

**STATE OF NEW
MEXICO
REGULATION AND
LICENSING
DEPARTMENT**

FINANCIAL STATEMENTS

JUNE 30, 2008

Moss Adams LLP
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STATE OF NEW MEXICO REGULATION AND LICENSING DEPARTMENT

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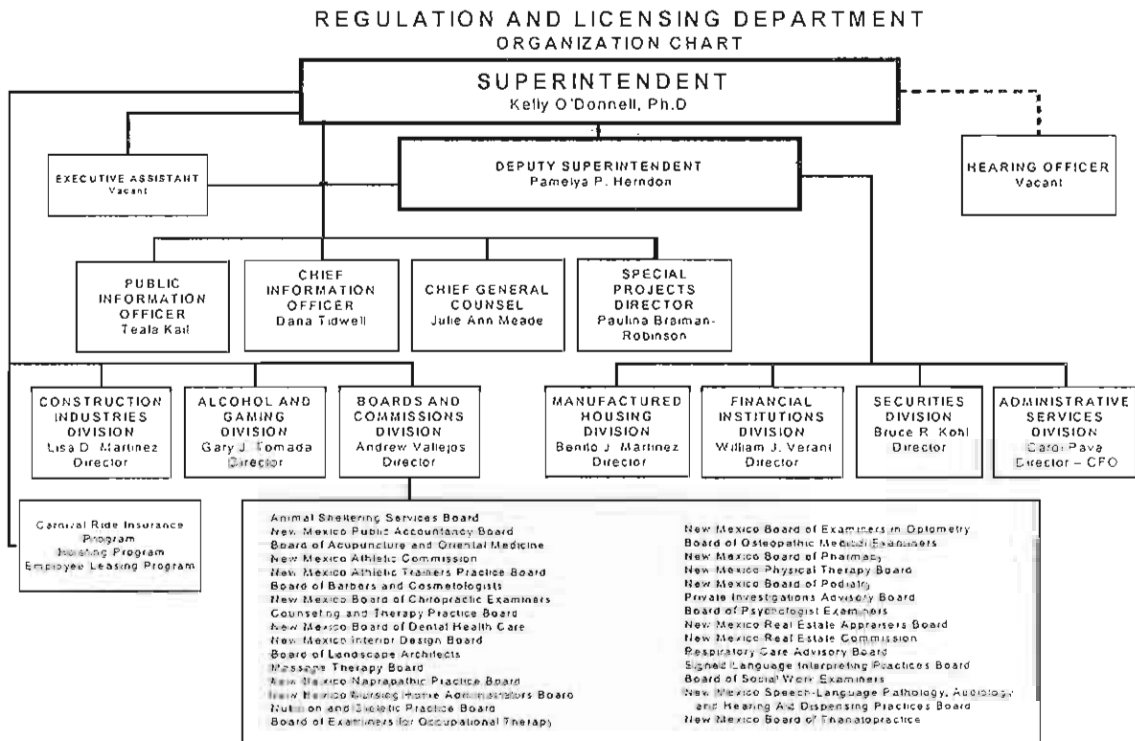
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STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Official Roster
As of June 30, 2008

ADMINISTRATIVE OFFICIALS

Kelly O'Donnell, Ph.D.	Superintendent
Pamelya Herndon	Deputy Superintendent
Carol Pava	CFO and Administrative Services Division Director
Lisa Martinez	Director, Construction Industries Division
Benito Martinez	Director, Manufactured Housing Division
William Verant	Director, Financial Institutions Division
Bruce Kohl	Director, Securities Division
Gary Tomada	Director, Alcohol and Gaming Division
Andrew Vallejos	Director, Boards and Commissions Division



Independent Auditors' Report

Kelly O'Donnell PhD, Superintendent
State of New Mexico
Regulation and Licensing Department
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, including the budgetary comparisons for each major governmental fund, and the aggregate remaining fund information of the State of New Mexico Regulation & Licensing Department (Department) as of and for the year ended June 30, 2008, which collectively comprise the Department's basic financial statements as listed in the accompanying table of contents. We have also audited the financial statements of each of the Department's nonmajor governmental funds, including the budgetary comparisons, presented in the accompanying combining and individual fund financial statements as supplementary information as of and for the year ended June 30, 2008, 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, the financial statements of the Department are intended to present the financial position and the changes in financial position of only that portion of the governmental activities each major fund and the aggregate remaining fund information reporting entity of the State of New Mexico that is attributable to the transactions of the

Kelly O'Donnell, Ph.D, Superintendent
State of New Mexico
Regulation and Licensing Department
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

Department. They do not purport to, and do not, present fairly the financial position and budgetary comparisons for the year then ended of the State of budgetary comparisons for the year then ended of the State of New Mexico as of June 30, 2008, and the changes in its financial position where applicable, for the year then ended in conformity 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, 2008, and the respective changes in financial position thereof, and the budgetary comparisons for each major governmental fund 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 above present fairly, in all material respects, the respective financial position of each nonmajor governmental funds of the Department, as of June 30, 2008, and the respective changes in the financial position thereof and the budgetary comparisons of each nonmajor special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2009, on our consideration of the Department's internal control over financial reporting and 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.

Kelly O'Donnell, Ph.D, Superintendent
State of New Mexico
Regulation and Licensing Department
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

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

Our audit was conducted for the purpose of forming opinions on the basic financial statements and the combining and individual fund financial statements and budgetary comparisons. The accompanying schedule listed in the table of contents as supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Moss Adams LLP

Albuquerque, New Mexico
January 26, 2009

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Regulation and Licensing Department's discussion and analysis provides an overview of the financial activities for the fiscal year ended June 30, 2008. Since this information is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the financial statements.

USING THE FINANCIAL STATEMENTS

The financial statements consist three sections. The first section is the Introductory Section. The second is the Financial Section, which includes the management's discussion and analysis (this section), the basic financial statements, Individual Fund Statements, the Supplementary Information. The third sections is the Other Information section and consists of the report on internal controls, and schedules of prior and current year findings.

The basic financial statements include a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Department as a whole and present a longer-term view of the Department's finances. The fund financial statements follow. For governmental activities, these statements tell how these services were financed for the reporting period. Fund financial statements report the Department's operations in more detail than the government-wide statements by providing information about the Departments most significant funds, which are the General Fund, the Board of Pharmacy and the Real Estate Commission.

The Statement of Net Assets and the Statement of Activities

One of the most important questions asked about the Regulation and Licensing Department's finances is, "Is the Department as a whole better or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Department as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using accrual basis of accounting, which is similar to the accounting used by the most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

These two statements report the Department's net assets and changes in them. You can think of the Department's net assets — the difference between assets and liabilities—as one way to measure the Department's financial health, or financial position. Over time, increases or decreases in the Department's net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the revenue projections of the State in general and the size of the licensing pools, to assess the overall health of the Department.

In the Statement of Net Assets and the Statement of Activities, the Department presents Governmental activities. All of the Department's activities are reported here. Appropriations from the state general fund and licensing fees finance most activities.

Fund Financial Statements

The fund financial statements provide detailed information about the general fund, the Pharmacy Board and the Real Estate Commission, and a summary of all the non major funds. The Department's funds are reported using an accounting method called modified accrual accounting. This method measures cash and all other financial assets that can be readily converted to cash. The fund statements provide a detailed view of the Department's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the future to finance the Department's programs.

The Department as Fiduciary

The Department is the fiduciary over assets which are collected on behalf of the State General Fund. The Department's fiduciary activities are reported in separate Statement of Changes in Assets and Liabilities. We exclude these activities from the Department's other financial statements because the Department cannot use these assets to finance its operations.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

THE DEPARTMENT AS A WHOLE

The Department's net assets increased by \$914,238 from \$14,257,951 to \$15,172,189. In contrast, last year net assets increased by \$1,705,627. Our analysis below focuses on the net assets and changes in net assets of the Department's governmental activities.

Statement of Net Assets	June 30, 2008	June 30, 2007
Government Activities		
Current and other assets	\$ 21,137,125	\$ 21,858,258
Capital assets	229,695	394,084
Total assets	<u>22,366,820</u>	<u>22,252,342</u>
Current liabilities	6,631,496	7,994,391
Long-term liabilities	563,135	-
	7,194,631	7,994,391
Net assets		
Invested in capital assets	229,695	394,084
Restricted for special purposes	15,991,726	14,869,436
Unrestricted (deficit)	(1,049,232)	(1,005,569)
Total net assets	<u>\$ 15,172,189</u>	<u>\$ 14,257,951</u>

The Department realized a 6.8% increase in net assets over fiscal year 2007. The increases were due to items such as prepaid postage increasing, and a significant decrease in liabilities. Notable decreases in liabilities include accounts payable and compensated absences.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

Statement of Activities

Statement of Activities	June 30, 2008	June 30, 2007
Government Activities		
Operating grants and charges for services	\$ 7,405,471	\$ 8,729,962
General fund appropriations	16,095,100	14,865,400
Net transfers in	1,132,957	-
Reversions	(408,625)	(296,521)
Other	215,501	201,813
Total revenue	<u>24,440,404</u>	<u>23,500,654</u>
Program expense	<u>23,526,166</u>	<u>21,836,863</u>
Change in net assets	914,238	1,663,791
Net assets, beginning of year	14,257,951	12,594,160
Net assets, end of year	<u>\$ 15,172,189</u>	<u>\$ 14,257,951</u>

The Department's total revenues increased by about 8 percent or \$1,765,517. The total cost of all programs and services increased by \$2,460,518, or more than 11 percent with three new boards added this year. Even with this growth in expenses, the Department covered this year's costs.

THE DEPARTMENT'S FUNDS

As the Department completed the year, it reported a combined fund balance of \$15,364,890, which is above last year's total of \$14,869,436.

Budgetary Highlights

Over the course of the year, the Regulation and Licensing Department adjusted the budget in accordance with the General Appropriation Act. These budget adjustments allowed fall into two categories. The two categories are transfers between categories and budget increases of up to 5 percent in the special revenue funds.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2008, the Department had \$229,695 invested in capital assets, including vehicles and IT Equipment. This amount represents a net decrease of about \$164,389, or about 42 percent, under last year.

This year's major additions included \$171,594. Additions include a vehicle in the Pharmacy Board, various IT Equipment and a patient simulator in the Dental Board.

Long-Term Liabilities

The Department's obligations include accrued vacation pay and sick leave. They have remained stable.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Department's budget is determined by an annual appropriation from the Legislature. In fiscal year 2009, due to projected revenue shortfalls, the Department anticipates a budget reduction of five percent of general fund appropriations. The reduction is projected to carry forward into fiscal year 2010.

CONTACTING THE DEPARTMENT'S FINANCIAL MANAGEMENT

The Department's financial statements are designed to provide users with a general overview of the Department's finances and to show the Department's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Department's Chief Financial Officer and Administrative Services Division Director at (505) 476-4800 or at the Department's Administrative Services Division office located in the Toney Anaya Building, 2550 Cerrillos Road, Santa Fe, NM 87505.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF NET ASSETS
June 30, 2008

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Interest in State Treasurer General Fund Investment Pool	\$ 21,657,642
Accounts receivable	8,792
Prepaid postage	102,568
Due from other state agencies	310,070
Due from federal government	9,767
Inventories	48,286
Total current assets	<u>22,137,125</u>
Capital assets	
Capital assets	420,257
Accumulated depreciation	(190,562)
Total noncurrent assets	<u>229,695</u>
Total assets	<u>22,366,820</u>
LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts payable	1,057,869
Accrued payroll	781,759
Cash deficit	19,590
Due to other state agencies	172,805
Due to Federal Government	3,080
Deferred revenue	3,296,141
Reversions payable to State General Fund	814,155
Compensated absences	486,097
Total current liabilities	<u>6,631,496</u>
Long-term Liabilities	
Compensated absences	563,135
Total long-term liabilities	<u>563,135</u>
Total liabilities	<u>7,194,631</u>
Net assets	
Invested in capital assets	229,695
Restricted for special purposes	15,991,726
Unrestricted (deficit)	(1,049,232)
Total net assets	<u>\$ 15,172,189</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF ACTIVITIES
Year Ended June 30, 2008

		Program Revenues		Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants	Governmental Activities
Governmental Activities				
Construction Industries	\$ 9,774,617	-	-	(9,774,617)
Financial Institutions	2,984,085	-	-	(2,984,085)
Alcohol and Gaming	984,058	-	-	(984,058)
Pharmacy Program	1,412,106	1,448,976	-	36,870
Boards and Commissions	4,598,752	5,698,630	81,100	1,180,978
Program Support	3,772,548	176,765	-	(3,595,783)
Total governmental activities	23,526,166	7,324,371	81,100	(16,120,695)
General Revenues				
General Fund appropriation				16,095,100
Transfers in/out				1,132,957
Reversion to State General Fund				(408,625)
Interest and investment earnings				215,501
Total general revenues				17,034,933
Changes in net assets				914,238
Net assets, beginning				14,257,951
Net assets, ending				\$ 15,172,189

