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**Charter Schools Division
2022-23 Annual Report
March 1, 2024**

School Name: Las Montañas Charter High School

School Address: 1405 S. Solano Drive Las Cruces, NM 88001

Head Administrator: Caz Martinez

Governing Board Chair: Patricia Gonzales

Business Manager: Priscilla Cabral

Authorized Grade Levels: 9-12

Grade Levels Served: 9-12

Authorized Enrollment Cap: 325

2022-23 End of Year Enrollment: 157

Contract Term: 2020-2025 (financial CAP)

Waivers: Evaluation Standards for School Personnel

Mission:

The mission of Las Montañas Charter High School is to develop the academic potential and personal character of each student by engaging and valuing the student, family and community partnership. Students will work to prepare for and meet the challenges of a post-secondary or workforce environment for a globally diverse society.

Educational Program:

Las Montañas Charter High School (LMCHS) was awarded the unique opportunity to be a part of New Mexico's first High School Redesign Network (HSRN) and work in close collaboration with NMPED (Priority School's Bureau), John's Hopkins University, Stanford University, and seven (7) other high schools across the state of New Mexico as collaborative thought partners. The NMPED approved HSRN Blueprint describes an innovative and distinctive education program that won't be found anywhere in the Las Cruces or surrounding communities.

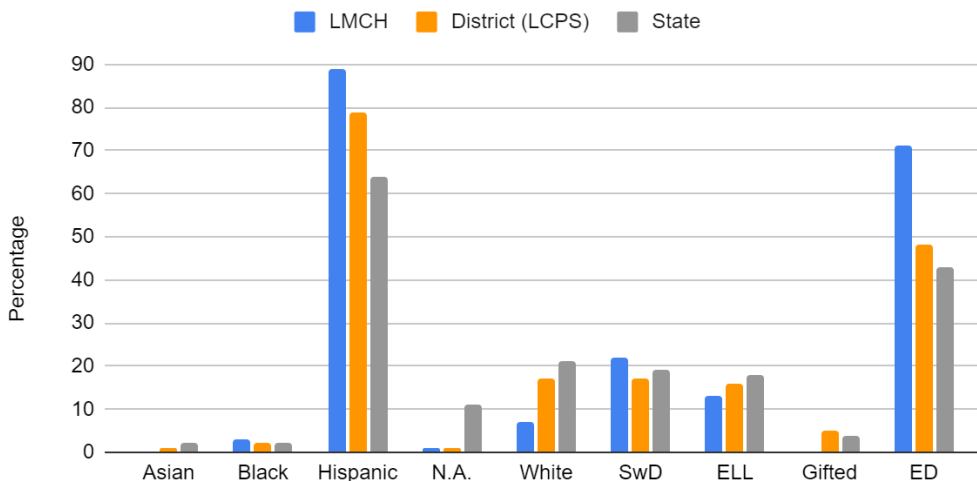
Las Montañas has adopted the model of 8 term classes per year with "flavors" that offer students a choice in their education while connecting curriculum to New Mexico Common Core State Standards (NMCCSS) and real-world examples.

The NMPED approved HSRN Blueprint addresses 4 main drivers:

1. Teaching and Learning: In addition to ensuring teaching and learning are aligned with standards that promote access to post-secondary education or training, what practices will accelerate the academic growth of students who enter with lower levels of pre-High School preparation and motivation?
 - a. Building strong relationships between teacher and student
 - b. Student centered learning
 - c. Making connections between classroom learning and real-world connections
 - d. Using the "flavors" to demonstrate mastery of standards
2. Students at the Center: What specific approaches will be put in place to build relationships between students and adults, while cultivating a school culture of agency, optimism, and achievement?
 - a. Student Learning Community (SLC) addressing essential skills, progress monitoring, and career skills
 - b. Early Warnings System (EWS)
3. Organizing Adults: How will we enhance the collective efficacy of the adults in the building?
 - a. Have common PLC time daily
 - b. Teacher/student mentor time
4. Post-Secondary Pathways: What approaches to post-secondary success are most relevant to local students and community, as well as supportive to regional economic development?
 - a. Career/college pathway for all students

Demographics as reported in STARS 2022-23 End of Year (EOY)

Enrollment by Subgroup EOY 2022-23



Source: STARS Enrollment Subgroup Percentages with Averages

Academic Performance

Academic Performance Framework Indicators	2022-23 Score (100 points possible)
1: State Accountability System: NMVistas Overall Score	36
2: Subgroup performance: high, middle, and low-performing quartiles	unavailable
3: School-specific Goals: if two goals, average of points on each	75
Overall Academic Score: average of indicators 1 and 3	55.5

State Accountability System:

State and federal statute mandates accountability for all public schools. This section provides a snapshot of the school’s academic performance according to data collected by the Public Education Department (PED) for the 2022-23 school year.

