authority	Severance Tax Bonds	94700	11,160,852
11290	92400 - Public Education Department	Severance Tax Bonds	89200	2,675,371
11310	62400 - Aging and Long Term Services	Severance Tax Bonds	05300	445,909
11310	92400 - Public Education Department	Severance Tax Bonds	81600	1,058,595
11310	50500 - Department of Cultural Affairs	Severance Tax Bonds	47800	38,212
11310	95000 - NM Higher Education Department	General Obligation Bonds	64400	419,855
11350	21800 - Administrative Office of the Courts	Severance Tax Bonds	89200	90,529
11350	21900 - Supreme Court Building Commission	Severance Tax Bonds	14000	422,195
11350	35000 - General Services Department	Severance Tax Bonds	89200	143,829
11350	50500 - Department of Cultural Affairs	Severance Tax Bonds	89200	21,568
11350	52100 - Energy, Minerals and Resource Dept.	Severance Tax Bonds	89200	79,301
11350	62400 - Aging and Long Term Services	Severance Tax Bonds	89200	89,152
11350	70500 - Department of Military Affairs	Severance Tax Bonds	89200	287,787
22900	55000 - Office of State Engineer	Severance Tax Bonds	26700	11,793
30890	92400 - Public Education Department	Severance Tax Bonds	89200	3,833,580
30890	94000 - Public School Facilities Authority	Severance Tax Bonds	94700	9,630,528
40300	55000 - Office of State Engineer	Severance Tax Bonds	89200	7,406
40700	55000 - Office of State Engineer	Severance Tax Bonds	89200	10,000
60900	35000 - General Services Department	Severance Tax Bonds	64105	299,223
60900	35000 - General Services Department	Severance Tax Bonds	89200	530,885
60900	52100 - Energy, Minerals and Resource Dept.	Severance Tax Bonds	50900	23,778
60900	55000 - Office of State Engineer	Severance Tax Bonds	26700	250,732
60900	60900 - Indian Affairs Department	Severance Tax Bonds	10100	301,289
60900	62400 - Aging and Long Term Services	Severance Tax Bonds	39600	7,707
60900	62400 - Aging and Long Term Services	Severance Tax Bonds	89200	534,885
60900	66700 - NM Environment Department	Severance Tax Bonds	10360	179,783
60900	80500 - Department of Transportation	Severance Tax Bonds	10060	1,125
60900	92400 - Public Education Department	Severance Tax Bonds	81600	21,580
60910	35000 - General Services Department	Severance Tax Bonds	89200	741,131
60910	50500 - Department of Cultural Affairs	Severance Tax Bonds	26300	123
60910	60900 - Indian Affairs Department	Severance Tax Bonds	42900	221,729
60910	80500 - Department of Transportation	Severance Tax Bonds	10060	250,006
60930	49500 - New Mexico Spaceport Authority	Severance Tax Bonds	89200	3,011
60930	80500 - Department of Transportation	Severance Tax Bonds	10060	423,098
66300	35000 - General Services Department	Severance Tax Bonds	89200	1,000,582
66400	66700 - Department of Environment	Severance Tax Bonds	89200	10,058
80300	80500 - Department of Transportation	Severance Tax Bonds	10060	11,894
96850	52100 - Energy, Minerals and Resource Dept.	Severance Tax Bonds	50900	667,657
96850	52100 - Energy, Minerals and Resource Dept.	Severance Tax Bonds	89200	318,142

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

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Schedule of Payables To Other State Agencies  
June 30, 2012

Disbursing Fund	State Agency Due To	Purpose	Receiving Fund	Amount
96850	55000 - Office of State Engineer	Severance Tax Bonds	26700	53,216
96850	62400 - Aging and Long Term Services	Severance Tax Bonds	39600	75,388
96850	66700 - NM Environment Department	Severance Tax Bonds	10360	123,431
96850	80500 - Department of Transportation	Severance Tax Bonds	10060	946,644
96860	92400 - Public Education Department	Severance Tax Bonds	63400	82,115
<b>Total Board of Finance Bond Funds</b>				<u>53,530,461</u>
<b>Total Governmental Funds</b>				<u>59,384,455</u>
<b>Fiduciary Funds:</b>				
Fiscal Management:				
00300	36600 - Public Employees Retirement Fund	Social Security Admin	60600	206,103
00900	Various Agencies-	Computer Enhancement	N/A	8,414,133
04500	Various Agencies-	Allotments	N/A	62,929
59000	Various Agencies-	Allotments	N/A	75,510
74700	Various Agencies-	Capital Projects	N/A	632,562
76100	Various Agencies		N/A	405,088
<b>Total Fiscal Management</b>				<u>9,796,325</u>
Community Development:				
37600	60900 - Children, Youth, and Families Dept.			1,973,523
<b>Total Community Development</b>				<u>1,973,523</u>
Policy Development				
80000	39400 - State Treasure's Office	Debt Service Funds	10630	14,470,618
<b>Total Policy Development</b>				<u>14,470,618</u>
<b>Total Fiduciary Funds</b>				<u>26,240,466</u>
<b>TOTAL</b>				<u>\$ 85,624,921</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Schedule of Memorandums of Understanding  
For The Year Ended June 30, 2012

<u>Participants</u>	<u>Administering Agency Responsible Party</u>	<u>Description</u>	<u>Begin Date</u>	<u>End Date</u>	<u>Total Amount</u>	<u>DFA Amount</u>	<u>Amount Expended as of 06/30/2012</u>	<u>Audit Party</u>	<u>Fiscal Agent</u>	<u>Reporting Agency</u>
<b><u>Department of Finance and Administration MOUs</u></b>										
DFA/Corrections Dept	UNM	DWI misdemeanor compliance officer training in FY2012	8/31/2011	06/30/12	\$ 7,850	\$ 7,850	\$ 4,100	both	both	both
DFA/UNM	UNM	Development of a flouride treatment process for small communities in NM	1/13/2009	6/30/2010	\$ 135,301	\$ 135,301				
DFA/Dept of Health	DOH	Recidivism report and evaluation services		10/31/2012	\$ 50,000	\$ 50,000	\$ 50,000	both	both	both
DFA/Office of the Lt. Governor	Lt. Governor	DFA employee assistance in the Office of the Lt. Governor	8/8/2011	10/8/2011	\$ 11,827	\$ 11,827	\$ 11,827	both	both	both
DFA/DoIT	DoIT	Consolidation of DFA SHARE professionals with DoIT	1/18/2012	Infinity				both	both	both

See accompanying notes to financial statements.



STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Schedule of Amounts Due To/From State General Fund  
June 30, 2012

Due to State General Fund				Current Year	Due at
FUND	Amount Due at 6/30/2011	Reversions made in 2012	Other amounts due to	Budget Reversions	June 30, 2012
01000 - General Fund	\$ 1,349,047	\$ (1,349,047)	\$ 21,520	\$ 1,124,056	\$ 1,145,576
62000 - DFA Special Appropriations	815,071	(815,071)	-	4,678	4,678
20900 - BOF Emergency Fund	1,366,200	(1,366,200)	-	270,595	270,595
21000 - Emergency Water Supply Fund	96,228	(96,228)	-	84,156	84,156
Total General Fund				<u>1,483,485</u>	<u>1,505,005</u>
52900 - General Fund Capital Projects	1,644,766	(1,644,766)	1,040	348,157	349,197
97300 - Capital Projects	10,733	(10,733)	-	-	-
58100 - Special Community Capital Projects	367,031	(367,031)	192	-	192
73600 - Law Enforcement	9,089,342	(9,089,342)	244	8,290,814	8,291,058
<b>Total Governmental Funds</b>	<u><b>14,738,418</b></u>	<u><b>(14,738,418)</b></u>	<u><b>22,996</b></u>	<u><b>10,122,456</b></u>	<u><b>10,145,452</b></u>
73700 - Small Counties Assistance Fund	3,346,594	(3,346,594)	-	3,576,387	3,576,387
96600 - Private Activity Bond Suspense	79,764	(79,764)	-	7,500	7,500
<b>Total Fiduciary Funds</b>	<u><b>3,426,358</b></u>	<u><b>(3,426,358)</b></u>	<u><b>-</b></u>	<u><b>3,583,887</b></u>	<u><b>3,583,887</b></u>

Due From State General Fund

FUND	Due at June 30, 2012
General Fund (20900 - BOF Emergency Fund)	
First Judicial Court Laws of 2011, Chapter 179, Section 4 Approved by BOF	\$ 87,000
<b>Total Governmental Funds</b>	<u><b>\$ 87,000</b></u>

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Schedule of Expenditures of Federal Awards  
For The Year Ended June 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Amount of Federal Awards Expended
U.S. Dept. of Housing & Urban Development:		
Community Development Block Grant (CDBG) Cluster		
Community Development Block Grants - State's Program	14.228	\$ 15,383,607
Community Development Block Grants - Neighborhood Stabilization Program 1 (HERA Funds)	14.228	1,205,916
Community Development Block Grants - Neighborhood Stabilization Program 3 (Wall Street Reform and Consumer Protection Act of 2010)	14.228	2,014,166
Community Development Block Grants - ARRA Entitlement Grants	14.255	128,624
Subtotal U.S. Dept. of Housing & Urban Development CDBG Cluster:		<u>18,732,313</u>
U.S. Department of Transportation		
Ensuring Needed Help Arrives Near Callers Employing 911 Act	20.615	76,340
U.S. Dept. of Education		
State Fiscal Stabilization Fund Cluster		
State Fiscal Stabilization Fund - Education State Grants - ARRA	84.394	-
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	7,731,672
Subtotal - U.S. Dept. of Education State Fiscal Stabilization Fund Cluster		<u>7,731,672</u>
U.S. Dept. of Health & Human Services:		
Pass-through from State of New Mexico Children Youth & Families Dept.:		
Foster Care - Title IV-E		
Citizens Review Board Grant # G0901NM1401	93.658	153,639
Total		<u>26,693,964</u>
<b>Federal Activity related to Fiduciary Funds:</b>		
U.S. Dept. of Interior:		
Distribution of Receipts to State and Local Governments (Revenue Sharing, Public Lands and Resources)		
Federal Taylor Grazing Act	15.227	512,076
U.S. Dept. of Agriculture:		
School and Roads - Grants to Counties (Forest Reserve)	10.665	11,823,591
Total Expenditures of Federal Awards		<u>\$ 39,029,631</u>

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION

Notes to the Schedule of Expenditures of Federal Awards  
For The Year Ended June 30, 2012

**Note 1. Basis of Presentation:** The accompanying schedule of expenditures of federal awards includes the federal grant activity of the State of New Mexico, Department of Finance and Administration and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

**Note 2. Subrecipients:** Of the federal expenditures presented in the schedule, the State of New Mexico, Department of Finance and Administration provided federal awards to subrecipients as follows:

Program Title	Federal CFDA #	Amount Provided to Subrecipients
School and Roads - Grants to Counties (Forest Reserve)	10.665	\$ 11,823,591
Community Development Block Grants/State's Program	14.288	14,793,737
Neighborhood Stabilization Program	14.288	3,034,340
Community Development Block Grants/ARRA	14.255	128,624
Federal Taylor Grazing Act	15.227	512,076
Ensuring Needed Help Arrives Near Callers Employing 911 Act *	20.615	76,340
State Fiscal Stabilization Fund - Government Services	84.397	7,650,854

**Note 3. Agency Subrecipients:** Of the federal expenditures presented in the schedule, the State of New Mexico Department of Finance and Administration provided federal awards to state agency subrecipients as follows:

Program Title	Federal CFDA #	Amount Provided to Subrecipients
State Fiscal Stabilization Fund - Government Services - ARRA	84.397	\$ 6,147,529

**Note 4. Non-Interest in State Treasurer Investment Pool Assistance:** No federal awards were received or expended in the form of non-Interest in State Treasurer Investment Pool assistance for the fiscal year ended June 30, 2012.

**Note 5. Reconciliation to Financial Statements**

Federal Revenue - Governmental Fund Financial Statements	\$ 26,588,605
Federal Activity related to Fiduciary Funds:	12,335,667
Fund 10540 Program Income Recorded as Other Revenue	71,300
Fund 08800 Loan Receipts Applied to Draws	34,059
Total Expenditures of Federal Awards	<u>\$ 39,029,631</u>

## OTHER REPORTS



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**Independent Auditors' Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with Government Auditing Standards**

Mr. Thomas E. Clifford, Ph.D, Cabinet Secretary  
State of New Mexico  
Department of Finance and Administration  
and  
Mr. Hector H. Balderas, New Mexico State Auditor

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information and the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds and related budgetary comparisons presented as supplemental information of the State of New Mexico Department of Finance and Administration (Department) as of and for the year ended June 30, 2012, and have issued our report thereon dated December 4, 2012. 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.