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2008

	General Fund	Pharmacy	Real Estate Commission	Non-Major Funds	Total Governmental Funds
ASSETS					
Interest in State Treasurer General Fund Investment Pool	\$ 1,978,272	4,916,089	3,182,820	11,580,461	21,657,642
Accounts receivable	727	-	-	8,065	8,792
Prepaid postage	31,266	90	190	71,022	102,568
Due from other funds	9,828	-	-	20,805	30,633
Due from other state agencies	94,389	-	-	215,681	310,070
Due from federal government	-	-	-	9,767	9,767
Inventories	-	-	-	48,286	48,286
Total assets	\$ 2,114,482	4,916,179	3,183,010	11,954,087	22,167,758
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 803,359	27,148	20,003	207,359	1,057,869
Accrued payroll	(113,818)	301,283	128,507	465,787	781,759
Cash deficit	-	-	-	19,590	19,590
Deferred revenues	-	841,138	656,811	1,798,192	3,296,141
Due to state general fund	814,155	-	-	-	814,155
Due to other funds	4,306	-	11,631	14,696	30,633
Due to other state agencies	149,332	5,269	4,145	14,059	172,805
Due to Federal Government	1,380	100	-	1,600	3,080
Total liabilities	1,658,714	1,174,938	821,097	2,521,283	6,176,032
Fund Balances					
Reserved for					
Prepaid postage	31,266	90	190	71,022	102,568
Inventories	-	-	-	48,286	48,286
Unreserved - Special Revenue Funds					
Designated for subsequent year expenditures	424,502	3,741,151	2,361,723	9,313,496	15,840,872
Total fund balances	455,768	3,741,241	2,361,913	9,432,804	15,991,726
Total liabilities and fund balances	\$ 2,114,482	4,916,179	3,183,010	11,954,087	22,167,758

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
WITH THE STATEMENT OF NET ASSETS
June 30, 2008

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

Total fund balance - governmental funds	\$	15,991,726
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Capital assets used in governmental activities are not financial
resources and therefore are not reported as assets in
governmental funds.

The cost of capital assets	\$	420,257
Accumulated depreciation		<u>(190,562)</u>

Cost of capital assets less accumulated depreciation		229,695
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Long-term liabilities are not due and payable in
the current period and therefore are not reported as liabilities
in the funds. Long-term liabilities at year-end consist of

Compensated absences (vacation)		<u>(1,049,232)</u>
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Bonds payable and compensated absences (vacation)		<u>(1,049,232)</u>
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Total net assets - governmental activities	\$	<u><u>15,172,189</u></u>
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See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2008

	General Fund	Pharmacy	Real Estate Commission	Non-Major Funds	Total
Revenues					
License fees	\$ 74,020	1,399,600	1,156,810	3,988,541	6,618,971
Services	-	32,450	7,210	274,980	314,640
Publications	-	1,811	13,113	14,744	29,668
Federal sources	-	-	-	81,100	81,100
Interest on investments	-	-	-	215,501	215,501
Other revenues	102,745	15,115	35,287	207,945	361,092
Total revenues	176,765	1,448,976	1,212,420	4,782,811	7,620,972
Expenditures					
Current					
Personal services	9,667,648	820,555	352,092	1,852,041	12,692,336
Employee benefits	3,956,672	304,991	131,651	721,570	5,114,884
In-state travel	668,385	20,225	15,876	160,826	865,312
Maintenance and repairs	573,719	25,134	3,453	24,634	626,940
Supplies and materials	495,551	10,506	5,608	147,054	658,719
Contractual services	406,677	15,346	46,439	479,266	947,728
Operating costs	1,044,572	181,577	108,698	367,857	1,702,704
Other costs	81,307	5,836	14,223	43,448	144,814
Out-of-state travel	53,059	4,341	1,927	34,906	94,233
Capital outlay	359,666	23,595	-	87,183	470,444
Total expenditures	17,307,256	1,412,106	679,967	3,918,785	23,318,114
Revenues over (under) expenditures	(17,130,491)	36,870	532,453	864,026	(15,697,142)
Other financing sources (uses)					
Transfers in	1,691,857	-	-	659,090	2,350,947
Transfers out	-	(230,130)	(385,800)	(602,060)	(1,217,990)
General Fund appropriation	16,095,100	-	-	-	16,095,100
Reversions to state general fund	(408,625)	-	-	-	(408,625)
Total financing sources (uses)	17,378,332	(230,130)	(385,800)	57,030	16,819,432
Net change in fund balances	247,841	(193,260)	146,653	921,056	1,122,290
Fund balances, beginning of year	207,927	3,934,501	2,215,260	8,511,748	14,869,436
Fund balances - ending	\$ 455,768	3,741,241	2,361,913	9,432,804	15,991,726

See Notes to Financial Statements

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT
OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES WITH
THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2008

Total net change in fund balances - governmental funds \$ 1,122,290

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities these costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.

Capital asset additions	\$ 171,594	
Loss on disposal of assets	(304,241)	
Depreciation expense	<u>(31,742)</u>	
Net Change in Capital Assets		(164,389)

Accrued compensated absences are recorded as liabilities in the long-term debt group of accounts in the governmental funds. However, for government activities, these costs are shown in the Statement of Net Assets and the changes in the liability are recorded as a reduction or increase in the current personal services category.

Change in accrued compensated absences		<u>(43,663)</u>
Changes in net assets of governmental activities		<u><u>\$ 914,238</u></u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
State General Fund appropriation	\$ 16,046,900	15,854,400	16,095,100	240,700
Other licenses and permits	-	-	74,020	74,020
Federal funds	-	-	-	-
Miscellaneous revenue	-	-	-	-
Other revenue	-	-	102,745	102,745
Other financing sources	1,583,000	1,602,700	1,691,857	89,157
Total revenues	<u>17,629,900</u>	<u>17,457,100</u>	<u>17,963,722</u>	<u>506,622</u>
Expenditures				
Personnel services and employee benefits	14,341,500	13,687,700	13,624,320	63,380
Contractual services	332,600	462,600	406,677	55,923
Other	3,195,903	3,739,403	3,276,259	463,144
State General Fund Reversion	-	-	408,625	(408,625)
Total expenditures	<u>17,870,003</u>	<u>17,889,703</u>	<u>17,715,881</u>	<u>173,822</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(240,103)	(432,603)	<u>\$ 247,841</u>	<u>680,444</u>
Cash balance carryforward	-	-		
Total	<u>\$ (240,103)</u>	<u>(432,603)</u>		
Excess revenue over expense			<u>\$ 247,841</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND - CONSTRUCTION INDUSTRIES AND HOUSING
Year Ended June 30, 2008
Program one

	Original Budget	Revised Budget	Actual - Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
State general fund appropriation	\$ 9,581,700	9,389,200	10,534,300	1,145,100
Reversion to State General Fund	-	-	-	-
Other licenses and permits	-	-	-	-
Federal revenues	-	-	-	-
Miscellaneous revenue	-	-	-	-
Other revenue	-	-	-	-
Other financing sources	367,300	367,300	302,900	(64,400)
Total revenues	9,949,000	9,756,500	10,837,200	1,080,700
Expenditures				
Personnel services and employee benefits	8,007,900	7,747,900	7,714,799	33,101
Contractual services	36,200	77,700	63,941	13,759
Other	1,904,900	2,123,400	1,995,877	127,523
Other financing uses	-	-	-	-
Total expenditures	9,949,000	9,949,000	9,774,617	174,383
Excess (deficiency) of revenues over expenditures (beginning cash balance used to balance budget	-	(192,500)	\$ 1,062,583	1,255,083
Cash balance carryforward	-	-		
Total	\$ -	(192,500)		

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND- FINANCIAL INSTITUTION AND SECURITIES
Year Ended June 30, 2008
Program 2

	Original Budget	Revised Budget	Actual - Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
State general fund appropriation	\$ 3,065,500	3,065,500	3,065,500	-
Reversion to State General Fund	-	-	-	-
Other licenses and permits	-	-	-	-
Federal revenues	-	-	-	-
Miscellaneous revenue	-	-	-	-
Other revenue	-	-	-	-
Other financing sources	121,600	121,600	121,600	-
Total revenues	3,187,100	3,187,100	3,187,100	-
Expenditures				
Personnel services and employee benefits	2,860,800	2,523,300	2,397,323	125,977
Contractual services	7,300	60,800	59,689	1,111
Other	319,000	603,000	527,073	75,927
Other financing uses	-	-	-	-
Total expenditures	3,187,100	3,187,100	2,984,085	203,015
Excess (deficiency) of revenues over expenditures (beginning cash balance used to balance budget	-	-	\$ 203,015	203,015
Cash balance carryforward	-	-		
Total	\$ -	-		

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND-ALCOHOL AND GAMING
Year Ended June 30, 2008
Program 3

	Original Budget	Revised Budget	Actual - Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
State general fund appropriation	\$ 1,004,400	1,004,400	-	(1,004,400)
Reversion to State General Fund	-	-	-	-
Other licenses and permits	-	-	-	-
Federal funds	-	-	-	-
Miscellaneous revenue	-	-	-	-
Other revenue	-	-	-	-
Other financing sources	-	-	-	-
Total revenues	<u>1,004,400</u>	<u>1,004,400</u>	<u>-</u>	<u>(1,004,400)</u>
Expenditures				
Personnel services and employee benefits	890,900	794,900	779,529	15,371
Contractual services	42,100	77,100	75,847	1,253
Other	71,400	132,400	128,682	3,718
Other financing uses	-	-	-	-
Total expenditures	<u>1,004,400</u>	<u>1,004,400</u>	<u>984,058</u>	<u>20,342</u>
Excess (deficiency) of revenues over expenditures (beginning cash balance used to balance budget	-	-	<u><u>-\$ 984,058</u></u>	<u><u>(984,058)</u></u>
Cash balance carryforward	<u>-</u>	<u>-</u>		
Total	<u><u>\$ -</u></u>	<u><u>-</u></u>		

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND - PROGRAM SUPPORT
Year Ended June 30, 2008
Program 4

	Original Budget	Revised Budget	Actual - Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
State general fund appropriation	\$ 2,395,300	2,395,300	2,395,300	-
Reversion to State General Fund	-	-	(408,625)	(408,625)
Other licenses and permits	-	-	-	-
Federal revenues	-	-	-	-
Miscellaneous revenues	-	-	-	-
Other revenues	-	-	-	-
Other financing sources	1,094,100	1,113,800	1,017,400	(96,400)
Total revenues	3,489,400	3,509,100	3,004,075	(505,025)
Expenditures				
Personnel services and employee benefits	2,581,900	2,621,600	2,609,278	12,322
Contractual services	247,000	247,000	207,201	39,799
Other	660,500	640,500	630,137	10,363
Other financing uses	-	-	-	-
Total expenditures	3,489,400	3,509,100	3,446,616	62,484
Excess (deficiency) of revenues over expenditures (beginning cash balance used to balance budget	-	-	\$ (442,541)	(442,541)
Cash balance carryforward	-	-		
Total	\$ -	-		

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND - PSFA FUNDING CID INSPECTIONS
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual - Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
State general fund appropriation	\$ -	-	-	-
Other licenses and permits	-	-	-	-
Federal revenues	-	-	-	-
Miscellaneous revenues	-	-	-	-
Other revenues	-	-	-	-
Other financing sources	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Personnel services and employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	240,103	240,103	240,103	-
Other financing uses	-	-	-	-
Total expenditures	240,103	240,103	240,103	-
Excess (deficiency) of revenues over expenditures (beginning cash balance used to balance budget	(240,103)	(240,103)	\$ (240,103)	-
Cash balance carryforward	-	-		
Total	\$ (240,103)	(240,103)		