The New Mexico State Accountability System ([NMVISTAS](#)) gives every public school in the state an overall score. For 2022-23, NMVistas scored schools according to the following designations:

- School of Excellence: Schools performing in the top 10% of all schools on the NMVistas school index.
- Spotlight School: Schools performing in the next 15% of all schools on the NMVistas school index.
- Traditional School: Schools performing below the top 25% of schools and not designated for additional supports per the following designations.

- Targeted Support and Improvement School (TSI): Schools serving a student group that falls below the cutoff for CSI schools (described below).
- Additional Targeted Support and Improvement (ATSI): TSI schools serving a student group that is performing in the lowest 5% of all schools.
- Comprehensive Support School (CSI): Title I schools that are:
 - o performing in the lowest 5% of Title I schools in New Mexico as identified by the school index score;
 - o have an average four-year graduation rate less than or equal to 66.67% over the past three years;
 - o a Title I school that was previously identified as ATSI due to low performing subgroups that has not demonstrated sufficient improvement in those subgroups over 3 years; or
 - o the department may identify additional schools as CSI schools as deemed necessary.
- More Rigorous Intervention (MRI): Schools not exiting CSI status after 3 years receiving support.

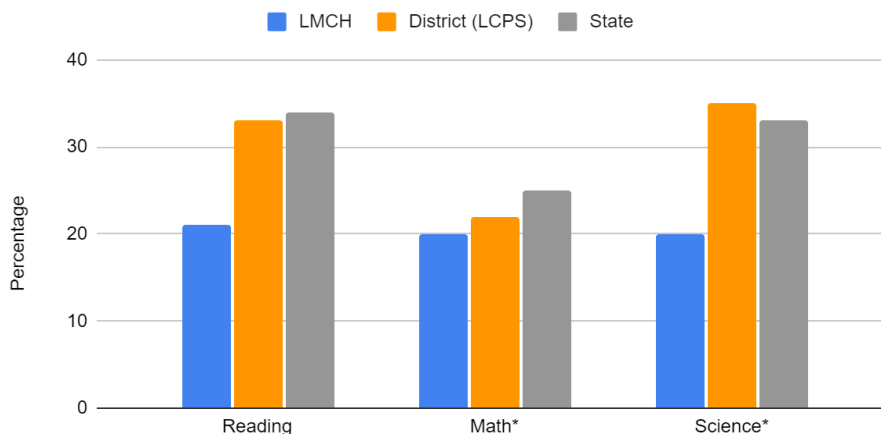
Details and criteria for each type of designation are provided on the [NMVISTAS](#) web page.

For the school year 2022-23, **Las Montañas Charter High School** received a designation of **Comprehensive Support School (CSI)**.

Proficiency

Because science is assessed only in grades 5, 8, and 11, schools that do not serve these grades do not have science proficiency data.

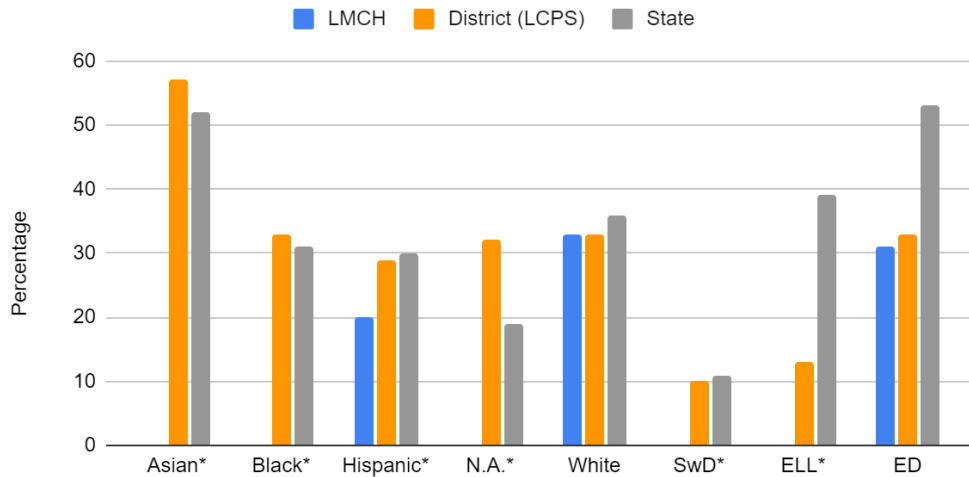
Percent of Students Proficient in Core Subjects 2022-23