**Internal Control over Financial Reporting**

Management of the Department is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Department's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the

accompanying schedule of findings and questioned costs and responses to be material weaknesses in internal control over financial reporting. (2012-07, 2012-08, 2012-09 and 2012-10)

A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs and responses to be significant deficiencies. (2012-02 and 2012-03)

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that are required to be reported pursuant to *Government Auditing Standards*, paragraphs 5.14 and 5.16, and pursuant to Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as findings 2012-01, 2012-05 and 2012-06.

The Department's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Department's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, others within the Department, the State Auditor, the New Mexico Legislature, 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.

*CliftonLarsonAllen LLP*

Albuquerque, New Mexico  
December 4, 2012



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**Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133**

Mr. Thomas E. Clifford, Ph.D, Cabinet Secretary  
State of New Mexico  
Department of Finance and Administration  
and  
Mr. Hector H. Balderas, New Mexico State Auditor

**Compliance**

We have audited the compliance of the State of New Mexico Department of Finance and Administration (Department) with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. The Department'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 Department's management. Our responsibility is to express an opinion on the Department'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 Department'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 of the Department's compliance with those requirements.

In our opinion, the Department complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2011-01, 2011-02 and 2012-04.

## Internal Control over Compliance

The management of the Department is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Department's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2011-02 and 2012-04. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The Department's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Department's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, others within the Department, the State Auditor, the New Mexico Legislature, 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.

*CliftonLarsonAllen LLP*

Albuquerque, New Mexico  
December 4, 2012



STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2012

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weakness identified?  yes  no
- Significant deficiencies identified that are not considered to be material weaknesses?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?  yes  no
- Significant deficiencies identified that are not considered to be material weakness(es)?  yes  none reported

Type of auditor's report issued on compliance for major programs: Unqualified.

Any audit findings, disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?  yes  no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
10.665	Schools and Roads – Grants to Counties (Forest Service Schools and Roads Cluster)
14.228/14.255	Community Development Block Grant Cluster
84.397	State Fiscal Stabilization Cluster

Dollar threshold used to distinguish between type A and type B programs \$1,170,889

Auditee qualified as low-risk auditee?  yes  no

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2012

**Section II - Financial Statement Findings**

**2012-02 – Fund/Account Reconciliations (Significant Deficiency)**

**Condition:** During our account balance test work the following issues were noted:

1. The Department's general fund consists of approximately \$850,000 recorded as due to other state agencies, which is related to F-941 refunds the state has received during the period of May 2008 to September 2011. The Department is uncertain of the actual amounts owed to any specific agency or if they should be reverted to the State General Fund.
2. The following fiduciary funds have no evidence of current fund reconciliations and in total have approximately \$463,000 in funds held for or due to others in which the Department is uncertain of for whom the funds are held for or due to.
  - Central Payroll Bond Account (71900)
  - Central Payroll Fund (72400)
  - Cancelled Payroll Warrants (83400)

**Criteria:** NMAC 2.20.5.8 requires agencies to ensure all transactions are properly classified in the agency's accounting records, and MAPs establishes the requirement that state agencies 1) verify monthly that all transactions have been posted in SHARE, and 2) prepare any reclassification or adjusting entries as soon as they are known. In addition, the Department has a fiduciary responsibility to accurately track all funds held for or due to others.

**Cause:** Subsequent to the implementation of SHARE, there were no controls established to ensure these fiduciary funds were being reconciled on a timely basis. In addition, no processes were established to ensure proper recording of F-941 refunds to the state.

**Effect:** The Department is unable to identify for whom funds are held for or due to within these fiduciary funds. In addition, without effective controls to ensure all funds and accounts are reconciled in a timely manner, there is a risk of financial misstatement or possible misappropriation of assets.

**Auditor's Recommendation:** We recommend that management establish controls necessary to ensure that all funds and accounts are properly reconciled in a timely manner.

**Management's Response:** Management concurs with the finding. Management will be reviewing current business processes and will establish proper controls by February 2013 to ensure that the fiduciary funds are reconciled timely. The Central Payroll Bureau will be responsible for the timely reconciliation of the activities of these fiduciary funds.

**2012-03 - Board of Finance Loan Fund Receivables (Significant Deficiency)**

**Condition:** During our account balance test work over the Board of Finance Loan Fund, we noted one loan recorded as a loan as of June 30, 2012 in the amount of approximately \$120,000 in which the loan was converted to a grant in September 2010.

**Criteria:** NMAC 2.20.5.8 requires agencies to ensure all transactions are properly classified in the agency's accounting records, and MAPs establishes the requirement that state agencies 1) verify monthly that all transactions have been posted in SHARE, and 2) prepare any reclassification or adjusting entries as soon as they are known. In addition, the Department has a fiduciary responsibility to accurately track all funds held for or due to others.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2012

**Section II - Financial Statement Findings (continued)**

**2012-03 - Board of Finance Loan Fund Receivables (Significant Deficiency) (continued)**

**Cause:** Lack of effective controls surrounding the reconciliation process between the loan schedule and SHARE.

**Effect:** Possible misappropriation of assets and/or misstatements of financial statements.

**Auditor's Recommendation:** We recommend that management establish controls necessary to ensure the activity of board of finance loans and grants are properly recorded in the subsidiary schedule and SHARE.

**Management's Response:** The Department concurs with the finding. The Board of Finance has implemented internal controls to ensure such conversion of a loan to grant is communicated to the Financial Bureau, ASD in a timely manner. Additionally, effective October 2012, the Financial Bureau, ASD has implemented a procedure whereby the minutes of the Board of Finance are reviewed each month by the Financial Bureau, ASD staff to ensure such transactions are identified and reclassified in a timely manner.