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF PHARMACY
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 67,100	67,100	-	(67,100)
Other licenses and permits	-	-	-	-
Registration for trades and professions licenses	1,326,700	1,326,700	1,399,600	72,900
Trades and professions examination fees	500	500	-	(500)
Other current services	19,600	19,600	32,450	12,850
Other publications	2,000	2,000	1,811	(189)
Interest on bank deposits	-	-	-	-
Other Grants	-	-	-	-
Court fines and forfeitures	14,600	14,600	-	(14,600)
Other penalties	7,000	7,000	-	(7,000)
Auto Property	-	-	-	-
Miscellaneous revenue	-	-	15,115	15,115
Other financing sources	-	-	-	-
Total revenues	<u>1,437,500</u>	<u>1,437,500</u>	<u>1,448,976</u>	<u>11,476</u>
Expenditures				
Personnel Services and employee benefits	1,125,000	1,125,000	1,125,546	(546)
Contractual services	24,400	124,400	15,346	109,054
Other	276,400	296,300	271,214	25,086
Other financing uses	235,000	235,000	230,130	4,870
Total expenditures	<u>1,660,800</u>	<u>1,780,700</u>	<u>1,642,236</u>	<u>138,464</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(223,300)	(343,200)	<u>\$ (193,260)</u>	<u>149,940</u>
Cash balance carryforward	-	-		
Total	<u>\$ (223,300)</u>	<u>(343,200)</u>		
Excess revenue over expense- Budgetary Basis			<u>\$ (193,260)</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
REAL ESTATE COMMISSION
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 143,500	143,500	1,156,810	1,013,310
Other licenses and permits	-	-	-	-
Registration for trades and professions licenses	338,500	338,500	-	(338,500)
Other registration fees	28,900	28,900	-	(28,900)
Trades and professions examination fees	42,800	42,800	-	(42,800)
Other current services	3,200	3,200	7,210	4,010
Manuals and codes	6,400	6,400	-	(6,400)
Other publications	700	700	13,113	12,413
Other penalties	5,800	5,800	-	(5,800)
Miscellaneous revenue	-	-	35,287	35,287
Other financing sources	-	-	-	-
Total revenues	569,800	569,800	1,212,420	642,620
Expenditures				
Personnel services and employee benefits	561,700	561,700	483,743	77,957
Contractual services	111,500	111,500	46,439	65,061
Other	232,900	232,900	149,785	83,115
Other financing uses	395,800	395,800	385,800	10,000
Total expenditures	1,301,900	1,301,900	1,065,767	236,133
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(732,100)	(732,100)	\$ 146,653	878,753
Cash balance carryforward	-	-		
Total	\$ (732,100)	(732,100)		
Excess revenue over expense- Budgetary Basis			<u>\$ 146,653</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
June 30, 2008

	<u>Agency Funds</u>
ASSETS	
Interest in State Treasurer General Fund Investment Pool	\$ 2,284,192
LIABILITIES	
Due to State General Fund	\$ 2,284,192
Total liabilities	<u>\$ 2,284,192</u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008**

NOTE 1. HISTORY, MISSION AND ORGANIZATION

General Information and Function of Entity. The State of New Mexico and Licensing Department (Department) was created July 1, 1983, by the Regulation and Licensing Department Act (Laws of 1983, Chapter 297, Section 19 through 29). The Act provided that the administration of professional and occupational licensing functions of the executive branch of state government may be consolidated under the supervision of the Department upon executive order issued by the Governor. This consolidation was completed during the fiscal year ended June 30, 1987.

The mission of the Department is to enforce applicable laws, rules, regulation and codes and administer them in a manner that effects a balanced approach to public safety, financial welfare and the development of the regulated industries. The Department consists of the Office of the Superintendent and six divisions: the Administrative Services Division, the Construction Industries Division, the Manufactured Housing Division, the Financial Institutions Division, the Securities Division and the Alcohol and Gaming Division.

The Administrative Services Division (ASD) provides the Department with fiscal, personnel, management information systems, and other support services and acts as liaison with the Department of Finance and Administration, General Services Department, State Personnel, State Auditor, State Treasurer, Records and Archives and other general control agencies to ensure compliance with state laws and regulation.

The Regulation and Licensing Act (Laws of 1983, Chapter 297, Section 30) provides for the administration of professional and occupational licensing functions of the executive branch of state government under the supervision of the Regulation and Licensing Department upon executive and financial services to 28 boards and commissions. Each of the boards and commissions has Department employees assigned as staff which are responsible for licensing of individuals and for maintaining licensing files containing historical, continuing education and disciplinary information on each licensee, thereby providing daily accessibility to the public, licensees, legislators and board members. Additionally, the staff is responsible for the daily execution of board operations, including all licensing and examination functions, preparing minutes of board meetings, responding to inquiries, taking actions as required by the boards they serve, and coordinating actions with appropriate officials and agencies.

All board administrators work cooperatively with the boards and commissions section's fiscal staff to provide each board with monthly financial statements. Complaints received are reviewed by the boards, referred for investigation, when appropriate, and returned to the specific licensing boards for a determination of disciplinary action. Annual inspections are performed on drug outlets, cosmetology establishments, barber establishments, funeral homes and real estate offices in order to ensure compliance with statutes, regulations and minimum standards of sanitation, where applicable.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008**

NOTE 1. HISTORY, MISSION AND ORGANIZATION (CONTINUED)

The Construction Industries Division (CID) administers examinations, licensing, certification, regulation, inspection, and supervision of individuals and businesses in the contracting and construction industries. The Division is required by law to "promote the general welfare of the people of New Mexico by providing for the protection of life and property by adopting and enforcing codes and standards for construction, alteration, installation, connection, demolition and repair work" pursuant to NMSA 1978 Compilation (1989 amendment). Section 60-13-1.1. CID also administers the Employee Leasing and Carnival Ride Insurance Acts pursuant to NMSA 1978, Sections 60-13A and 57-25, respectively.

The Securities Division is responsible for administering the New Mexico Securities Act of 1986 and the Model State Commodity Code. Pursuant to those laws the Division registers securities offerings, licenses securities sales representatives, broker-dealers, investment advisers and investment adviser representatives, and takes administrative civil enforcement action when necessary. The Division also administers the New Mexico Securities Education and Training Fund, which is funded by administrative assessments levied against companies or individuals found to have violated the Securities Act.

The Manufactured Housing Division (MHD) supervises and regulates the manufactured housing industry within the state, with the exception of manufactured units used for commercial purposes that are regulated by the Construction Industries Division. The Manufactured Housing Act (NMSA 1978, 1983 Supplement, Section 60-14-20 Through 60-14-20) provides that its purpose is "to insure the purchasers and users of manufactured homes and essential conditions of health and safety which are their right and to provide that the business practices of the industry are fair and orderly among the members of the industry with due regard to the ultimate consumers in this important area of human shelter".

The Financial Institutions Division (FID) is responsible for administering the statutory requirements of the Banking Act, the Trust Company Act, Collection Agency Regulatory Act, the endowed Care Cemetery Act, the New Mexico Small Loan Act, the Mortgage Loan Company and Broker Act, the Credit Union Regulatory Act, the Motor Vehicle Sales Finance Company Act, the Escrow Company Act, the Negotiable Check, Drafts and Money Order Act, the Retail Installment Sales Act, and the Savings and Loan Act. Additionally, the Director, by statute, is an ex officio voting member of the New Mexico Mortgage Finance Authority. The Division provides general supervision of all state-chartered financial institutions and regulated industries, with a primary focus to ensure the existence of safe and sound financial practices within the regulated entities.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008**

NOTE 1. HISTORY, MISSION AND ORGANIZATION (CONTINUED)

The Alcohol and Gaming Division is the licensing and regulatory authority for the Liquor Control Act and the Bingo and Raffle Act. The Division licenses and regulates the sales, services and public consumption of alcoholic beverages so as to protect the public health, safety and morals of each community. The Division is also charged with the ultimate disposition of any administrative charges filed against a licensee by the New Mexico Department of Public Safety Special Investigations Division. The liquor control section of the Division is funded by an appropriation from the State of New Mexico General Fund. All fees from licenses, citation, and other administrative charges are deposited directly to the State of New Mexico General Fund. The bingo and raffle section of the Division is responsible for the licensing and regulation of bingo and raffle operations and is funded by the State of New Mexico General Fund. The fees from licenses issued are deposited directly to the State of New Mexico General Fund.

Reporting Entity. In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America (GAAP) and Government Accounting Standards Board (GASB) Statement 14.

The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters.

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, there was no component units identified that were excluded from the reporting entity.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basic Financial Statements

The accounting policies of the Department conform to accounting principles generally accepted in the United States of America as applicable to governmental entities.

The basic financial statements include both government-wide (based on the Department as a whole) and fund financial statements. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type. The Department only has governmental activities. In the government-wide Statement of Net Assets, the governmental activities are presented on a consolidated basis and are reflected on the full accrual, economic resource basis, measurement focus, which incorporates long term assets and receivables as well as long-term debt and obligations. Interfund balances and activity has been eliminated in the government-wide statements. A deficit (negative) balance in unrestricted net assets would indicate that obligations incurred in the current and prior periods exceed the value of assets currently available, and that the assets of future periods will be required to meet the established obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category, which are otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation expense on capital assets) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function and consist primarily of fees and operating grants.

The net cost by function is normally covered by general revenue. Historically, the previous model did not summarize or present net cost by function or activity. The Department does not employ indirect cost allocation in the financial statements.

As to fund financial statements, emphasis is on the major funds of the governmental category. Nonmajor funds are summarized into a single column. The Department's major funds are the General Fund, Board of Pharmacy and Real Estate Commission.

The governmental funds in the fund financial statements are presented on a current financial resource measurement focus and accrual basis of accounting.

The Department's only fiduciary funds are agency funds and are presented in the fund financial statements in total. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

B. Basis of Presentation - Fund Accounting

The accounts of the Department are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements into three generic fund types and two broad fund categories as follows:

Governmental Funds

Governmental funds are those through which general governmental functions of the Department are financed. The acquisition, use and balances of the Department's expendable financial resources and the related liabilities are accounted for through governmental fund types:

General Fund. The general fund is the general operating fund of the Department. All of the Divisions are supported by a New Mexico State General Fund appropriation. All other Department entities are self-supporting, through self-generated revenues. With minor exceptions, excess revenues revert to the New Mexico State General Fund at year-end. This fund is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds. Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The revenues collected through permits, licenses, and other registration and exam fees by the individual boards and commissions are to be used to fund the activities of each respective board and commission. The individual boards and commissions for which the Department has oversight authority are identified in the preamble to the Schedules of Revenue and Expenditures - Budget and Actual. Special revenue funds of the Department's governmental funds have been non-reverting to the State General Fund as outlined below.

In addition to the individual boards and commissions, there are ten special revenue funds that have been established for purposes other than the licensing and monitoring of members. The purpose of these ten funds is enumerated in the preamble to the Schedules of Revenues and Expenditures - Budget and Actual.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

B. Basis of Presentation - Fund Accounting (Continued)

Special Revenue Fund	NMSA Authority
CID Revolving Fund	60-13-8.1
Accountancy	61-28B-6
Acupuncture	61-14A-18
Athletic Commission	60-2A-24
Athletic Trainers	61-14D-18
Barbers and Cosmetologist	61-17A-14
Chiropractic Examiners	61-4-7
Counselors and Therapists	61-9A-25
Dental Examiners	61-5B-11
Interior Design	61-24C-16
Landscape Architects	61-24B-14
Message Therapist	61-12C-23
Nursing Home Administrators	61-13-12
Nutrition and Dietetics	61-7A-12
Occupational Therapy	61-12A-20
Optometry	61-2-7
Pharmacy	61-11-9
Physical Therapists	61-12D-6
Podiatry	61-8-7
Private Investigators and Polygraph	61-27A-18
Psychologist Examiners	61-9-5
Real Estate Commission	61-29-8
Real Estate Appraisers	61-30-18
Respiratory Care Advisory	61-12B-13
Social Workers	61-31-16
Speech, Language and Audio	61-14B-24
Thanatopractice	61-32-26
Naprapathy	61-12E-13
Real Estate Recovery	61-29-21
Carnival Ride Insurance	57-25-3
Hoisting Operators	60-15-1 to 15
Sign Language Interpreting Services	61-34-13
Animal Shelter Services	77-1B-4

In addition, the Vehicle Replacement and FID Revolving are considered reverting funds. HUD Manufactured Housing and Osteopathic Examiners Funds have been considered non-reverting funds in the past. No statutory situation could be located to confirm their non-reverting status, but the Department is currently researching their status.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

B. Basis of Presentation - Fund Accounting (Continued)

Fiduciary Funds

Fiduciary Funds. Fiduciary funds are used to account for assets held by the Department as an agent for other government and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The funds serve as suspense accounts for the deposit of receipts of the Administrative Services Division, Construction Industries Division, Financial Institutions Division, Securities Division, and Manufactured Housing Division. At the close of each month, money received is transferred from the suspense accounts to the general fund.

Basis of Accounting. Basis of accounting refers to the point at which revenues, expenditures, transfers and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are presented on an accrual basis of accounting. The governmental funds in the fund financial statements are presented on a modified accrual basis. The fiduciary funds are presented using the economic resources measurement focus and the accrual basis of accounting.