Source: NMVistas.org

***Note:** math and science proficiencies masked for school on Vistas: ≤20%.

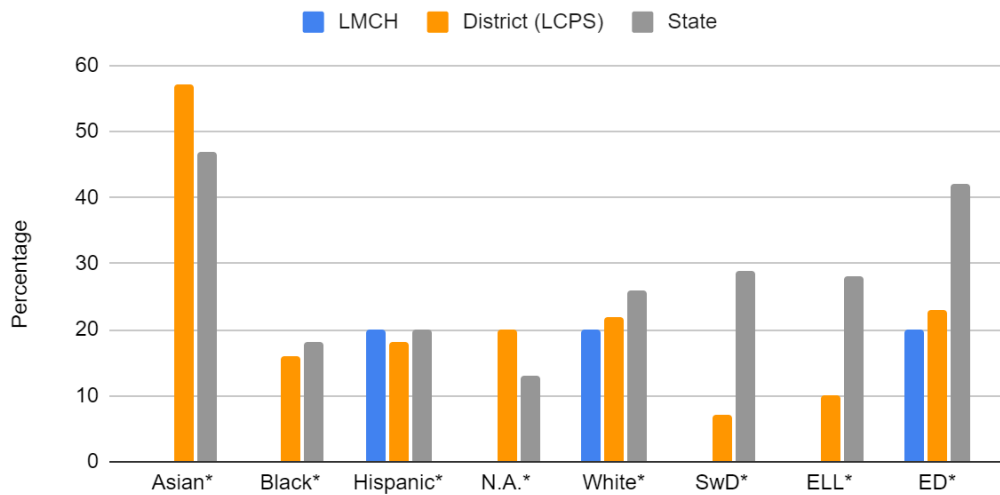
Percent Proficient in Reading by Subgroup 2022-23



Source: NMVistas.org

***Note:** groups are masked due to population size, and/or some groups are not represented in the school. Hispanic population also masked, $\leq 20\%$ in reading.

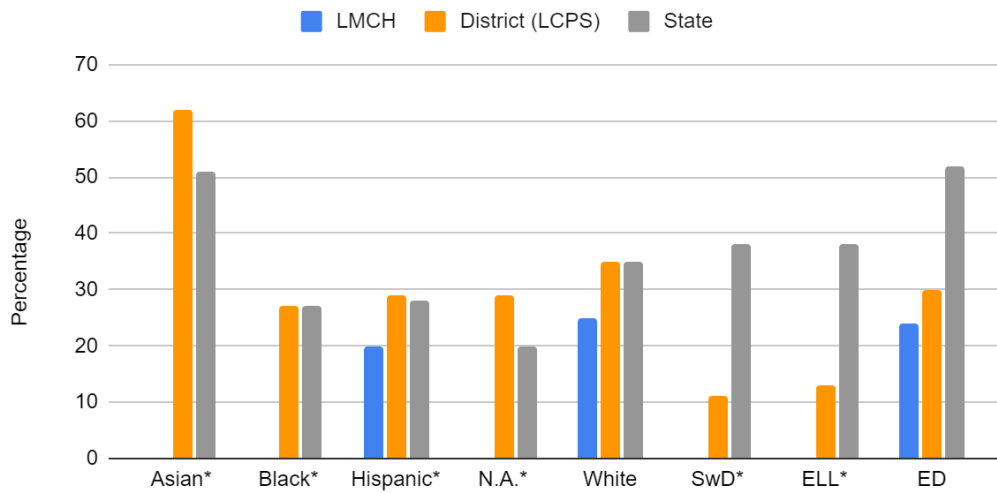
Percent Proficient in Math by Subgroup 2022-23



Source: NMVistas.org

***Note:** groups are masked due to population size, and/or some groups are not represented in the school. Hispanic, White, and Economically Disadvantaged populations are also masked, $\leq 20\%$ in math.

