









Food Service Operations \$25,622

*Criteria:* Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over expenditure of a function shall not be allowed.

*Effect:* The School expenditures in the above functions exceeded the total approved budgeted expenditures by \$30,645.

*Cause:* Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid or minimize the amount that actual expenditures exceeded the approved budget.

*Recommendation:* Budget adjustment requests should be presented to and approved by PED before expending funds in excess of budget. Controls should be implemented to ensure that budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

*Management's Response:* While the budget by Fund was not exceeded, the Function budget was exceeded. At the end of each quarter, the Business Manager will look closely at budget vs. actual spending and prepare any BARs needed to adjust the budget.

In December 2016 and in January 2017 this school was included on the PEC's agenda at the request of the PED's School Budget and Financial Analysis bureau because the school had failed to timely submit financial data and reporting as required. No action was taken by the Commission at that time.





