The government-wide financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. The Department has elected to apply the provisions of all relevant pronouncements of the Financial Accounting Standards Board (FASB), including those issued after November 30, 1989. The governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement 33, 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 revenues by the recipient.

Budgets and Budgetary Accounting. The State Legislature makes annual appropriations to the Department. Legal compliance is monitored through the establishment of an annual budget. Annual budgets are adopted each fiscal year for the General Fund and the Special Revenue Fund. Expenditures may not legally exceed appropriations at the object

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

E. Budgetary Accounting (Continued)

expenditure classification level. Amendments to the budget require approval by the State's Financial Control Division of the New Mexico Department of Finance and Administration (DFA). The budgets presented have been so amended during the fiscal year.

The Department follows these procedures in establishing the budgetary data reflected in the financial statements.

No later than September 1, the Department submits to the Legislative Finance Committee (LFC), and the Department of Finance and Administration (DFA) an appropriation request for the fiscal year commencing the following July 1. The appropriation request includes proposed expenditures and the means of financing them.

Appropriation request hearings are scheduled by the DFA. Budget hearings are scheduled before the New Mexico House Appropriations and Senate Finance Committees. The final outcomes of these hearings are incorporated into the General Appropriations Act. The Act is signed into law by the Governor of the State of New Mexico within the legally prescribed time limit.

The Department submits to the DFA, no later than May 1, an annual operating budget by category and line item based upon the appropriation made by the Legislature. The DFA – Budget Division reviews and approves the operating budget which becomes effective on July 1. All subsequent budget adjustments must be approved by the director of the DFA - Budget Division and the LFC.

Legal budget control for expenditures is by category of line item. Formal budgetary integration is employed as a management control device during the fiscal year for the General Fund.

Budgets are prepared in accordance with accounting principles generally accepted in the United States of America. Revenue from other sources is non-reverting. Grant and contribution revenues consist of a HUD Manufactured Housing Federal grant. Charges for services consist primarily of fees charged to regulated entities.

The budget is adopted on a modified accrual basis of accounting (General Appropriations Act, Laws of 2006, Chapter 109, Section 3 Subsections O and N) except for accounts payable accrued at the end of the fiscal year that do not get paid by the statutory deadline (Section 6-10-4 NMSA 1978) that must be paid out of next year's budget. A reconciliation of budgetary basis to GAAP basis will be necessary if any accounts payable at the end of the fiscal year are not paid by the statutory deadline. The Department has not included such reconciliation for fiscal year 2008 as all payables were paid by the statutory deadline.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

E. Budgetary Accounting (Continued)

Prepaid Items. Prepaid balances are for payments made by the Department in the current year to provide prepaid postage cost for use in the subsequent fiscal year, and the reserve for prepayment has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

Inventories. Inventories consist of books and manuals for resale by the Construction Industries Division. Inventories are valued at cost using the first-in, first-out method. The reported fund balance reservation indicates that the inventory does not represent available expendable resources for Department programs.

Other Financing Sources. The amounts recorded as "other financing sources" are overhead costs charged to various board and commissions. The costs are recorded as expenditures under other costs. The revenue and costs are eliminated on the Statement of Activities.

Receivables. No allowance for doubtful accounts has been recorded as management estimates that all amounts are collectible.

Interfund Receivables and Payables. Short-term amounts owed between funds are classified as "Due from/to other fund".

Capital Assets. Property, plant and equipment assets purchased or acquired at a value of \$5,000 or greater are capitalized. Though immaterial, capital assets capitalized include computer software license rights purchased. All fixed assets are valued at historical cost or estimated historical cost if actual history is not available. Donated assets, or those contributed by other governmental entities, are valued at their estimated fair market value on the date donated. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over estimated useful lives with no salvage value. The Department estimates the useful lives of fixed assets as follows:

Building and structures	10 years
Furniture and fixtures	7 years
Machinery and equipment	3-7 years
Vehicles	5 years

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

E. Budgetary Accounting (Continued)

Accrued Compensated Absences. Qualified employees are entitled to accumulate annual leave at various rates depending upon their length of service. A maximum of thirty (30) working days of such accumulated annual leave may be carried forward into the beginning of a calendar leave year and any excess is lost. When employees terminate, they are compensated for accumulated unpaid annual leave as of the date of termination, up to a maximum of thirty days.

Qualified employees are entitled to accumulate sick leave at various rates depending upon their length of service. There is no limit to the amount of sick leave that an employee may accumulate.

Sick leave is not paid when employees terminate or retire, except in two instances. The 1983 State Legislature approved, and the New Mexico State Personnel Board Rules permit, payment at (50%) of an employee's hourly wage of accrued sick leave in excess of 600 hours as follows: (1) twice a year for current employees (an employee cannot be paid twice within the same year), for a maximum of 120 hours and (2) to retiring employees, for a maximum of 400 hours.

The Department recognizes the liabilities for compensated absences meeting the requirements of accrual as of year end. The compensated absences payable has been valued using current pay levels. All compensated absences are considered to be paid out of subsequent year resources.

Net Assets. Unrestricted assets represent unrestricted liquid assets. The Department allocates expenses to restricted or unrestricted resources based on the budgeted source of funds, which generally means restricted resources have been spent first. Restricted resources are for future appropriation in the Department's special revenue funds.

Deferred Revenue. Amounts received prior to the time they are considered available to pay current liabilities are recorded as deferred revenue and recognized as revenue using the modified accrual basis of accounting. Such revenue sources include collections received by various boards for licenses and permits prior to their effective issuance as of the end of the fiscal year.

Interfund Transactions. Quasi-external transactions are accounted for as revenues expenditures. Transactions that constitute reimbursements to a fund for expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements,

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

E. Budgetary Accounting (Continued)

are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. The administrative costs charged to the Boards and recorded as revenue by the General Fund have been eliminated.

Use of Estimates. In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3. CASH

Cash and Cash Equivalents Custodial Credit Risk. All funds allotted to the Department are held by the New Mexico State Treasurer. Deposits are non-interest bearing. Money deposited by the Department with the State Treasurer is pooled and invested by the State Treasurer. The State Treasurer deposits public monies with New Mexico financial institutions in denominations which generally are in excess of the \$100,000 in insurance coverage provided by federal agencies. Accordingly, the State Treasurer requires that depository financial institutions provide additional collateral for such investments. The collateral generally is in the form of marketable debt securities and is required in amounts ranging from 50% to 102% of the par value of the investment dependent upon the institutions operating results and capital. Collateral for the fiscal account is required in amounts equal to 50% of the average investment balance. Separate financial statements of the State Treasurer indicate collateral categories of risk and market value of purchased investments. All collateral is held in third-party safekeeping. A supplemental schedule of cash that the Department held as of June 30, 2008, is presented in the financial statements as supplemental information.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

NOTE 4. DUE FROM AND DUE TO OTHER FUNDS

Due from and due to other funds represent interfund receivables and payables arising from interdepartmental transactions related to administrative costs allocated and are expected to be repaid within one year. These amounts have been eliminated on the government-wide statements.

Interfund Receivables

Amount Due From Other Funds			Amount Due to Other Funds		
Fund Name	SHARE Fund No.	Amount	Fund Name	SHARE Fund No.	Amount
Dental Board	447	\$ 300	Occupational Therapy	450	\$ 9,334
Nutrition and Dietetics Board	448	130	Nutrition and Dietetics Board	448	300
Board of Psychology	454	1,249	Private Investigators	459	1,809
HUD Federal Manufacturing	472	18,780	Real Estate Commission	467	11,631
General Fund	433	9,828	Board of Nursing Home Administrators	449	130
Impaired Dentists	876	315	General Fund	433	4,306
Respiratory Care	474	<u>31</u>	Dental Board	447	315
			Vehicle Replacement	296	1,528
			Board of Interior Design	457	646
			Landscape Architects Board	460	<u>634</u>
Total		<u>\$ 30,633</u>	Total		<u>\$ 30,633</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

NOTE 5. CAPITAL ASSETS

The capital asset activity for the year ended June 30, 2008 is as follows:

	Balance 6/30/07	Additions	Deletions	Balance 6/30/08
Governmental Activities				
Depreciable Assets				
Furniture and fixtures	\$ 229,598	-	(229,598)	-
Data processing equipment	4,168,614	147,999	(4,071,592)	245,021
Automotive	329,416	23,595	(177,775)	175,236
Building improvements	177,333	-	(177,333)	-
Totals at historical cost	<u>4,904,961</u>	<u>171,594</u>	<u>(4,656,298)</u>	<u>420,257</u>
Accumulated depreciation				
Furniture and fixtures	150,382	-	(150,382)	-
Data processing equipment	3,962,473	20,293	(3,927,828)	54,884
Automotive	220,910	11,449	(96,681)	135,678
Building improvements	177,112	-	(177,112)	-
Total accumulated depreciation	<u>4,510,877</u>	<u>31,742</u>	<u>(4,352,057)</u>	<u>190,562</u>
Capital assets, net	<u>\$ 394,084</u>	<u>139,852</u>	<u>(304,241)</u>	<u>229,695</u>

The Department does not have any debt related to capital assets as of June 30, 2008. Depreciation expense for the agency amounted to \$31,742 and is all related to the General Government.

NOTE 6. COMPENSATED ABSENCES

	Balance 7/1/07	Additions	Deletions	Balance 6/30/08	Amount due within one year
Compensated Absences	<u>\$ 1,005,569</u>	<u>1,027,547</u>	<u>983,884</u>	<u>1,049,232</u>	<u>486,097</u>

Management estimates that \$486,097 in compensated absences is due within one year. Most of the compensated absences balances have been paid by the General Fund in prior years. The amount of compensated absences is calculated by multiplying the vested hours by the pay rate at year-end plus applicable payroll taxes.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

NOTE 6. COMPENSATED ABSENCES (CONTINUED)

The Department's policy is to permit employees to accumulate earned but unused vacation and sick pay benefits.

Qualified employees accumulate maximum annual leave as follows:

Years of Service	Hours Earned Per Pay Period	Days of Maximum Accrual
Up to 3 years	3.08	30
Over 3 – 7 years	3.69	30
Over 7 – 11 years	4.61	30
Over 11-15 years	5.54	30
Over 15 years	6.15	30

The maximum accrued annual leave may be carried forward into the beginning of the next calendar year and any excess is lost. When employees terminate, they are compensated for accumulated unpaid annual leave as of the date of termination, up to the above maximums.

Accrued Sick Leave. Employees who have over 600 hours of accumulated sick leave can receive payment for the hours over 600 up to 120 hours, on July 1 and January 1 of each year. However, the sick leave will be paid at 50% of the employee's regular hourly wage.

At retirement, employees may receive 50% payment for up to 400 hours for the hours over 600 of accumulated sick leave. Therefore, the only sick leave which has been accrued represents the hours earned at June 30, 2008, over 600. Expenditures for accumulated sick pay for hours under 600 will be recognized as employees take such absences.

NOTE 7. STATE GENERAL FUND REVERSIONS

Unexpended cash balances of the Department's governmental funds are subject to reversion to the State's General Fund unless they are multi-year appropriations or the appropriation periods are specifically extended by act of the Legislature. The table below summarizes the current year reversion amount along with the balance due to the State General Fund at year end.

	Reversion	Balance Due
Budget fiscal year 2006	\$ 350,920	350,920
Budget fiscal year 2007	296,521	-
Budget fiscal year 2008	463,235	463,235
	<u>\$ 1,110,676</u>	<u>814,155</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

NOTE 8. TRANSFERS

Operating transfers, which relate to the allocation of administrative costs, in and out consist of the following:

	Transfers	
	In	Out
General Fund		
Operating Fund (#433)	\$ 930,900	-
Special Revenue Funds		
Signed Language (#2011-xxxx)		\$ 19,590
Barbers and Cosmetology (#439-7300)		94,110
Athletic Commission (#441-6800)		22,230
Massage Therapy (#442-7900)		29,970
Counselors and Therapists (#444-7000)		57,780
Securities Escrow (#445-xxxx)	287,090	
Chiropractic Examiners (#446-7200)		17,720
Dental (#447-7400)		56,310
Nutrition and Dietetics (#448-7500)		3,130
Nursing Home Administration (#449-8100)		7,050
Occupational Therapy (#450-8200)		8,720
Optometry (#451-8300)		9,000
Osteopathic Examiners (#452-8400)		7,250
Podiatry (#453-8700)		3,620
Psychologist (#454-9000)		29,180
Physical Therapist (#455-8600)		18,120
Thanatopractice (#456-9400)		12,730
Interior Design (#457-7800)		6,560
Private Investigation (#459-8900)		22,330
Landscape Architects (#460-7700)		4,500
Pharmacy (#464-8500)		230,130
Real Estate Appraisers (#465-9700)		23,800
Accountancy (#466-6500)		55,330
Real Estate Comm Education and Training (#467-9100)		385,800
Social Workers (#469-9500)		43,090
Acupuncture (#471-6600)		15,280
Speech Language (#473-9300)		22,520
Respiratory Care (#474-9200)		9,300
Athletic Trainers (#475-6900)		2,840
	<u>287,090</u>	<u>1,217,990</u>
Total	<u>\$ 1,217,990</u>	<u>1,217,990</u>

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008**

NOTE 9. RETIREMENT PLAN

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 issues a separate, publicly available financial report that includes financial statements and required 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.