Percent Proficient in Science by Subgroup 2022-23

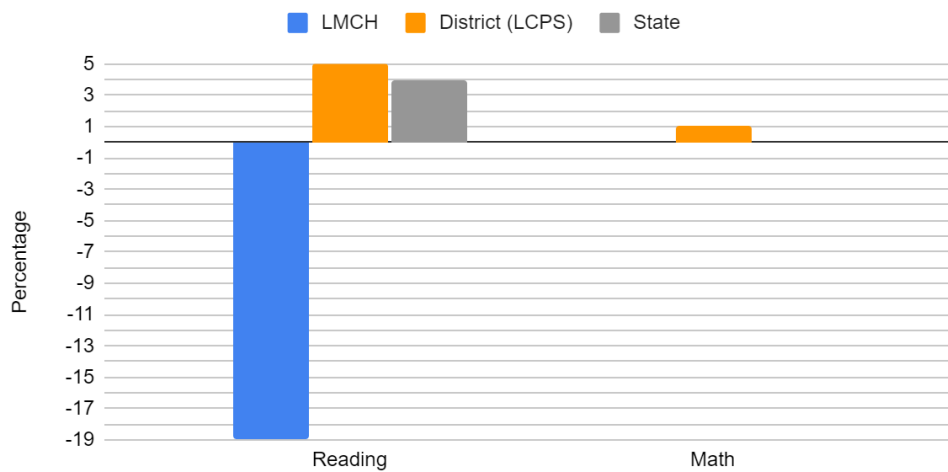


Source: NMVistas.org

***Note:** groups are masked due to population size, and/or some groups are not represented in the school. Hispanic population also masked, $\leq 20\%$ in science.

Improvement (Growth)

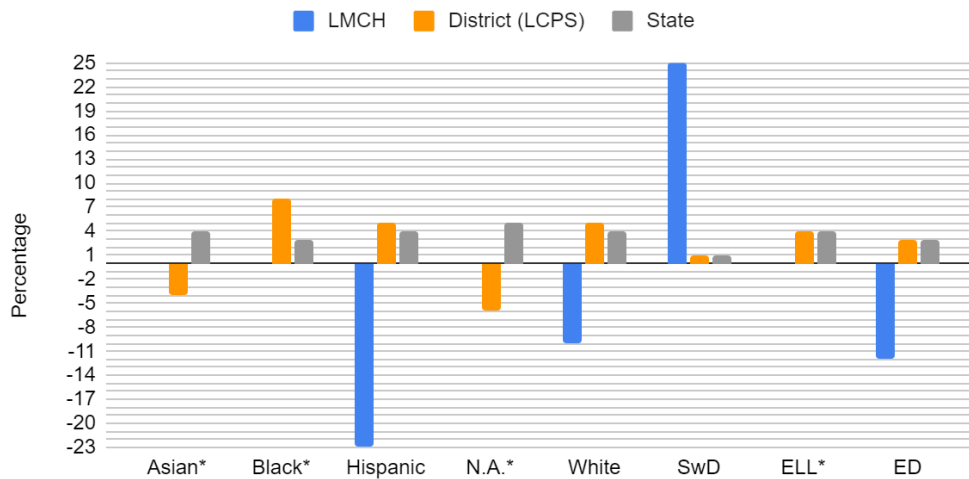
Percent Growth for All Students (2021-22 to 2022-23)



Source: Assessment, Research, Evaluation, and Accountability Bureau of PED

***Note:** Math growth was 0% for the state and school for SY2023.

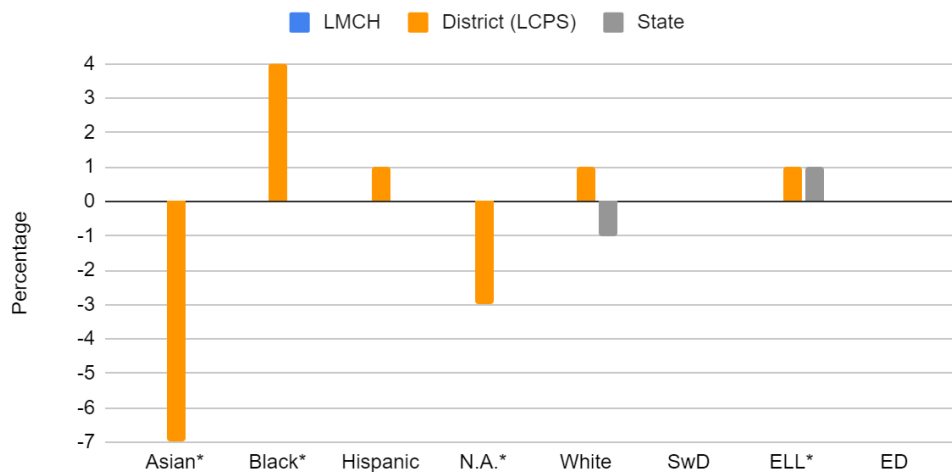
ELA Percent Growth by Subgroup (2021-22 to 2022-23)



Source: Assessment, Research, Evaluation, and Accountability Bureau of PED

***Note:** groups are masked due to population size.

Math Percent Growth by Subgroup (2021-22 to 2022-23)