**2012-07 - Central Payroll Bureau (CPB) (Material Weakness)**

**Condition:** During our review of the central payroll bureau operating by Financial Control Division (FCD) we noted the following issues:

1. The federal payroll tax deposits and quarterly 941 report filing by the CPB lacks an independent review and approval.
2. CPB was unable to provide evidence for 6 payroll periods out of 26 periods tested that the ACH amounts sent to the bank agree to the system amounts that were to be transferred. There was no evidence that an adequate process has been established to verify these amounts.
3. CPB was unable to provide evidence for 6 payroll periods out of 26 periods tested that the amounts per the HCM module agree to the amounts loaded into the general ledger. There was no evidence that an adequate process has been established to verify these amounts.
4. CPB lacks complete and adequate documentation of all processes and procedures surrounding the processing of payroll.

**Criteria:** Per section I. of 6-5-2.1, FCD is to operate a central payroll system, which should have appropriate internal controls established to ensure timely and accurate processing of payroll and the related federal tax payments and filings.

**Cause:** Lack of effective controls established surrounding the payroll processing process to ensure accurate and timely processing of payroll and the related federal tax payments and filings.

**Effect:** Possible misappropriation of assets and/or misstatements of financial statements.

**Auditor's Recommendation:** We are aware that FCD has identified the deficiencies that exist with CPB and have implementing various changes in the process to address these deficiencies. We recommend that management continue to evaluate and monitor all the processes and procedures surrounding the payroll processing and ensure that effective controls have been established to ensure accurate and timely processing of payroll and the related federal tax payments and filings.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2012

**Section II - Financial Statement Findings** (continued)

**2012-07 - Central Payroll Bureau (CPB) (Material Weakness)** (continued)

**Management's Response:** As management we understand it is our responsibility for establishing and maintaining effective internal controls over financial reporting and we concur with the finding and take full responsibility for it. These deficiencies identified have existed since the implementation of SHARE and were not previously identified by management, nor were they noted in previous years' audits. Management notes that in accordance with section 2.2.2.10(G) NMAC, Audit Rule – *State Compliance* an IPA shall identify significant statutes, rules and regulations applicable to the governmental agency under audit and perform tests of compliance. Management notes that *Chapter 6, Article 5 NMSA 1978* outlines the significant responsibilities of FCD, therefore, given the significance of this statute management would expect some tests of compliance related to this statute as required by 2.2.2.10(G) NMAC during the annual audit of the Department. As previously mentioned management takes full responsibility for the deficiencies identified and we understand that an audit is not designed to identify all deficiencies, however, we believe an independent audit can be valuable in identifying deficiencies in the internal control structure over financial reporting. Management does not believe there was adequate focus on the testing of this statute in previous years' audits; as a result management specifically requested the external auditors to perform audit procedures related to this statute as required to determine the specific areas within FCD requiring immediate corrective action. As a result the following details the corrective action plan that has been established by management.

In July 2012, FCD initiated a Central Payroll remediation project with the primary goal of revamping the CPB business processes and establishing proper internal controls to ensure accurate and timely processing of payroll and the related federal tax payments and reporting. An independent contractor with PeopleSoft® Human Capital Management system expertise was hired. Since the inception of the Central Payroll remediation project, the independent contractor (with the assistance of CPB-staff) has accomplished the following:

1. Produced a comprehensive On – Cycle payroll user procedures manual
2. Produced an Off – Cycle payroll user procedures manual
3. Produced twenty seven (27) related user process manuals
4. Numerous CPB processes have been reengineered through reconfiguration within the following areas
  - a. Payroll
  - b. Third Party Integration
  - c. Time and Labor functional units
  - d. Federal Payroll Tax Deposit and Quarterly Form 941 report filing

Also during the CPB remediation effort, FCD hired a new CPB bureau chief who is a Certified Government Financial Manager (CGFM) and holds a master's in business administration (MBA); a Payroll Administrator Lead with over thirteen years of government payroll processing experience; and two time and labor administrators were transferred into the CPB.

FCD has also established organizational structural changes by segregating the CPB into four functional units in order to appropriately align business processes and human resource capital. These functional units are as follows.

1. Central Payroll Administration Unit
2. Central Payroll Time and Labor Administration Unit
3. Third Party Integration and Benefit Administration Unit
4. Garnishments and Payroll Adjustments Administration Unit

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2012

**Section II - Financial Statement Findings** (continued)

**2012-07 - Central Payroll Bureau (CPB) (Material Weakness)** (continued)

FCD has documented and implemented processes to ensure that amounts per the HCM module agree to the amounts loaded into the general ledger. The Third Party Integration and Benefit Administrators Unit is responsible for ensuring that the amounts per the HCM module reconcile to the general ledger on a biweekly basis. The biweekly reconciliation is then reviewed by the CPB Bureau Chief for completeness and accuracy.

The CPB payroll administrator and the Cash Control Bureau of FCD are in the process of establishing written policies and procedures to ensure that the ACH amounts sent to the bank agree with the system amounts transferred biweekly.

The Central Payroll Bureau, specifically the Central Payroll Bureau Chief, is responsible for the timely resolution of this finding.

**Auditor's Response:** In management's response are statements noting the previous years' audits by the predecessor auditors did not report these deficiencies that management believes have existed since the implementation of SHARE in fiscal year 2007. Their response states that they believe there was not adequate focus on the testing of Chapter 6, Article 5 NMSA 1978 which outlines the responsibilities of FCD by the predecessor auditors in previous years' audits. Given the fact that we were not the Department's auditors during those years, we are not in a position to agree or disagree with these comments of management. However, it is important to note that management is ultimately responsible for establishing and maintaining effective internal control over financial reporting, as stated in the above management response. The predecessor auditors' consideration of the Department's internal control over financial reporting would have been for the purpose of designing their audit procedures and for expressing their opinion on the financial statements and not to identify all deficiencies in internal control. In addition, management would have signed a management representation letter in conjunction with each of the previous years' audits acknowledging their responsibility for establishing and maintaining effective internal control over financial reporting and representations regarding their knowledge of any violations of laws or regulations by the Department.