Funding Policy. Plan members are required to contribute 7.42% of their gross salary. The Department of Regulation and Licensing is required to contribute 16.59% of the gross covered salary. The contribution requirements of plan members and the Department of Regulation and Licensing 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, 2008, 2007 and 2006 were \$1,937,814, \$1,869,385, and \$1,748,102, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE 10. POST-EMPLOYMENT BENEFITS

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.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

NOTE 10. POST-EMPLOYMENT BENEFITS (CONTINUED)

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.

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. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary. 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, 2008, 2007 and 2006 were \$236,740, \$218,363 and \$203,810, respectively, which equal the required contributions for each year.

NOTE 11. INSURANCE COVERAGE

The Department obtains coverage through the Risk Management Division of the State of New Mexico General Services Department. This coverage includes liability and civil rights, property, vehicle, employer bond, workers' compensation, group insurance and state unemployment. These coverages are designed to satisfy the requirements of the State Tort Claims Act. All employees of Regulation and Licensing are covered by a blanket fidelity bond with a \$5,000,000 coverage limit with a \$1,000 deductible per occurrence by the State of New Mexico.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008**

NOTE 11. INSURANCE COVERAGE (CONTINUED)

Risk Management – New Mexico Regulation and Licensing is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the agency carries insurance (workers' compensation, unemployment compensation, employee liability, and transportation property) with the State of New Mexico Risk Management Division (RMD) of the General Services Department. See Note 16 for more information.

NOTE 12. OPERATING LEASE AGREEMENTS

In 2003, the Department entered into a building lease agreement to provide office space for the Construction Industries Division located in Las Cruces. In 2004, the Department entered into lease agreements to provide office space for the boards and commissions located in Albuquerque. In 2007 the Department entered into a building lease agreement to provide office space for the Securities Division. The Department also entered into three equipment leases in 2007 and 2008. The Department is obligated under these leases as follows:

Year ending June 30,	
2009	\$ 378,635
2010	392,018
2011	405,928
2012	411,030
Thereafter	<u>541,669</u>
	<u>\$ 2,129,280</u>

Rent expense under these building leases totaled \$375,160 and \$270,737 for the years ended June 30, 2008 and 2007.

NOTE 13. OTHER CONTRACTS AND AGREEMENTS

The Department's Manufactured Housing Division has entered into an agreement with the United States Department of Housing and Urban Development (HUD) for certain inspection services related to the manufactured housing units shipped into and produced in New Mexico. HUD pays the State of New Mexico a fixed amount for each manufactured housing unit shipped into or produced in New Mexico. HUD payments to the State of New Mexico are deposited to the State's General Fund. Amounts received by the State of New Mexico from HUD were approximately \$28,242 and \$91,208 during the years ended June 30, 2008 and 2007.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008**

NOTE 13. OTHER CONTRACTS AND AGREEMENTS (CONTINUED)

Personnel from the Manufactured Housing Division also participate in inspections of manufactured housing manufacturers in other states pursuant to an agreement with the National Conference of States on Building Codes and Standards, Inc., an agent for HUD.

Additionally, The Department leases vehicles from the Transportation Services Division of the State of New Mexico General Services Department on an annual basis.

NOTE 14. TRANSFERS TO AND FROM OTHER STATE AGENCIES

Transfers to and from other state agencies for the year ended June 30, 2008 are as follows. These transfers are routine in nature and are consistent with the activities of the fund making the transfer.

	<u>Transfers to/from Other State Agencies</u>			
	State General Fund 85300 (General Fund Appropriation)	Public School Facility Authority 94300 (Reimbursement of Inspections)	State General Fund 85300 (General Fund Appropriation)	Commission for Deaf & Hard of Hearing Persons 04600 (Signed Language Interpreting)
NM RLD General Fund - 43300 (General Fund Appropriation)	\$ 15,995,100	-	-	-
NM RLD General Fund – 43300 (Comp Package)	511,000	-	-	-
NM RLD General Fund – 43300 (Save Smart Energy Conservation Bldg Program)	100,000	-	-	-
Animal Sheltering Services Fund – 20120 (Animal Shelter Operations)	192,000	-	-	-
NM RLD General Fund – 43300 (Reimbursement inspections of school projects)	-	249,957	-	-
NM RLD General Fund – 43300 (FY07 Reversions)	-	-	296,521	-
NM RLD Signed Language – 20110 (Signed Language Interpretation)				180,000
Total transfers to other state agencies	<u>\$ 16,798,100</u>	<u>249,957</u>	<u>296,521</u>	<u>180,000</u>

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2008**

NOTE 15. RISK MANAGEMENT

The Department, as a state agency defined in the New Mexico Tort Claims Act, is insured through the Risk Management Division of the state of New Mexico. The Department pays annual premiums to the Risk Management Division for coverage provided in the following areas:

1. Liability and civil rights protection for claims made by others against the state of New Mexico.
2. Coverage to protect the state of New Mexico's property and assets.
3. Fringe benefit coverage's for state of New Mexico employees.

During the 2006-2007 fiscal year, the Department paid Risk Management \$517,800 in insurance premiums. In the fiscal year 2007-2008, the Department paid Risk Management \$340,245. The Department's exposure is limited to \$1,000 per any first-party incurred property loss, with the exception of theft, which has a \$5,000 deductible. After conferring with legal counsel concerning pending litigation and claims, the Department believes that the outcome of pending litigation should not have a materially adverse effect on the financial position or operations of the Department. In addition, for the years ended June 30, 2006, 2007 and 2008, the Department had no claims for which the Risk Management Division has returned as "not covered" that would become the responsibility of the Department.

NOTE 16. SPECIAL APPROPRIATIONS

Special, Deficiency, and Specific appropriations during the year consisted of the following:

	Original Appropriation Balance	Short Purpose	Period	Cumulative Expenditures 6/30/08	Outstanding Encumbrances 6/30/08	Amount to be Reverted	Unencumbered Appropriations
Fund 20120- Animal Shelter General Fund Appropriations	\$ 192,000	Animal Sheltering Services	July 2007 to June 2008	\$ 192,000	-	-	-

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NONMAJOR FUNDS
June 30, 2008

Construction Industries Revolving Fund - to account for the sales of code books and publications by the Construction Industries Division of the Department. Collections received from such sales are used to recover related costs incurred. The fund was established by the Department with the authority of the New Mexico Department of Finance and Administration. (SHARE Fund Number 373-0000).

Financial Institutions Revolving Fund - to account for the code books and publications to financial institutions. Receipts from such sales are used to recover related costs. The fund was established by the Department with the authority of the New Mexico Department of Finance and Administration. (SHARE Fund Number 372-0000).

Real Estate Recovery Fund - to be administered by the New Mexico Real Estate Commission in accordance with provisions of the Real Estate Recovery Fund Act (61-29-29 NMSA 1978). When any aggrieved person claims and receives a judgment for a pecuniary loss caused by a state-licensed real estate broker or salesperson based upon fraud, knowing or willful misrepresentation or wrongful year, that person may file a petition with the Real Estate Commission to be paid from this fund. The maximum amount recoverable from the Real Estate Recovery Fund per claimant is \$10,000 and per any one licensee is \$30,000. (SHARE Fund Number 297-9600).

Securities Education and Training Fund - to account for the education and training of New Mexico Residents in matters concerning securities law and investment issues. Collections of any portion of civil penalties, costs of investigation and other administrative assessments pursuant to enforcement actions and provisions of NMSA 1978 Compilation, Sections 58-13B-36 through 58-13B-38 are credited to the fund to recover costs incurred in providing education and training in matters concerning securities laws and investment issues. The fund was established in accordance with the provisions of NMSA 1978 Compilation, Section 58-13B-57, enacted by Laws 1989, Chapter 176. (SHARE Fund Number 044-6200).

Carnival Ride Insurance Fund - to account for the per-ride inspection fees collected under the provisions of the Carnival Ride Insurance Act. Each operator of a carnival ride must pay an inspection fee of \$50.00 per ride. This money is restricted to the purpose of fulfilling the provisions of the Carnival Ride Insurance Act. The fund was established in accordance with provisions of NMSA 1978 Compilation, Section 57-25-3 (SHARE Fund Number 643-1500).

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NONMAJOR FUNDS (CONTINUED)
June 30, 2008**

Impaired Dentists and Dental Hygienists Fund - initially established by an assessment to all licensees and continually funded through a portion of license renewals. The money collected by the fund is to be used for the purpose of administration, testing, monitoring, hearings, and consultation fees necessary to enforce the Impaired Dentists and Dental Hygienists Act. The fund was established in accordance with the provisions of NMSA 1978 Compilation, Section 61-5B-11.

HUD Manufactured Housing Fund - to account for the revenue and related expenses for inspection service of manufactured housing units shipped into and manufactured in New Mexico. Funding is provided by an agreement with the United States Department of Housing and Urban Development. In addition inspection services are billed to the manufacturing companies.

Vehicle Replacement Fund - a separate fund established in fiscal year 1998 to allow the Department to budget funds in fiscal years 1998 and 1999 for the purpose of purchasing vehicles as approved in New Mexico House Bill No. 2, Section 5. This fund was established by the Department with the authority of the New Mexico Department of Finance and Administration. (SHARE Fund Number 296-9801).

Individual Boards and Commissions - to account for the administration of each individual board and commission established by certain sections of the New Mexico statutes. Each boards revenue is restricted to each boards' activity and administration. Any excess funds at the end of the fiscal year do not revert to the State General Fund. The following boards' activity and administration. Any excess funds at the end of the fiscal year do not revert to the State General Fund. The following boards and commissions were in existence at June 30, 2008.

Board	NMSA Funding Authority	SHARE Fund Number
Accountancy	61-28A-6	4660-6500
Acupuncture	61-14A-7	4710-6600
Athletic Commission	60-2A-3	4410-6800
Athletic Trainers	61-14D-7	4750-6900
Barbers and Cosmetologists	61-17A-6	4390-7300

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NONMAJOR FUNDS (CONTINUED)
June 30, 2008

Board	NMSA Funding Authority	SHARE Fund Number
Chiropractic Examiners	61-4-3	4460-7200
Counselors and Therapists	61-9A-7	4440-7000
Dental Examiners	61-5-4	4470-7400
Interior Design	61-24C-4	4570-7800
Landscape Architects	61-24B-6	4600-7700
Massage Therapist	61-12C-7	4420-7900
Naprapathy	61-12E-13	5350-9800
Nursing Home Administrators	61-13-4	4490-8100
Nutrition and Dietetics	61-7A-5	4480-7500
Occupational Therapy	61-12A-5	4500-8200
Optometry	61-2-5	4510-8300
Osteopathic Examiners	61-10-5	4520-8400
Pharmacy	61-11-4	4640-8500
Physical Therapists	61-1R-4	4550-8600
Podiatry	61-8-5	4530-8700
Private Investigators and Polygrapher	61-27A-5	4590-8900
Psychologist Examiners	61-9-5	4540-9000
Real Estate Commission	61-29-4	4670-9100
Real Estate Appraisers	61-30-5	4650-9700
Respiratory Care Advisory	61-12B-5	4740-9200
Social Workers	61-31-7	4690-9500
Speech, Language and Audio	61-14B-3	4730-9300
Thanatopractice	61-32-5	4560-9400
Carnival Ride Insurance	57-25-1 to 6	6430-5010
Hoisting Operators	60-15-1 to 15	2110-5020
Sign Language	61-34-13	4450-XX
Animal Shelter	77-1B-4	2011-XX