Source: Assessment, Research, Evaluation, and Accountability Bureau of PED

***Note:** groups are masked due to population size. Math growth for unmasked groups was 0%.

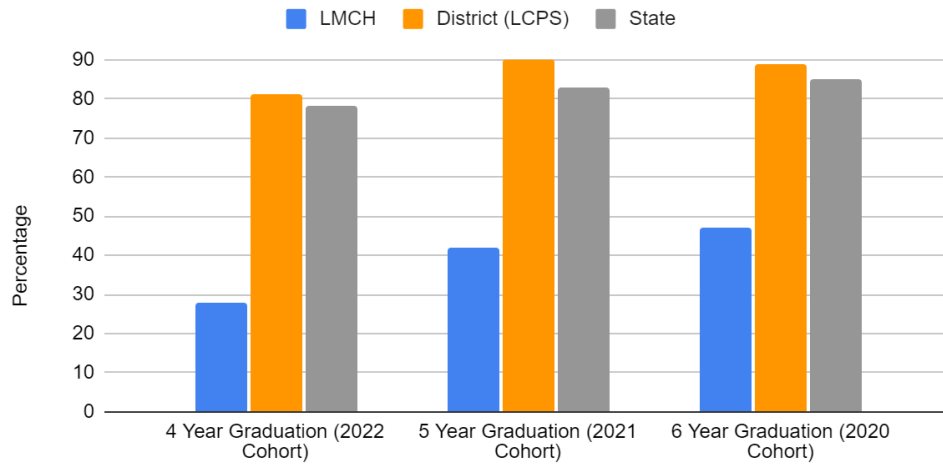
English Learner Progress (NMVistas): ≤ 20%

High School Graduation

Data refer to prior year cohorts, with the most recent 4-year graduation data available for the 2022 graduation cohort, 5-year data for the 2021 cohort, and 6-year data for the 2020 cohort. The 4-year,

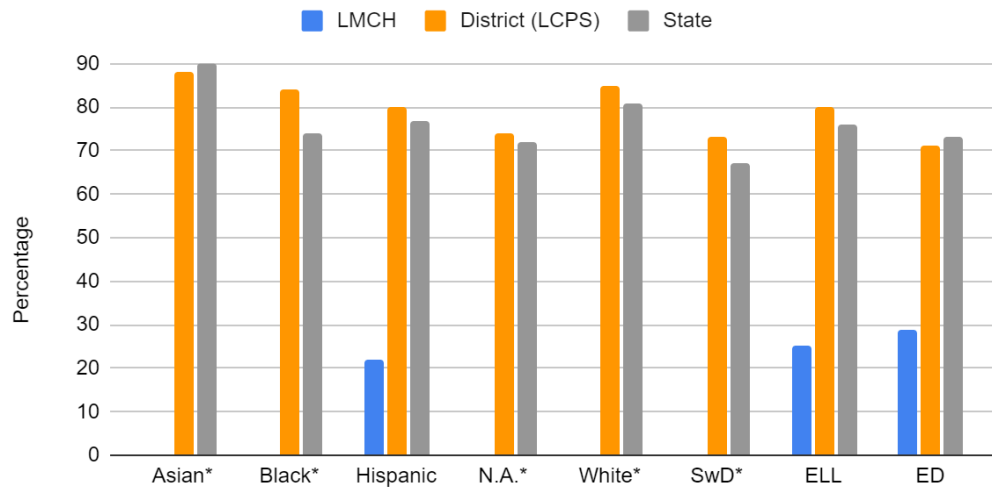
5-year, and 6-year graduation rates for these years are provided with comparative data for the state and district. The 4-year rate is then disaggregated by ethnicity and student group.

High School Graduation



Source: NMVistas.org

4-Year Graduation by Subgroup



Source: NMVistas.org

***Note:** groups are masked due to population size.

Mission-Specific Goals

Goal 1:

Performance Level	Target	Points
Exceeds Standard	85% or more of 9th-11th grade students who are enrolled on both the 40th and 120th day will achieve a minimum of 75 points on the SLC program rubric by the end of the school year.	100
Meets Standard	75%-84% of 9th-11th grade students who are enrolled on both the 40th and 120th day will achieve a minimum of 75 points on the SLC program rubric by the end of the school year.	75
Does Not Meet Standard	60%-74% of 9th-11th grade students who are enrolled on both the 40th and 120th day will achieve a minimum of 75 points on the SLC program rubric by the end of the school year.	25
Falls Far Below Standard	Less than 60% of 9th-11th grade students who are enrolled on both the 40th and 120th day will achieve a minimum of 75 points on the SLC program rubric by the end of the school year.	0

Rating: Meets- 75.8 % attainment- **75pts.**

Goal 2:

Performance Level	Target	Points
Exceeds Standard	85% or more of seniors who are enrolled on both the 40th and 120th day of their senior year will achieve a minimum of 85 points on the senior advisory program rubric by the end of the school year.	100
Meets Standard	75%-84% of seniors who are enrolled on both the 40th and 120th day of their senior year will achieve a minimum of 85 points on the senior advisory program rubric by the end of the school year.	75
Does Not Meet Standard	60-74% of seniors who are enrolled on both the 40th and 120th day of their senior year will achieve a minimum of 85 points on the senior advisory program rubric by the end of the school year.	25
Falls Far Below Standard	Less than 60% of seniors who are enrolled on both the 40th and 120th day of their senior year will achieve a minimum of 85 points on the senior advisory program rubric by the end of the school year.	0

Rating: Meets- 78.9 % attainment- **75pts.**

Organizational and Financial Performance Framework

2022-23 Overall Rating: Does Not Meet Standard

Pursuant to the [PEC Performance Framework and Accountability System](#), schools receive ratings of **Meets Standard**, **Working to Meet Standard**, or **Does Not Meet Standard** for individual indicators in the framework. Explanations for any rating other than Meets Standard are provided below.

The school also receives an overall rating of either **Meets Standard** or **Does Not Meet Standard** for the year. If a school receives a **Does Not Meet Standard** rating for three or more indicators, it will receive an overall rating of **Does Not Meet Standard**.

If a school receives a **Does Not Meet Standard** rating, on any indicator, the CSD and PEC may conduct a closer review the following year on that indicator, and/or the PEC may require the school to submit a corrective action plan in order to specify actions and a timeline to correct the performance deficiency.

A school may receive a **Working to Meet Standard** rating on multiple indicators and still receive an overall rating of **Meets Standard**. If a school receives this rating across multiple years, the CSD and PEC may conduct a closer review the following year on that indicator, and the school will need to address the issue in its renewal application at the end of its charter term.

Las Montañas Charter High School	2020-21	2021-22	2022-23
Organizational and Financial Performance			
1a Mission and Educational Program	Meets Standard	Meets Standard	Meets Standard
1b State Assessment Requirements	Not Reviewed	Does Not Meet Standard	Does Not Meet Standard
1c Rights of Students with Disabilities	Meets Standard	Meets Standard	Meets Standard
1d Rights of English Learners	Working to Meet Standard	Meets Standard	Meets Standard
1e Meeting Program Requirements	Assurances	Meets Standard	Meets Standard
1f NM DASH Plan	N/A	Meets Standard	Meets Standard
2a Financial Reporting and Compliance	Working to Meet Standard	Meets Standard	Does Not Meet Standard
2b Accounting Principles	Does Not Meet Standard	Does Not Meet Standard	Does Not Meet Standard
2c Responsive to Audit Findings	Meets Standard	Working to Meet Standard	Does Not Meet Standard
2d Managing Grant Funds	Meets Standard	Working to Meet Standard	Does Not Meet Standard
2e Staffing for Fiscal Management	Meets Standard	Meets Standard	Meets Standard
2f Internal Controls	Working to Meet Standard	Meets Standard	Working to Meet Standard
3a Governance Requirements	Meets Standard	Meets Standard	Meets Standard
3b Nepotism, Conflict of Interest	Assurances	Meets Standard	Meets Standard
3c Reporting Requirements	Assurances	Meets Standard	Meets Standard
4a Rights of All Students	Assurances	Meets Standard	Meets Standard
4b Attendance and Retention	Working to Meet Standard	Meets Standard	Working to Meet Standard
4c Staff Credentialing	Working to Meet Standard	Meets Standard	Meets Standard
4d Employee Rights	Assurances	Meets Standard	Meets Standard
4e Background Checks, Ethics	Assurances	Meets Standard	Meets Standard
5a Facilities	Assurances	Meets Standard	Meets Standard
5b Transportation	Assurances	N/A	N/A
5c Health and Safety	Assurances	Meets Standard	Meets Standard
5d Handling Information	Assurances	Meets Standard	Meets Standard

Explanation of 2022-23 Indicator Ratings

- 1.b. Assessment participation 65% for ELA and Math, 67% for Science (target 95% for all subject areas).
- 2.a. Q1 late with correction needed, Q3 late over two months, Q4 late over a month.
- 2.b. [FY22 Audit](#) reflects four (4) disclaimer opinion audit findings of which two (2) are material weakness.
- 2.c. [FY22 Audit](#) reflects two (2) repeat audit findings; 2022-003 & 2022-004 from 2021 audit.

2.d. 68.87% of CY% remaining in SY22-23, grant funds Carl D. Perkins, Family Income Index, and Career Technical Education Program left >50% in reverting grant funds.

2.f. [FY22 Audit](#) finding 2022-002 late filing of RHC made in Sept.

4.b. EOY: 89% Attendance; attendance rate must be 95%.