**2012-08 - Financial Control Division (FCD) (Material Weakness)**

**Condition:** During our review of the FCD we noted the following issues:

1. During our review of CFRs, we noted 1 out of 22 that was approved at the agency level by an individual not on the signature list from the agency CFO held by FCD.
2. During our review of 3rd party payment submissions, we noted a total of 8 3rd party submission forms lacking evidence of approval by FMB while reviewing 3 out of 12 months.
3. During our review of new vendors established in SHARE, we noted 1 out of 22 that was incorrectly classified as a supplier instead of an employee.
4. During our review of warrant registers we noted that a total of 44 warrant registers didn't have an appropriate signature from the agency confirming receipt by an authorized individual for 5 days that were reviewed. It was noted that these exceptions were only related to warrants that were mailed to agencies.
5. During our review of vouchers, we noted 5 out of 22 were not imaged by FCD as they were vouchers processed by an agency that doesn't voucher through FCD.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2012

**Section II - Financial Statement Findings** (continued)

**2012-08 - Financial Control Division (FCD) (Material Weakness)** (continued)

**Criteria:** Per section 6-5-2.1, FCD shall 1) maintain a central system of state accounts and to devise, formulate, approve, control, and set standards for the accounting method and procedures of all state agencies of the State of New Mexico; 2) collect and maintain the necessary information to produce ledgers, journals; 3) maintain information that adequately supports all entries in the state general ledger; and 4) store and maintain records electronically.

**Cause:** Lack of effective controls established surrounding all of the oversight responsibilities FCD is charged with.

**Effect:** Possible misappropriation of assets and/or misstatements of financial statements.

**Auditor's Recommendation:** We recommend that FCD evaluate the processes and procedures surrounding all of the oversight responsibilities FCD is charged with to ensure that adequate controls have been designed and are operating effectively to ensure FCD compliance with the responsibilities outlined in 6-5-2.1.

**Management's Response:** As management we understand it is our responsibility for establishing and maintaining effective internal controls over financial reporting and we concur with the finding and take full responsibility for it. These deficiencies identified have existed since the implementation of SHARE and were not previously identified by management, nor were they noted in previous years' audits. Management notes that in accordance with section 2.2.2.10(G) NMAC, Audit Rule – *State Compliance* an IPA shall identify significant statutes, rules and regulations applicable to the governmental agency under audit and perform tests of compliance. Management notes that *Chapter 6, Article 5 NMSA 1978* outlines the significant responsibilities of FCD, therefore, given the significance of this statute management would expect some tests of compliance related to this statute as required by 2.2.2.10(G) NMAC during the annual audit of the Department. As previously mentioned management takes full responsibility for the deficiencies identified and we understand that an audit is not designed to identify all deficiencies, however, we believe an independent audit can be valuable in identifying deficiencies in the internal control structure over financial reporting. Management does not believe there was adequate focus on the testing of this statute in previous years' audits; as a result management specifically requested the external auditors to perform audit procedures related to this statute as required to determine the specific areas within FCD requiring immediate corrective action. As a result the following details the corrective action plan that has been established by management.

The FCD has reorganized its Division in its entirety and has placed credentialed, qualified staff with relevant experience into key leadership and/or technical positions to ensure adequate controls are placed over every FCD function. FCD firmly believes in conducting its business operations with transparency, proficiency and relevant expertise.

FCD will establish a written process of continuous process improvement and evaluation procedures that pertain to each of its specific statutory responsibilities to ensure that internal controls are adequate, documented and operate effectively with the ultimate goal of ensuring that FCD complies with its statutorily defined oversight responsibilities.

The FCD Director/State Controller is responsible for ensuring the correction of these deficiencies.

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2012

**Section II - Financial Statement Findings** (continued)

**2012-08 - Financial Control Division (FCD) (Material Weakness)** (continued)

**Auditor's Response:** In management's response are statements noting the previous years' audits by the predecessor auditors did not report these deficiencies that management believes have existed since the implementation of SHARE in fiscal year 2007. Their response states that they believe there was not adequate focus on the testing of Chapter 6, Article 5 NMSA 1978 which outlines the responsibilities of FCD by the predecessor auditors in previous years' audits. Given the fact that we were not the Department's auditors during those years, we are not in a position to agree or disagree with these comments of management. However, it is important to note that management is ultimately responsible for establishing and maintaining effective internal control over financial reporting, as stated in the above management response. The predecessor auditors' consideration of the Department's internal control over financial reporting would have been for the purpose of designing their audit procedures and for expressing their opinion on the financial statements and not to identify all deficiencies in internal control. In addition, management would have signed a management representation letter in conjunction with each of the previous years' audits acknowledging their responsibility for establishing and maintaining effective internal control over financial reporting and representations regarding their knowledge of any violations of laws or regulations by the Department.

**2012-09 - Book to Bank Reconciliation – General Fund Investment Pool (Material Weakness)**

**Condition:** In June 2012, the State Controller of the FCD commissioned a diagnostic report with the purpose of assessing the current state of cash reconciliation and determining recommendations for remediating the remaining system and business process issues pertaining to the book to bank processes. The State General Fund Investment Pool balances have not been reconciled at the business unit/fund level since the inception of the Statewide Human Resources, Accounting and management Reporting system (SHARE) in July 2006. Some key observations revealed by the diagnostic report are summarized below:

1. Complete functionality available in the SHARE Treasury application was not implemented. The premise of the reconciliation functionality in PeopleSoft is that all system transactions have an accounting entry on the GL and that each bank transaction reconciles to the system transaction. This is not the case for the current implementation of SHARE.
2. The business process surrounding deposits, payments and cash management activities is not standardized across all agencies of the State.
3. The State does not currently require that all bank transactions have a corresponding accounting entry. There are accounts where the detail bank activity is not being recorded nor reconciled in the GL.
4. Appropriate end user training was never provided to ensure the users are aware of the tasks they perform in the system and the impact they have on the bank activity and the reconciliation process.
5. The current bank account structure is not optimal for managing and performing bank reconciliation.

**Criteria:** Section 6-5-2.1(J) NMSA 1978 requires, FCD to perform monthly reconciliations with the balances and accounts kept by the state treasurer and adopt and promulgate rules regarding reconciliation for state agencies.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2012

**Section II - Financial Statement Findings** (continued)

**2012-09 - Book to Bank Reconciliation – General Fund Investment Pool (Material Weakness)**  
(continued)

**Cause:** When SHARE was first implemented in fiscal year 2007, the implementation was not properly planned and implemented to incorporate the full functionality of the system. As a result, the majority of fiscal year 2007 was focused on system stabilization and user adoption. In addition, the business processes across agencies have become inconsistent from agency to agency and include numerous manual and customized processes. Over time, there have been attempts to perform a reconciliation; however, with the numerous inconsistent business processes and customizations across agencies and the incomplete implementation, FCD was unsuccessful in performing complete reconciliations.