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2008

	Special Revenue			
	Securities Education	Vehicle Replacement	Real Estate Recovery	FID Revolving
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 1,154,689	1,528	455,935	200
Accounts receivable	175	-	-	-
Prepaid postage	2,159	-	-	-
Due from other funds	-	-	-	-
Due from other state agencies	6,908	-	2,649	-
Due from Federal Government	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 1,163,931	1,528	458,584	200
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 2,517	-	-	-
Accrued payroll	4,822	-	-	-
Cash deficit	-	-	-	-
Deferred revenue	-	-	29	-
Due to state general fund	-	-	-	-
Due to other funds	-	1,528	-	-
Due to other state agencies	82	-	-	200
Due to Federal Government	-	-	-	-
Total liabilities	7,421	1,528	29	200
Fund Balances				
Reserved for prepaid postage	2,159	-	-	-
Reserved for inventories	-	-	-	-
Unreserved - designated for subsequent year's expenditures	1,154,351	-	458,555	-
Total fund balances	1,156,510	-	458,555	-
Total liabilities and fund balances	\$ 1,163,931	1,528	458,584	200

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2008

	Special Revenue			
	CID Revolving	Board of Cosmetology	Athletic Commission	Massage Therapy
ASSETS				
Assets				
Interest in State Treasurer General Fund Investment Pool	\$ 198,158	1,185,773	29,377	615,249
Accounts receivable	-	-	-	-
Prepaid postage	-	-	76	6,877
Due from other funds	-	-	-	-
Due from other state agencies	-	-	-	-
Due from Federal Government	-	-	-	-
Inventories	48,286	-	-	-
Total assets	\$ 246,444	1,185,773	29,453	622,126
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 30	40,803	510	1,735
Accrued payroll	-	104,895	-	-
Cash deficit	-	-	-	-
Deferred revenue	-	286,364	912	118,589
Due to state general fund	-	-	-	-
Due to other funds	-	-	-	-
Due to other state agencies	-	3,645	264	-
Due to Federal Government	-	-	-	-
Total liabilities	30	435,707	1,686	120,324
Fund Balances				
Reserved for prepaid postage	-	-	76	6,877
Reserved for inventories	48,286	-	-	-
Unreserved - designated for subsequent year's expenditures	198,128	750,066	27,691	494,925
Total fund balances	246,414	750,066	27,767	501,802
Total liabilities and fund balances	\$ 246,444	1,185,773	29,453	622,126

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2008

	Special Revenue			
	Counselors and Therapists	Chiropractic Examiners	Securities Escrow	Dental
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 1,007,564	394,136	111,172	300,694
Accounts receivable	-	-	-	-
Prepaid postage	13,317	1,946	-	3,903
Due from other funds	-	-	-	300
Due from other state agencies	6,138	-	-	-
Due from Federal Government	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 1,027,019	396,082	111,172	304,897
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 8,565	3,461	54,900	13,677
Accrued payroll	53,674	528	-	75,589
Cash deficit	-	-	-	-
Deferred revenue	147,521	75,700	-	125,843
Due to state general fund	-	-	-	-
Due to other funds	-	-	-	315
Due to other state agencies	-	-	-	682
Due to Federal Government	-	-	-	-
Total liabilities	209,760	79,689	54,900	216,106
Fund Balances				
Reserved for prepaid postage	13,317	1,946	-	3,903
Reserved for inventories	-	-	-	-
Unreserved - designated for subsequent year's expenditures	803,942	314,447	56,272	84,888
Total fund balances	817,259	316,393	56,272	88,791
Total liabilities and fund balances	\$ 1,027,019	396,082	111,172	304,897

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2008

	Special Revenue			
	Nutrition and Dietetics	Nursing Home Administration	Occupational Therapy	Optometry
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 76,905	69,873	222,262	215,344
Accounts receivable	59	-	-	-
Prepaid postage	2,446	618	2,044	2,385
Due from other funds	130	-	-	-
Due from other state agencies	-	-	-	-
Due from Federal Government	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 79,540	70,491	224,306	217,729
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 29	746	437	12,443
Accrued payroll	453	340	10,294	1,816
Cash deficit	-	-	-	-
Deferred revenue	14,709	24,438	9,544	32,748
Due to state general fund	-	-	-	-
Due to other funds	300	130	9,334	-
Due to other state agencies	-	-	-	-
Due to Federal Government	-	-	-	-
Total liabilities	15,491	25,654	29,609	47,007
Fund Balances				
Reserved for prepaid postage	2,446	618	2,044	2,385
Reserved for inventories	-	-	-	-
Unreserved - designated for subsequent year's expenditures	61,603	44,219	192,653	168,337
Total fund balances	64,049	44,837	194,697	170,722
Total liabilities and fund balances	\$ 79,540	70,491	224,306	217,729

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2008

	Special Revenue			
	Osteopathic Examiners	Podiatry	Psychology	Physical Therapist
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 293,057	65,035	438,502	315,145
Accounts receivable	-	-	-	-
Prepaid postage	1,707	2,177	5,953	2,230
Due from other funds	-	-	1,249	-
Due from other state agencies	-	-	-	1,742
Due from Federal Government	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 294,764	67,212	445,704	319,117
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 1,616	65	19,133	753
Accrued payroll	10,634	2,382	4,063	-
Cash deficit	-	-	-	-
Deferred revenue	42,025	17,538	96,506	72,324
Due to state general fund	-	-	-	-
Due to other funds	-	-	-	-
Due to other state agencies	-	-	264	-
Due to Federal Government	-	-	-	-
Total liabilities	54,275	19,985	119,966	73,077
Fund Balances				
Reserved for prepaid postage	1,707	2,177	5,953	2,230
Reserved for inventories	-	-	-	-
Unreserved - designated for subsequent year's expenditures	238,782	45,050	319,785	243,810
Total fund balances	240,489	47,227	325,738	246,040
Total liabilities and fund balances	\$ 294,764	67,212	445,704	319,117

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2008

	Special Revenue			
	Thanatopractice	Interior Design	Private Investigation	Landscape Architects
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 262,071	48,667	282,778	71,677
Accounts receivable	-	-	-	-
Prepaid postage	641	61	1,766	1,695
Due from other funds	-	-	-	-
Due from other state agencies	-	-	1,629	-
Due from Federal Government	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 262,712	48,728	286,173	73,372
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 333	315	3,380	786
Accrued payroll	-	-	5,940	989
Cash deficit	-	-	-	-
Deferred revenue	37,912	13,668	47,594	17,737
Due to state general fund	-	-	-	-
Due to other funds	-	646	1,809	634
Due to other state agencies	-	-	696	-
Due to Federal Government	-	-	-	-
Total liabilities	38,245	14,629	59,419	20,146
Fund Balances				
Reserved for prepaid postage	641	61	1,766	1,695
Reserved for inventories	-	-	-	-
Unreserved - designated for subsequent year's expenditures	223,826	34,038	224,988	51,531
Total fund balances	224,467	34,099	226,754	53,226
Total liabilities and fund balances	\$ 262,712	48,728	286,173	73,372

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2008

	Special Revenue			
	Real Estate Appraisers	Accountancy	Social Workers	Acupuncture
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 244,057	1,035,783	1,379,403	275,769
Accounts receivable	-	-	-	-
Prepaid postage	1,413	5	7,735	4,409
Due from other funds	-	-	-	-
Due from other state agencies	1,596	5,961	7,445	-
Due from Federal Government	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 247,066	1,041,749	1,394,583	280,178
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 4,305	13,351	8,615	3,494
Accrued payroll	18,542	66,661	50,002	25,324
Cash deficit	-	-	-	-
Deferred revenue	93,291	184,694	141,013	66,055
Due to state general fund	-	-	-	-
Due to other funds	-	-	-	-
Due to other state agencies	4,171	1,702	2,353	-
Due to Federal Government	1,600	-	-	-
Total liabilities	121,909	266,408	201,983	94,873
Fund Balances				
Reserved for prepaid postage	1,413	5	7,735	4,409
Reserved for inventories	-	-	-	-
Unreserved - designated for subsequent year's expenditures	123,744	775,336	1,184,865	180,896
Total fund balances	125,157	775,341	1,192,600	185,305
Total liabilities and fund balances	\$ 247,066	1,041,749	1,394,583	280,178

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2008

	Special Revenue			
	HUD Manufactured Housing	Speech Language	Respiratory Care	Athletic Trainers
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 53,890	277,970	137,272	36,685
Accounts receivable	7,831	-	-	-
Prepaid postage	-	4,243	522	194
Due from other funds	18,780	-	31	-
Due from other state agencies	-	1,613	-	-
Due from Federal Government	9,767	-	-	-
Inventories	-	-	-	-
Total assets	\$ 90,268	283,826	137,825	36,879
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 4,123	702	382	297
Accrued payroll	6,340	22,499	-	-
Cash deficit	-	-	-	-
Deferred revenue	-	64,578	56,314	8,731
Due to state general fund	-	-	-	-
Due to other funds	-	-	-	-
Due to other state agencies	-	-	-	-
Due to Federal Government	-	-	-	-
Total liabilities	10,463	87,779	56,696	9,028
Fund Balances				
Reserved for prepaid postage	-	4,243	522	194
Reserved for inventories	-	-	-	-
Unreserved - designated for subsequent year's expenditures	79,805	191,804	80,607	27,657
Total fund balances	79,805	196,047	81,129	27,851
Total liabilities and fund balances	\$ 90,268	283,826	137,825	36,879

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2008

	Special Revenue			
	Naprapathy	Carnival Ride Insurance	Impaired Dentists	Hoisting Operators
ASSETS				
Assets				
Interest in State Treasurer General Fund Investment Pool	\$ 26,109	32,200	44,067	37,070
Accounts receivable	-	-	-	-
Prepaid postage	-	-	-	-
Due from other funds	-	-	315	-
Due from other state agencies	-	-	-	-
Due from Federal Government	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 26,109	32,200	44,382	37,070
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 266	-	-	-
Accrued payroll	-	-	-	-
Cash deficit	-	-	-	-
Deferred revenue	1,815	-	-	-
Due to state general fund	-	-	-	-
Due to other funds	-	-	-	-
Due to other state agencies	-	-	-	-
Due to Federal Government	-	-	-	-
Total liabilities	2,081	-	-	-
Fund Balances				
Reserved for prepaid postage	-	-	-	-
Reserved for inventories	-	-	-	-
Unreserved - designated for subsequent year's expenditures	24,028	32,200	44,382	37,070
Total fund balances	24,028	32,200	44,382	37,070
Total liabilities and fund balances	\$ 26,109	32,200	44,382	37,070

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2008

	<u>Special Revenue</u>		
	Sign Language Interpreting	Animal Shelter Services	Total
ASSETS			
Assets			
Interest in State Treasurer General Fund			
Investment Pool	\$ -	184,395	11,580,461
Accounts receivable	-	-	8,065
Prepaid postage	-	500	71,022
Due from other funds	-	-	20,805
Due from other state agencies	180,000	-	215,681
Due from Federal Government	-	-	9,767
Inventories	-	-	48,286
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Total assets	\$ 180,000	184,895	11,954,087
	<hr/> <hr/>		
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	5,590	207,359
Accrued payroll	-	-	465,787
Cash deficit	19,590	-	19,590
Deferred revenue	-	-	1,798,192
Due to state general fund	-	-	-
Due to other funds	-	-	14,696
Due to other state agencies	-	-	14,059
Due to Federal Government	-	-	1,600
	<hr/>		
Total liabilities	19,590	5,590	2,521,283
	<hr/>		
Fund Balances			
Reserved for prepaid postage	-	500	71,022
Reserved for inventories	-	-	48,286
Unreserved - designated for subsequent year's expenditures	160,410	178,805	9,313,496
	<hr/>		
Total fund balances	160,410	179,305	9,432,804
	<hr/>		
Total liabilities and fund balances	\$ 180,000	184,895	11,954,087
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STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2008

	Special Revenue			
	Securities Education	Vehicle Replacement	Real Estate Recovery	FID Revolving
Revenues				
License fees	\$ -	-	-	-
Services	-	-	-	-
Publications	-	-	-	-
Federal sources	-	-	-	-
Interest on investments	57,183	-	20,010	-
Other revenue	-	-	-	-
Total revenues	57,183	-	20,010	-
Expenditures				
Current				
Personnel services	22,459	-	-	-
Employee benefits	13,495	-	-	-
In-state travel	6,470	-	-	-
Maintenance and repairs	1,002	-	-	-
Supplies and materials	4,974	-	-	-
Contractual services	159,495	-	-	-
Operating costs	19,553	-	-	-
Other costs	25	-	-	-
Out-of-state travel	1,224	-	-	-
Capital outlay	-	-	-	-
Total expenditures	228,697	-	-	-
Excess (deficiency) of revenues over expenditures	(171,514)	-	20,010	-
Other financing sources (uses)				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Reversions to state general fund	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(171,514)	-	20,010	-
Fund balances, beginning	1,328,024	-	438,545	-
Fund balances, end of year	\$ 1,156,510	-	458,555	-