Site Visit Attendees

Tuesday, January 23, 2023

CSD Team: Lucy Valenzuela (Lead), Corina Chavez, Kyle Wood, and Kimberly Gonzales (Kyle was remote)

School Leadership: Caz Martinez, Head Administrator

Governing Board: Michael Davis and Patricia Gonzales

Financial Corrective Action Plan Status

Condition: LMCH received a disclaimer opinion in their 2022 audit with (4) four audit findings of which (2) two were repeat findings and (2) two were material weaknesses. A financial corrective action plan (CAP) was implemented during the school year 2022-2023 with meetings throughout the school year with the school's business manager and head administrator and the CSD data and financial analyst to ensure that questions were addressed and resources were provided to assist in remediation.

Analysis: Throughout the school year 2022-23 LMCH worked with our auditors at Clifton Larson and Associates (CLA) and used a template created by CLA to track their GASB 87 transactions which addressed audit finding (2022-001) as well as implement internal controls for compliance with GASB 87. The business manager also worked with the consultant and NMPSIA to develop internal controls to ensure compliance for proper processing of payroll deductions (2022-002). LMCH hired BB Consulting Services to assist with reconciliation of their general ledger to address audit finding for budgetary compliance and misstatements of the school's financial statements which required reconciliation of the trial balance within the school's financial system Visions (2022-003 & 004). The governing board assisted by passing a resolution which allows the processing of budget within the same fund and function series within the school year as a blanket approval resolution for maintenance and transfer of BARS for timely processing of BARS.

The financial CAP documentation is **attached**.

LAS MONTAÑAS CHARTER SCHOOL FINANCIAL CAP

2022-001 GASB-87 Implementation (Material Weakness)

Finding: 2022-001 GASB-87 Implementation (Material Weakness)

Condition/Context: During our review of the implementation of GASB-87, we noted the following deficiencies.

- The school improperly excluded a copier lease from GASB-87 implementation. The copier was calculated to have an initial lease liability and right to use asset of \$37,065.
- The school improperly identified the building lease as applicable to GASB-87 and calculated the initial lease liability and right to use asset of \$3,547,904.44. The school's documentation as to why they determined the lease was applicable to GASB-87 did not consider relevant considerations of GASB-87.

Criteria: We recommend management establish sufficient and effective internal control procedures over GASB-87.

Cause: Lack of effective internal controls and review procedures related to GASB-87.

Effect: Possible material misstatements and improper implementation of GASB-87

Person (s) responsible: Administration, SBO

Reporting Deadline(s): End of Fiscal Year

Role 1: School Administration

Role 2: School Business Office (SBO)

1.1 Auditors Recommendation		Data Received	Narrative Received
	We recommend management establish sufficient and effective internal control procedures over GASB-87.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
1.2 Management's response		Data Received	Narrative Received
	Las Montañas will develop internal control procedures to implement a system that is in compliance with GASB-87 for our copier leases.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
1.3 Implementation (to be completed by school)		Data Received	Narrative Received
	Las Montañas will develop these internal control procedures by discussing how other Charter Schools have implemented GASB-87 as well as receive recommendations from our auditors as necessary. LMCS has purchased a template from CLA to assist with the GASB87 tracking as an effective internal control measure.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

2022-002 Timely Submission of RHC Filings and Related Contributions/Payments (Other Noncompliance)

Finding: 2022-002

Condition/Context: During our review of the school's monthly filings for RHC and related contributions/payments, we noted the July 2022 RHC filing and related payment was made on September 1, 2022.

Criteria: RHC requires the monthly contributions to be submitted within 10 days of the end of the month.

Cause: Management oversight

Effect: Noncompliance with applicable reporting and contribution requirements.

Person (s) responsible: Administration, SBO

Reporting Deadline(s): Immediately

Role 1: Administration

Role 2: SBO

1.1 Auditors Recommendation		Data Received	Narrative Received
	We recommend management establish processes and procedures to ensure timely submission of required reporting and contributions.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