**Effect:** Without an accurate and timely complete reconciliation, verification of individual agency balances is not possible and there is a higher risk of fraudulent activity and misrepresentation of financial statement balances occurring and not being detected.

**Auditor's Recommendation:** The FCD has already begun to address this issue as further described below:

Under the direction of the State Controller/Financial Control Division Director, the Financial Control Division of the New Mexico Department of Finance & Administration (DFA/FCD) is taking aggressive action to resolve this serious problem. DFA/FCD has commenced the Cash Management Remediation Project (Remediation Project) in partnership with the New Mexico State Treasurer's Office, the New Mexico Department of Information Technology, and a contracted third party PeopleSoft Treasury expert.

The purpose of the Remediation Project is to design and implement the changes necessary to reconcile the General Fund Investment Pool in a manner that is complete, accurate, and timely. The Remediation Project will make changes to the State's current SHARE system configuration, cash accounting policies and procedures, business practices, and banking structure. Management believes that these changes will allow for the completion of a timely and accurate reconciliation on a *point-forward basis only*. The scheduled implementation date for the changes associated with the Remediation Project is February 1, 2013. An approach and plan to address the population of historical reconciling items will be developed during the Remediation Project, but a separate initiative will be undertaken to resolve the historical reconciling items.

The initial phase of the Remediation Project, completed on October 11, 2012, focused on developing a project plan and documenting current statewide business processes. The work product of the initial phase of the Remediation Project is a document entitled, "Cash Management Plan and Business Processes". This document is available on the Cash Control page of the New Mexico Department of Finance & Administration's website at: [http://www.nmdfa.state.nm.us/Cash\\_Control.aspx](http://www.nmdfa.state.nm.us/Cash_Control.aspx).

**Management's Response:** As management we understand it is our responsibility for establishing and maintaining effective internal controls over financial reporting and we concur with the finding and take full responsibility for it. These deficiencies identified have existed since the implementation of SHARE and were not previously identified by management, nor were they noted in previous years' audits. Management notes that in accordance with section 2.2.2.10(G) NMAC, Audit Rule – *State Compliance* an IPA shall identify significant statutes, rules and regulations applicable to the governmental agency under audit and perform tests of compliance. Management notes that *Chapter 6, Article 5 NMSA 1978* outlines the significant responsibilities of FCD, therefore, given the significance of this statute management would expect some tests of compliance related to this statute as required by 2.2.2.10(G) NMAC during the annual audit of the Department. As previously mentioned management takes full responsibility for the deficiencies identified and we understand that an audit is not designed to identify all deficiencies,



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**Section II - Financial Statement Findings** (continued)

**2012-09 - Book to Bank Reconciliation – General Fund Investment Pool (Material Weakness)**  
(continued)

however, we believe an independent audit can be valuable in identifying deficiencies in the internal control structure over financial reporting. Management does not believe there was adequate focus on the testing of this statute in previous years' audits; as a result management specifically requested the external auditors to perform audit procedures related to this statute as required to determine the specific areas within FCD requiring immediate corrective action. As a result the following details the corrective action plan that has been established by management.

The FCD has reorganized its Division in its entirety and has placed credentialed, qualified staff with relevant experience into key leadership and/or technical positions to ensure adequate controls are placed over every FCD function. FCD firmly believes in conducting its business operations with transparency, proficiency and relevant expertise.

FCD's Cash Control Bureau is responsible for the timely resolution of this finding. The timeframe for corrective action involves two efforts. The first effort is the Remediation Project described in the Auditor's Recommendation section of this finding. FCD believes that the changes implemented during the Remediation Project will allow for the completion of a timely and accurate statewide cash reconciliation on a *point-forward basis only* beginning on February 1, 2013.

The second effort is an initiative to resolve the historical reconciling items accumulated prior to February 1, 2013. An approach and plan to address the population of historical reconciling items will be developed during the Remediation Project but will not be implemented by February 1, 2013. FCD's goal is to complete the initiative to resolve the historical reconciling items prior to June 30, 2013.

Since the initial phase of the Remediation Project was completed on October 11, 2012, progress has continued. The project team conducted project Kick-Off sessions with over eighty (80) State agencies, and design sessions with seventeen (17) of the largest State agencies. Kick-off and Design sessions are now complete. Design documentation for SHARE Treasury module configuration changes and new queries has been developed and will be finalized by November 30, 2012. SHARE Treasury module configuration, query development, and testing is on track to commence as scheduled on December 3, 2012.

The FCD Director/State Controller is responsible for ensuring corrections of these deficiencies.

**Auditor's Response:** In management's response are statements noting the previous years' audits by the predecessor auditors did not report these deficiencies that management believes have existed since the implementation of SHARE in fiscal year 2007. Their response states that they believe there was not adequate focus on the testing of Chapter 6, Article 5 NMSA 1978 which outlines the responsibilities of FCD by the predecessor auditors in previous years' audits. Given the fact that we were not the Department's auditors during those years, we are not in a position to agree or disagree with these comments of management. However, it is important to note that management is ultimately responsible for establishing and maintaining effective internal control over financial reporting, as stated in the above management response. The predecessor auditors' consideration of the Department's internal control over financial reporting would have been for the purpose of designing their audit procedures and for expressing their opinion on the financial statements and not to identify all deficiencies in internal control. In addition, management would have signed a management representation letter in conjunction with each of the previous years' audits acknowledging their responsibility for establishing and maintaining effective internal control over financial reporting and representations regarding their knowledge of any violations of laws or regulations by the Department.

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**Section II - Financial Statement Findings** (continued)

**2012-10 – IT Environment and General Controls – SHARE (Material Weakness)**

**Condition:** During our evaluation of the IT environment and general controls of the Statewide Human resources, Accounting, management REporting System (SHARE), in which the management and monitoring of the application is the joint responsibility of the Department of Finance and Administration (DFA) and the Department of Information Technology (DOIT), we noted the following issues:

- No periodic review of user access
- Lack of an IT Security Policy
- Lack of supporting procedures for Logical Security and IT operations

**Criteria:** Section 6-5-2.1 FCD shall prescribe, develop, operate and maintain a uniform statewide accounting system network; prescribe and approve the installation of any changes in the statewide accounting system network as necessary to secure and maintain internal control and facilitate the recording of accounting data in order to prepare reliable and meaningful statements and reports.