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2008

	Special Revenue			
	CID Revolving	Board of Cosmetology	Athletic Commission	Massage Therapy
Revenues				
License fees	\$ -	574,424	2,550	233,740
Services	-	13,996	37,252	18,696
Publications	14,639	-	-	-
Federal sources	-	-	-	-
Interest on investments	-	-	-	-
Other revenue	-	60,890	-	9,725
Total revenues	14,639	649,310	39,802	262,161
Expenditures				
Current				
Personnel services	-	290,150	54,780	77,682
Employee benefits	-	119,421	18,198	41,272
In-state travel	-	18,747	3,256	5,637
Maintenance and repairs	-	7,752	100	1,491
Supplies and materials	-	20,889	1,254	8,167
Contractual services	-	37,183	3,832	-
Operating costs	-	39,643	8,901	10,774
Other costs	17,602	-	-	4,603
Out-of-state travel	-	1,755	-	959
Capital outlay	-	-	-	-
Total expenditures	17,602	535,540	90,321	150,585
Excess (deficiency) of revenues over expenditures	(2,963)	113,770	(50,519)	111,576
Other financing sources (uses)				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	(94,110)	(22,230)	(29,970)
Reversions to state general fund	-	-	-	-
Total other financing sources (uses)	-	(94,110)	(22,230)	(29,970)
Net change in fund balance	(2,963)	19,660	(72,749)	81,606
Fund balances, beginning	249,377	730,406	100,516	420,196
Fund balances, end of year	\$ 246,414	750,066	27,767	501,802

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2008

	Special Revenue			
	Counselors and Therapists	Chiropractic Examiners	Securities Escrow	Dental
Revenues				
License fees	\$ 401,929	163,526	-	299,645
Services	15,278	18,823	-	19,339
Publications	-	-	-	-
Federal sources	-	-	-	-
Interest on investments	46,897	-	-	-
Other revenue	5,854	-	-	17,634
Total revenues	469,958	182,349	-	336,618
Expenditures				
Current				
Personnel services	183,242	83,716	-	269,126
Employee benefits	78,307	30,291	-	18,484
In-state travel	16,751	4,216	-	23,053
Maintenance and repairs	2,580	100	-	2,690
Supplies and materials	14,120	6,424	-	17,650
Contractual services	925	-	219,686	1,000
Operating costs	29,230	5,510	-	24,011
Other costs	3,388	2,037	-	1,793
Out-of-state travel	2,128	4,603	-	5,735
Capital outlay	-	-	-	87,183
Total expenditures	330,671	136,897	219,686	450,725
Excess (deficiency) of revenues over expenditures	139,287	45,452	(219,686)	(114,107)
Other financing sources (uses)				
Operating transfers in	-	-	287,090	-
Operating transfers (out)	(57,780)	(17,720)	-	(56,310)
Reversions to state general fund	-	-	-	-
Total other financing sources (uses)	(57,780)	(17,720)	287,090	(56,310)
Net change in fund balance	81,507	27,732	67,404	(170,417)
Fund balances, beginning	735,752	288,661	(11,132)	259,208
Fund balances, end of year	\$ 817,259	316,393	56,272	88,791

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2008

	Special Revenue			
	Nutrition and Dietetics	Nursing Home Administration	Occupational Therapy	Optometry
Revenues				
License fees	\$ 29,173	40,619	86,721	6,800
Services	406	-	8,345	73,045
Publications	-	-	-	-
Federal sources	-	-	-	-
Interest on investments	-	-	-	-
Other revenue	300	1,462	4,110	2,730
Total revenues	29,879	42,081	99,176	82,575
Expenditures				
Current				
Personnel services	8,686	13,420	22,540	20,998
Employee benefits	4,466	7,954	5,332	8,107
In-state travel	-	2,628	595	3,854
Maintenance and repairs	-	100	100	100
Supplies and materials	1,812	-	3,916	967
Contractual services	-	-	-	7,575
Operating costs	258	2,705	309	13,934
Other costs	100	-	1,000	600
Out-of-state travel	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	15,322	26,807	33,792	56,135
Excess (deficiency) of revenues over expenditures	14,557	15,274	65,384	26,440
Other financing sources (uses)				
Operating transfers in	-	-	-	-
Operating transfers (out)	(3,130)	(7,050)	(8,720)	(9,000)
Reversions to state general fund	-	-	-	-
Total other financing sources (uses)	(3,130)	(7,050)	(8,720)	(9,000)
Net change in fund balance	11,427	8,224	56,664	17,440
Fund balances, beginning	52,622	36,613	138,033	153,282
Fund balances, end of year	\$ 64,049	44,837	194,697	170,722

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2008

	Special Revenue			
	Osteopathic Examiners	Podiatry	Psychologist	Physical Therapist
Revenues				
License fees	\$ 103,237	29,975	241,833	123,820
Services	6,153	1,657	2,891	18,130
Publications	-	-	-	-
Federal sources	-	-	-	-
Interest on investments	-	-	-	10,956
Other revenue	8,500	650	4,495	6,800
Total revenues	117,890	32,282	249,219	159,706
Expenditures				
Current				
Personnel services	43,890	14,018	199	39,877
Employee benefits	15,442	4,786	104,767	12,895
In-state travel	2,625	968	8,440	4,273
Maintenance and repairs	100	-	100	100
Supplies and materials	4,861	1,273	6,405	622
Contractual services	-	-	10,903	1,095
Operating costs	3,551	1,547	13,570	-
Other costs	600	550	2,000	1,930
Out-of-state travel	-	-	3,819	-
Capital outlay	-	-	-	-
Total expenditures	71,069	23,142	150,203	60,792
Excess (deficiency) of revenues over expenditures	46,821	9,140	99,016	98,914
Other financing sources (uses)				
Operating transfers in	-	-	-	-
Operating transfers (out)	(7,250)	(3,620)	(29,180)	(18,120)
Reversions to state general fund	-	-	-	-
Total other financing sources (uses)	(7,250)	(3,620)	(29,180)	(18,120)
Net change in fund balance	39,571	5,520	69,836	80,794
Fund balances, beginning	200,918	41,707	255,902	165,246
Fund balances, end of year	\$ 240,489	47,227	325,738	246,040

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2008

	Special Revenue			
	Thanatopractice	Interior Design	Private Investigation	Landscape Architects
Revenues				
License fees	\$ 107,770	29,658	126,337	41,962
Services	310	-	5,693	150
Publications	30	-	-	-
Federal sources	-	-	-	-
Interest on investments	-	-	12,650	-
Other revenue	1,500	1,965	8,929	6,125
Total revenues	109,610	31,623	153,609	48,237
Expenditures				
Current				
Personnel services	55,386	6,091	35,692	11,166
Employee benefits	19,119	3,373	11,079	6,794
In-state travel	2,099	1,534	5,333	3,800
Maintenance and repairs	100	-	1,000	-
Supplies and materials	8,145	-	4,967	-
Contractual services	2,220	-	-	289
Operating costs	1,913	1,697	11,624	6,461
Other costs	455	630	-	400
Out-of-state travel	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	89,437	13,325	69,695	28,910
Excess (deficiency) of revenues over expenditures	20,173	18,298	83,914	19,327
Other financing sources (uses)				
Operating transfers in	-	-	-	-
Operating transfers (out)	(12,730)	(6,560)	(22,330)	(4,500)
Reversions to state general fund	-	-	-	-
Total other financing sources (uses)	(12,730)	(6,560)	(22,330)	(4,500)
Net change in fund balance	7,443	11,738	61,584	14,827
Fund balances, beginning	217,024	22,361	165,170	38,399
Fund balances, end of year	\$ 224,467	34,099	226,754	53,226

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2008

	Special Revenue			
	Real Estate Appraisers	Accountancy	Social Workers	Acupuncture
Revenues				
License fees	\$ 134,322	377,011	406,764	174,318
Services	4,877	1,171	-	5,530
Publications	75	-	-	-
Federal sources	-	-	-	-
Interest on investments	10,135	46,075	-	-
Other revenue	7,000	32,869	9,237	10,500
Total revenues	156,409	457,126	416,001	190,348
Expenditures				
Current				
Personnel services	72,234	179,254	124,564	51,982
Employee benefits	23,051	82,640	46,453	17,797
In-state travel	7,042	7,120	13,009	3,489
Maintenance and repairs	100	5,419	1,103	397
Supplies and materials	7,196	3,790	16,203	2,852
Contractual services	-	2,571	1,663	15,273
Operating costs	7,138	96,559	27,913	6,391
Other costs	210	-	2,543	2,025
Out-of-state travel	1,790	4,241	6,881	695
Capital outlay	-	-	-	-
Total expenditures	118,761	381,594	240,332	100,901
Excess (deficiency) of revenues over expenditures	37,648	75,532	175,669	89,447
Other financing sources (uses)				
Operating transfers in	-	-	-	-
Operating transfers (out)	(23,800)	(55,330)	(43,090)	(15,280)
Reversions to state general fund				
Total other financing sources (uses)	(23,800)	(55,330)	(43,090)	(15,280)
Net change in fund balance	13,848	20,202	132,579	74,167
Fund balances, beginning	111,309	755,139	1,060,021	111,138
Fund balances, end of year	\$ 125,157	775,341	1,192,600	185,305

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2008

	Special Revenue			
	HUD Manufactured Housing	Speech Language	Respiratory Care	Athletic Trainers
Revenues				
License fees	\$ -	126,731	64,448	21,813
Services	-	5,985	1,698	120
Publications	-	-	-	-
Federal sources	81,100	-	-	-
Interest on investments	-	11,595	-	-
Other revenue	-	3,985	1,710	975
Total revenues	81,100	148,296	67,856	22,908
Expenditures				
Current				
Personnel services	52,802	91,358	18,875	6,560
Employee benefits	15,154	-	9,460	3,102
In-state travel	6,477	3,245	1,396	2,338
Maintenance and repairs	-	100	100	-
Supplies and materials	1,833	2,180	764	-
Contractual services	-	712	-	-
Operating costs	29,519	2,928	1,251	491
Other costs	125	632	-	200
Out-of-state travel	-	-	-	1,076
Capital outlay	-	-	-	-
Total expenditures	105,910	101,155	31,846	13,767
Excess (deficiency) of revenues over expenditures	(24,810)	47,141	36,010	9,141
Other financing sources (uses)				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	(22,520)	(9,300)	(2,840)
Reversions to state general fund	-	-	-	-
Total other financing sources (uses)	-	(22,520)	(9,300)	(2,840)
Net change in fund balance	(24,810)	24,621	26,710	6,301
Fund balances, beginning	104,615	171,426	54,419	21,550
Fund balances, end of year	\$ 79,805	196,047	81,129	27,851

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2008

	Special Revenue			
	Naprapathy	Carnival Ride Insurance	Impaired Dentists	Hoisting Operators
Revenues				
License fees	\$ 5,350	13,300	-	20,765
Services	150	-	15,285	-
Publications	-	-	-	-
Federal sources	-	-	-	-
Interest on investments	-	-	-	-
Other revenue	-	-	-	-
Total revenues	5,500	13,300	15,285	20,765
Expenditures				
Current				
Personnel services	-	-	-	-
Employee benefits	-	-	-	-
In-state travel	456	-	-	-
Maintenance and repairs	-	-	-	-
Supplies and materials	-	-	-	-
Contractual services	-	-	12,000	-
Operating costs	15	-	-	-
Other costs	-	-	-	-
Out-of-state travel	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	471	-	12,000	-
Excess (deficiency) of revenues over expenditures	5,029	13,300	3,285	20,765
Other financing sources (uses)				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Reversions to state general fund	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	5,029	13,300	3,285	20,765
Fund balances, beginning	18,999	18,900	41,097	16,305
Fund balances, end of year	\$ 24,028	32,200	44,382	37,070

STATE OF NEW MEXICO
REGULATION AND LICENSING
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2008

	Special Revenue		Total
	Sign Language Services	Animal Shelter Services	
Revenues			
License fees	\$ -	\$ -	3,988,541
Services	-	-	274,980
Publications	-	-	14,744
Federal sources	-	-	81,100
Interest on investments	-	-	215,501
Other revenue	-	-	207,945
Total revenues	-	-	4,782,811
Expenditures			
Current			
Personnel services	-	1,294	1,852,041
Employee benefits	-	331	721,570
In-state travel	-	1,975	160,826
Maintenance and repairs	-	-	24,634
Supplies and materials	-	5,790	147,054
Contractual services	-	2,844	479,266
Operating costs	-	461	367,857
Other costs	-	-	43,448
Out-of-state travel	-	-	34,906
Capital outlay	-	-	87,183
Total expenditures	-	12,695	3,918,785
Excess (deficiency) of revenues over expenditures	-	(12,695)	864,026
Other financing sources (uses)			
Operating transfers in	180,000	192,000	659,090
Operating transfers (out)	(19,590)	-	(602,060)
Reversions to state general fund	-	-	-
Total other financing sources (uses)	160,410	192,000	57,030
Net change in fund balance	160,410	179,305	921,056
Fund balances, beginning	-	-	8,511,748
Fund balances, end of year	\$ 160,410	179,305	9,432,804