LAS MONTAÑAS CHARTER SCHOOL FINANCIAL CAP			
1.2 Management's response	LMCHS will effectively process monthly filings within the 10 day submission period by implementing better procedures for payroll processing.	Data Received <input checked="" type="checkbox"/>	Narrative Received <input checked="" type="checkbox"/>
1.3 Implementation (to be completed by school)	LMCHS will process all payroll deductions on the same day payroll is processed, with the exception of NMPSIA contributions as the premium is not available until after the 1st of the month. The business manager has set reminders on her outlook calendar immediately following payroll to ensure that these deductions are occurring within the next few days of payroll processing.	Data Received <input checked="" type="checkbox"/>	Narrative Received <input checked="" type="checkbox"/>
2022-003 Budgetary Conditions (Previously 2021-002) (Other Noncompliance)			
<i>Finding: 2022-003</i>			
<i>Condition/Context: During our audit, we noted four expenditure functions where actual expenditures exceeded the budgetary authority:</i>			
<ul style="list-style-type: none"> • Fund 11000: 1000 Instruction \$185,735 • Fund 11000: 3000 Noninstructional Services \$273 • Fund 24330: 2000 Support Services \$3,133 • Fund 25153: 1000 Instruction \$3,188 			
<i>Management's Progress for Repeat Findings: Management failed to implement adequate controls to resolve the finding and will work toward corrective action during FY2023.</i>			
<i>Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22-8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control, which the function is the legal level of control.</i>			
Cause: Management oversight		Effect: Noncompliance with state statutes.	
Person (s) responsible: Administration, SBO			
Reporting Deadline(s): Immediately			
Role 1: Administration			
Role 2: SBO			
1.1 Auditors Recommendation	We recommend management establish controls necessary to monitor the budget and submit any necessary adjustments on a timely basis in order to avoid any overexpended functions and allow sufficient time to have a budget adjustment request approved.	Data Received <input checked="" type="checkbox"/>	Narrative Received <input checked="" type="checkbox"/>
1.2 Management's response	LMCHS has taken steps to actively and more frequently monitor our budget with the help of our assigned Budget Analyst.	Data Received <input checked="" type="checkbox"/>	Narrative Received <input checked="" type="checkbox"/>
1.3 Implementation (to be completed by school)	LMCHS will continue to monitor our budget by function level and submit any necessary BARs in order to not over expend at the function level. Governing Board passed a resolution allowing the maintenance and transfer of funds within the same category to occur with a blanket resolution to allow the business manager to quickly make the budget adjustment requests as needed rather than waiting for board approval.	Data Received <input checked="" type="checkbox"/>	Narrative Received <input checked="" type="checkbox"/>
2022-004 Financial Close and Reporting (Previously 2018-005) (Material Weakness)			
<i>Finding: 2022-004</i>			

LAS MONTAÑAS CHARTER SCHOOL FINANCIAL CAP

Condition/Context: During our testing over financial close and reporting, we identified the following:

- Fund balance roll forward prepared by the School included an initial difference of \$571k, which was not resolved with the identified cash-accrual adjustments. The Fund balance rollforward was not completed accurately and adjustments of \$85,830 were proposed to correct.
- The June 2022 bank reconciliation listed invalid outstanding items related to ACH's that were not processed prior to year-end. This resulted in adjustments of approximately \$51,876 to cash and accrued payroll.
- The trial balance included unusual and unsupported balances for accounts receivable and accounts payable, this resulted in adjustments totaling \$12,123 to correct.
- The capital asset rollforward was not prepared accurately or completely as beginning balances did not agree to the prior year ending balances. Supply assets of approximately \$40k were identified by the school as additions but all of the purchases were below the capitalization threshold of \$5,000.

Management's Progress for Repeat Findings: Management failed to implement adequate controls to resolve the finding and will work toward corrective action during FY2023.

Criteria: Every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of their financial statements in accordance with GAAP. NMPED PSAB Supplement 4, State and Federal Grants states that those districts and charter schools receiving federal or state grants that are awarded by NMPED must have a proper financial management system (FMS) in place in order to receive and expend funds in accordance with certain mandated standards, which includes cash management procedures to minimize the time elapsing between expenditure of funds and requests for reimbursements.

Cause: Lack of thorough understanding of the accounting system as it relates to the period close out. Lack of adequate controls over financial close and reporting. Lack of understanding of how to prepare certain audit requests and related compliance requirements. Many the issues have stemmed year over year and management has not taken steps to correct. Overall lack of effective internal controls surrounding the year-end financial close and reporting process.	Effect: Misstatements of the school's financial statements.	Person (s) responsible: Administration, SBO
Reporting Deadline(s): Fiscal Year End		

Role 1: Administration
Role 2: SBO

		Data Received	Narrative Received
1.1 Auditors Recommendation	We recommend management evaluate the internal controls over these areas and implement effective processes to ensure accurate reporting and compliance as applicable. We are recommending training/consulting alongside another Licensed Charter School Business Manager to include preparation/review of the audit requests.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
1.2 Management's response	LMCHS agrees there is a lack of thorough understanding of the accounting system close out and agrees that a Licensed Charter School Business Manager would help to better understand and implement better procedures.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
1.3 Implementation (to be completed by school)	LMCHS will develop a scope of work and consult with a Licensed Charter School Business Manager. We will work to have support before our budget process begins in April through the end of our audit of the current year.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>