**Cause:** Management oversight.

**Effect:** Without an adequate internal control structure and/or documentation surrounding the system access, there is a risk of inappropriate access to the system in which unauthorized changes can be made.

**Auditor's Recommendation:** We recommend DFA/DOIT establish appropriate procedures and controls to ensure a periodic review of user access is performed. In addition, it is recommended that an IT Security Policy and supporting procedures for logical security and IT operations are established.

**Management's Response:** FCD agrees with the finding and is working with the Department of Information Technology to determine an appropriate corrective action plan and timeline to resolve these issues.

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**Section III – Federal Award Findings and Questioned Costs**

**2011-01 – Cash Management Improvement Act (Instance of Noncompliance)**

**Condition:** During our single audit test work, we noted the following non-compliance with the Cash Management Improvement Act (CMIA).

1. Community Development Block Grant (CFDA 14.228/14/255) – 8 of 18 cash draws tested were not in compliance with CMIA.
2. Government Services Fund (CFDA 84.397) – The Department had the administrative responsibility of establishing a cash management plan for state agencies to follow to ensure state compliance with the CMIA. When reviewing draws, it was noted that the Department minimized the time between the receipt and disbursement to other agencies of federal funds; however, in 9 out of 10 draws reviewed, the state overall was not in compliance with the CMIA. Furthermore, there was no evidence that Department notified the non-complying agencies when they didn't submit their draw timely or as required, nor was their evidence of any corrective action against these agencies.

**Criteria:** Consistent with 31 CFR 205, the Department has entered into a Treasury-State Agreement (TSA) under the Cash Management Improvement Act (CMIA). This agreement specifies a clearance pattern of one day for Federal funds received under the program.

**Effect:** The Department failed to comply with cash management requirements per its agreement with the Federal government and requirements set forth in FIN5.2.

**Cause:** The process used to identify and then transfer funds received by the State Treasurer's Office relies on a manual query by the Department. Because of this, receipts may remain unidentified until after the statutory 1-day clearance has passed. Further, release of warrants is linked to the time at which the draw is initiated on HUD's systems, and not on when funds are actually received by the State. Although State Regulations permit for an exemption from FIN 5.2 for programs covered under CMIA, a new exemption was not sought.

**Auditor's Recommendation:** We recommend that the Department work with the New Mexico State Treasurer's Office to design a process whereby the Department is notified immediately of funds deposited with the New Mexico State Treasurer. Finally, we recommend that management implement policies and procedures that link the timing of distribution of funds under TSA with receipt of those funds rather than initiation of the draw to ensure that clearance patterns are appropriate.

**Questioned Costs:** None.

**Management's Response:** The Department concurs with the finding. The Financial Bureau, ASD has implemented procedures to closely monitor the time the amount is spent and then to immediately coordinate with the Local Government Division (LGD) to initiate the corresponding draw to narrow the gap between the time amount is spent and the corresponding draw is received. Additionally, the Financial Bureau, ASD staff is in process to be added as authorized personnel to send the draw request to the federal government, which would help streamline the process further. Further, the Financial Bureau, ASD will continue to review the process on an ongoing basis and make necessary changes to optimize the process.

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June 30, 2012

**Section III – Federal Award Findings and Questioned Costs (continued)**

**2011-02 - Lack of Sufficient Subrecipient Monitoring Procedures (Significant Deficiency, Instance of Noncompliance)**

**Condition:** During our testwork over the Department's subrecipient monitoring for the Community Development Block Grant (CFDA14.228/14.255) Program, we noted the audit review process performed by the program includes a review to only identify findings related to CDBG. In addition, the site visit/review files do not include the documentation of the audit review.

**Criteria:** OMB Circular A-133, requires the prime recipient to: 1) ensure that subrecipients expending \$500,000 or more in Federal awards during the subrecipient's fiscal year for fiscal years ending after December 31, 2003 as provided in OMB Circular A-133 have met the audit requirements of OMB Circular A-133, and that the required audits are completed within 9 months of the end of the subrecipient's audit period; (2) issue a management decision on audit findings within 6 months after receipt of the subrecipient's audit report; and (3) ensure that the subrecipient takes timely and appropriate corrective action on all audit findings. In cases of continued inability or unwillingness of a subrecipient to have the required audits, the pass-through entity shall take appropriate action using sanctions.

**Effect:** Without adequate subrecipient monitoring, the Department is unable to ensure the subrecipients' compliance with applicable requirements and whether or not timely and appropriate corrective action is taken for instances of non-compliance.

**Cause:** Lack of effective internal controls surrounding the subrecipient monitoring process

**Questioned Costs:** None.

**Auditor's Recommendation:** We recommend that management design and implement a system of internal controls to ensure that adequate and timely monitoring of subrecipients is performed.

**Management's Response:** The Department concurs with the finding. Effective immediately, the Local Government Division (LGD) will monitor the entities over which it has oversight to ensure that the Federal Single Audit requirements are met. In instances where Single Audit requirements are not met by subrecipients, LGD, as a prime recipient, will take appropriate action, including the imposition of sanctions, when appropriate. Those entities that do not take immediate action as determined by the LGD may be disqualified from receiving Federal funding through the LGD. The LGD will document audit reviews of sub-recipients.

**2012-04 – Federal Grant Reporting (Significant Deficiency, Instance of Noncompliance)**

**Condition:** During our single audit test work over reporting, the following exceptions were noted regarding required federal grant reports:

Community Development Block Grant (CFDA 14.228/14/255)

1. 3 out of 3 federal financial 425 reports were not filed timely.
2. The Transparency Act Sub-Recipient Monitoring Report was not filed.

Government Services Fund (CFDA 84.397)

1. 1 out of 3 1512 reports was not filed timely.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2012

**Section III – Federal Award Findings and Questioned Costs** (continued)

**2012-04 – Federal Grant Reporting (Significant Deficiency, Instance of Noncompliance)** (continued)

**Criteria:** Per OMB Circular A-133, Compliance Requirements Reporting - Financial Reporting, the Department is required to maintain reports specified by the Federal agency.

**Cause:** Failure or lack of internal controls over reporting requirements established by the Federal government for state agencies receiving federal funds.

**Effect:** The Department is in violation of federal requirements.

**Questioned Costs:** None.

**Auditor's Recommendation:** We recommend that management establish effective controls necessary to ensure the maintenance of reports mandated by the federal government for state agencies receiving federal funds.

**Management's Response:** The Department concurs with the finding.

The Department's Local Government Division (LGD) has been notified by the US Department of Housing and Urban Development (HUD) that effective July 2012, the State is no longer required to file SF-425 reports.

The Department takes full responsibility for ensuring that LGD and all other Divisions of the DFA are in full compliance with all Federal reporting requirements. To that end, DFA senior management will take the following corrective actions.

1. The Federal Program reporting requirements for all Federal programs will be reviewed and separately documented. The documentation will include reporting form examples, data source examples such as screen shots, etc.
2. Appropriate staff will be trained in the reporting requirements of each Federal program as appropriate.
3. Specific individuals will be assigned as responsible for each Federal reporting requirement.

The DFA Secretary and Deputy Secretary will be responsible for implementation and maintenance of the corrective action cited above.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2012

**Section IV – Other Findings**

**2012-01 – Cash Receipts Not Recorded or Deposited in a Timely Manner (Compliance and Other Matters)**

**Condition:** During our internal control test work over cash receipts, we noted that 9 out of 23 receipts for a total of \$133,914 were not date stamped or logged. As a result, there was no evidence that they were deposited within 24 hours of receipt.

**Criteria:** According to the Manual of Model Accounting Practices (MAPs), section FIN 2.3 states that all state agencies shall deposit cash within 24 hours of receipt. Additionally, FIN 2.1 states that all state agencies shall log or receipt all monies received at the time received.

**Cause:** Lack of effective controls surrounding the cash receipts process, management oversight.

**Effect:** Non compliance with applicable laws and regulations.

**Auditor's Recommendation:** We recommend that management establish controls necessary to ensure that all cash received is recorded at the time of receipt and deposited by the end of the next business day.

**Management's Response:** The Department concurs with the finding and is taking the following corrective actions.

1. The Financial Bureau in the Administrative Services Division (ASD) will document and implement more stringent procedures for reviewing cash receipts.
2. The procedures referenced above will be distributed to all other divisions of the Department to ensure that the procedures are implemented by all other divisions as well.
3. The Financial Bureau will hold regularly scheduled meetings (trainings) with other Divisions in order to discuss processing and procedural issues applicable to cash receipts as well as other financial transactions that are processed through the Financial Bureau of ASD.

The Financial Bureau of ASD is responsible for ensuring that the corrective actions referenced above are implemented and maintained.

**2012-05 – Procurement Cards (Compliance and Other Matters)**

**Condition:** During the procurement card test work, the following exceptions were noted during our review of 3 out of 12 months:

1. Internal purchase requisitions were not consistently signed or signed after the purchase.
2. 1 instance of a missing receipt.

**Criteria:** The Department's procurement card policy requires internal purchase requisitions to be completed and signed prior to the purchase and to be adequately supported.

**Cause:** Lack of effective controls surrounding the procurement card process.

**Effect:** Non compliance with department policy, possible misappropriation of assets.

**Auditor's Recommendation:** We recommend that management establish controls necessary to ensure that all purchases made with a procurement card follow the department's policy, which include proper approval and adequate supporting documentation for all purchases.

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DEPARTMENT OF FINANCE AND ADMINISTRATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2012

**Section IV – Other Findings** (continued)

**2012-05 – Procurement Cards (Compliance and Other Matters)** (continued)

**Management's Response:** The Department concurs with the finding. The following corrective actions have been or will be implemented and maintained.

1. All authorized users of the procurement card at the Department have been required to attend a mandatory training to ensure they are familiar with the procurement card policies and procedures that have been submitted to the Financial Control Division. This includes the Financial Bureau of ASD.
2. The Financial Bureau will compile and process procurement card expenditure vouchers and ensure the policies and procedures referenced in number 1 above are adhered to.

The Financial Bureau will be responsible for ensuring that the corrective actions referenced above have been implemented and maintained.

**2012-06 – Untimely Reversions to the State General Fund (Compliance and Other Matters)**

**Condition:** The Department made reversions as of June 30, 2012 that consisted of the following:

1. \$100,000 reversion for a project with a reversion date of June 30, 2009.
2. Approximately \$78,000 in reversions for unidentified projects in which the Department was uncertain as to the actual reversion date(s).

**Criteria:** Per State Audit Rule 2.2.2.12 states that Section 6-5-10(A) NMSA 1978 requires reversions as of June 30 to be reverted by September 30. Failure to transfer reverting funds timely in compliance with the statute requires an audit finding.

**Cause:** Management oversight.

**Effect:** Non compliance applicable laws and regulations.

**Auditor's Recommendation:** We recommend that management establish controls necessary to ensure that all future reversions are done in a timely manner.

**Management's Response:** The Department concurs with the finding. As of June 30, 2012, both reversions were identified and reverted by the Department and were brought to the attention of the auditors. Effective immediately, the Financial Bureau, ASD has implemented an additional layer of review of funds on a quarterly basis to ensure such items are identified and reverted in a timely manner.

**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
June 30, 2012**

**Section II – Financial Statement Findings**

Finding 2011-01 Compliance with Cash Management Requirements – Repeated/Updated

**Section III – Federal Award Findings and Questioned Costs**

Finding 2011-02 – Lack of Sufficient Subrecipient Monitoring Procedures (Internal Control over Compliance, Significant Deficiency) – Repeated/Updated

**Section IV – Other Findings**

There were no findings for the year ended June 30, 2011.



**STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
EXIT CONFERENCE  
June 30, 2012**

An exit conference was held with the Department on December 4, 2012. In attendance were:

**DEPARTMENT OF FINANCE AND ADMINISTRATION**

Thomas E. Clifford, Ph.D., Cabinet Secretary  
Ricky Bejarano, CPA, Director of Financial Control/State Controller  
Sylvia Barela, ASD Director  
Sanjay Bhakta, CPA, CGFM, CFE, Chief Financial Officer  
Steve Gonzales, Deputy Director, Financial Control  
Michael Marcelli, State Budget Division Deputy Director

**CLIFTONLARSONALLEN LLP**

Bill Petri, CPA, Partner  
Matt Bone, CPA, CGFM, Assurance Manager

**PREPARATION OF FINANCIAL STATEMENTS**

The financial statements presented in this report have been prepared by management with the assistance of the independent auditor. The responsibility of the financial statements is the management's, as addressed in the Independent Auditors' Report.