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
SECURITIES EDUCATION AND TRAINING FUND
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Interest on investments	\$ -	-	57,183	57,183
Trades and professions licenses	-	-	-	-
Other penalty	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>57,183</u>	<u>57,183</u>
Expenditures				
Personnel services and employee benefits	83,200	83,200	35,954	47,246
Contractual services	200,000	200,000	159,495	40,505
Other	216,300	216,300	33,248	183,052
Total expenditures	<u>499,500</u>	<u>499,500</u>	<u>228,697</u>	<u>270,803</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(499,500)	(499,500)	<u>\$ (171,514)</u>	<u>327,986</u>
Cash balance carryforward	<u>-</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>(499,500)</u>		
Excess revenue over expense			<u>\$ (171,514)</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
REAL ESTATE RECOVERY FUND
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Interest on Bank Deposits	\$ -	-	20,010	20,010
Total revenues	<u>-</u>	<u>-</u>	<u>20,010</u>	<u>20,010</u>
Expenditures				
Other	50,000	50,000	-	50,000
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(50,000)	(50,000)	<u>\$ 20,010</u>	<u>70,010</u>
Cash balance carryforward	<u>-</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>(50,000)</u>		
Excess revenue over expense			<u>\$ 20,010</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FINANCIAL INSTITUTIONS REVOLVING FUND
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Interests on bank deposits	\$ -	-	-	-
Interest on investments	-	-	-	-
Manuals and codes	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Contractual services	-	-	-	-
Other	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	<u>\$ -</u>	<u>-</u>
Cash balance carryforward	<u>-</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>-</u>		
Excess revenue over expense			<u>\$ -</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
CONSTRUCTION INDUSTRIES REVOLVING FUND
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Manuals and codes	\$ 100,000	100,000	14,639	(85,361)
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>14,639</u>	<u>(85,361)</u>
Expenditures				
Other	100,000	100,000	17,602	82,398
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u>17,602</u>	<u>82,398</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ (2,963)	<u>(2,963)</u>
Cash balance carryforward	-	-		
Total	<u>\$ -</u>	<u>-</u>		
Excess revenue over expense			<u>\$ (2,963)</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF BARBERS AND COSMETOLOGISTS FUND
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 126,900	126,900	574,424	447,524
Registration for trades and professions licenses	455,900	455,900	-	(455,900)
Other registration fees	14,700	14,700	13,996	(704)
Trades and professions examination fees	-	-	-	-
Other current services	21,000	21,000	-	(21,000)
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Other penalties	54,900	54,900	60,890	5,990
Total revenues	673,400	673,400	649,310	(24,090)
Expenditures				
Personnel services and employee benefits	668,500	668,500	409,571	258,929
Contractual services	50,000	50,000	37,183	12,817
Other	170,800	170,800	88,786	82,014
Other financing uses	96,100	96,100	94,110	1,990
Total expenditures	985,400	985,400	629,650	355,750
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(312,000)	(312,000)	\$ 19,660	331,660
Cash balance carryforward	-	-		
Total	\$ (312,000)	(312,000)		
Excess revenue over expense			\$ 19,660	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ATHLETIC COMMISSION
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trade and professions licenses	\$ 7,800	7,800	2,550	(5,250)
Registration for trades and professions licenses	2,900	2,900	37,252	34,352
Other current services	116,100	116,100	-	(116,100)
Miscellaneous revenue	-	-	-	-
Total revenues	<u>126,800</u>	<u>126,800</u>	<u>39,802</u>	<u>(86,998)</u>
Expenditures				
Personnel services and employee benefits	66,000	73,200	72,978	222
Contractual services	14,000	8,000	3,832	4,168
Other	24,100	22,900	13,511	9,389
Other financing uses	22,700	22,700	22,230	470
Total expenditures	<u>126,800</u>	<u>126,800</u>	<u>112,551</u>	<u>14,249</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	<u>\$ (72,749)</u>	<u>(72,749)</u>
Cash balance carryforward	-	-		
Total	<u>\$ -</u>	<u>-</u>		
Excess revenue over expense			<u>\$ (72,749)</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
MESSAGE THERAPY BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 74,300	74,300	233,740	159,440
Registration for trades and professions licenses	127,800	127,800	18,696	(109,104)
Trades and professions examination fees	-	-	-	-
Other current services	1,800	1,800	-	(1,800)
Other publications	-	-	-	-
Other penalties	13,000	13,000	-	(13,000)
Miscellaneous revenue	-	-	9,725	9,725
Total revenues	<u>216,900</u>	<u>216,900</u>	<u>262,161</u>	<u>45,261</u>
Expenditures				
Personnel services and employee benefits	170,400	182,400	118,954	63,446
Contractual services	18,000	6,000	-	6,000
Other	56,100	56,100	31,631	24,469
Other financing uses	30,600	30,600	29,970	630
Total expenditures	<u>275,100</u>	<u>275,100</u>	<u>180,555</u>	<u>94,545</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(58,200)	(58,200)	<u>\$ 81,606</u>	<u>139,806</u>
Cash balance carryforward	<u>-</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>(58,200)</u>		
Excess revenue over expense			<u>\$ 81,606</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
COUNSELORS AND THERAPY PRACTICE BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 149,700	149,700	401,929	252,229
Registration for trades and professions licenses	280,700	280,700	15,278	(265,422)
Trades and professions examination fees	7,200	7,200	-	(7,200)
Other current services	11,300	11,300	5,854	(5,446)
Other publications	-	-	-	-
Interest Investments	-	-	46,897	46,897
Other penalties	4,900	4,900	-	(4,900)
Interest on Bank Deposits	-	-	-	-
Miscellaneous Revenue	-	-	-	-
Other financing sources	-	-	-	-
Total revenues	453,800	453,800	469,958	16,158
Expenditures				
Personnel services and employee benefits	274,300	283,300	261,549	21,751
Contractual services	15,500	6,500	925	5,575
Other	118,700	118,700	68,197	50,503
Other financing uses	59,000	59,000	57,780	1,220
Total expenditures	467,500	467,500	388,451	79,049
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(13,700)	(13,700)	\$ 81,507	95,207
Cash balance carryforward	-	-		
Total	\$ (13,700)	(13,700)		
Excess revenue over expense			<u>\$ 81,507</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF CHIROPRACTIC EXAMINERS
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 18,500	18,500	163,526	145,026
Registration for trades and professions licenses	131,900	131,900	18,823	(113,077)
Trades and professional exam fees	-	-	-	-
Other current services	15,200	15,200	-	(15,200)
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Other penalties	3,000	3,000	-	(3,000)
Miscellaneous revenue	-	-	-	-
Total revenues	<u>168,600</u>	<u>168,600</u>	<u>182,349</u>	<u>13,749</u>
Expenditures				
Personnel services and employee benefits	123,300	123,300	114,007	9,293
Contractual services	1,600	1,600	-	1,600
Other	25,900	25,900	22,890	3,010
Other financing uses	18,100	18,100	17,720	380
Total expenditures	<u>168,900</u>	<u>168,900</u>	<u>154,617</u>	<u>14,283</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(300)	(300)	<u>\$ 27,732</u>	<u>28,032</u>
Cash balance carryforward	<u>-</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>(300)</u>		
Excess revenue over expense			<u>\$ 27,732</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
SECURITIES ESCROW
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ -	-	-	-
Registration for trades and professions licenses	-	-	-	-
Trades and professional exam fees	-	-	-	-
Other current services	-	-	-	-
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Other penalties	-	-	-	-
Other financing sources	295,000	295,000	287,090	(7,910)
Miscellaneous revenue	-	-	-	-
Total revenues	<u>295,000</u>	<u>295,000</u>	<u>287,090</u>	<u>(7,910)</u>
Expenditures				
Contractual services	295,000	295,000	219,686	75,314
				-
				-
Total expenditures	<u>295,000</u>	<u>295,000</u>	<u>219,686</u>	<u>75,314</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ 67,404	67,404
Cash balance carryforward	-	-		
Total	<u>\$ -</u>	<u>-</u>		
Excess revenue over expense			<u>\$ 67,404</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF DENTAL HEALTH CARE
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 63,900	63,900	299,645	235,745
Other licenses and permits	-	-	19,339	19,339
Registration for trades and professions licenses	190,100	190,100	-	(190,100)
Registration for trades and professions	-	-	-	-
Other registration fees	-	-	-	-
Trades and professions examination fees	500	500	-	(500)
Other services	700	700	-	(700)
Other current services	600	600	-	(600)
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Court fines and forfeitures	-	-	-	-
Certification Fines	-	-	-	-
Other penalties	8,200	8,200	-	(8,200)
Miscellaneous revenue	-	-	17,634	17,634
Total revenues	264,000	264,000	336,618	72,618
Expenditures				
Personnel services and employee benefits	298,000	298,000	287,610	10,390
Contractual services	6,700	6,700	1,000	5,700
Other	67,300	67,300	162,115	(94,815)
Other financing uses	57,500	57,500	56,310	1,190
Total expenditures	429,500	429,500	507,035	(77,535)
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(165,500)	(165,500)	\$ (170,417)	(4,917)
Cash balance carryforward	-	-		
Total	\$ (165,500)	(165,500)		
Excess revenue over expense			<u>\$ (170,417)</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
NUTRITION AND DIETETICS PRACTICE BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 7,400	7,400	29,173	21,773
Other licenses and permits	100	100	406	306
Registration for trades and professions licenses	18,900	18,900	-	(18,900)
Other current services	400	400	-	(400)
Other publications	-	-	-	-
Other penalties	200	200	-	(200)
Miscellaneous revenue	-	-	300	300
Total revenues	<u>27,000</u>	<u>27,000</u>	<u>29,879</u>	<u>2,879</u>
Expenditures				
Personnel services and employee benefits	20,500	20,500	13,152	7,348
Contractual services	-	-	-	-
Other	12,200	12,200	2,170	10,030
Other financing uses	3,200	3,200	3,130	70
Total expenditures	<u>35,900</u>	<u>35,900</u>	<u>18,452</u>	<u>17,448</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(8,900)	(8,900)	<u>\$ 11,427</u>	<u>20,327</u>
Cash balance carryforward	-	-		
Total	<u>\$ (8,900)</u>	<u>(8,900)</u>		
Excess revenue over expense			<u>\$ 11,427</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF NURSING HOME ADMINISTRATORS
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 11,800	11,800	40,619	28,819
Other licenses and permits	-	-	-	-
Registration for trades and professions licenses	27,700	27,700	-	(27,700)
Trades and professions examination fees	100	100	-	(100)
Other current services	100	100	-	(100)
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Other penalties	900	900	-	(900)
Miscellaneous revenue	-	-	1,462	1,462
Total revenues	40,600	40,600	42,081	1,481
Expenditures				
Personnel services and employee benefits	29,300	29,300	21,374	7,926
Contractual services	200	200	-	200
Other	10,500	10,500	5,433	5,067
Other financing uses	7,200	7,200	7,050	150
Total expenditures	47,200	47,200	33,857	13,343
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(6,600)	(6,600)	\$ 8,224	14,824
Cash balance carryforward	-	-		
Total	\$ (6,600)	(6,600)		
Excess revenue over expense			\$ 8,224	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF OCCUPATIONAL THERAPY PRACTICE
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 10,400	10,400	86,721	76,321
Other licenses and permits	-	-	8,345	8,345
Registration for trades and professions licenses	49,700	49,700	-	(49,700)
Trades and professions examination fees	1,100	1,100	-	(1,100)
Other intra state services	-	-	-	-
Other current services	2,800	2,800	-	(2,800)
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Other penalties	2,400	2,400	-	(2,400)
Miscellaneous revenue	-	-	4,110	4,110
Total revenues	66,400	66,400	99,176	32,776
Expenditures				
Personnel services and employee benefits	45,600	45,600	27,872	17,728
Contractual services	2,000	2,000	-	2,000
Other	18,000	18,000	5,920	12,080
Other financing uses	8,900	8,900	8,720	180
Total expenditures	74,500	74,500	42,512	31,988
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(8,100)	(8,100)	\$ 56,664	64,764
Cash balance carryforward	-	-		
Total	\$ (8,100)	(8,100)		
Excess revenue over expense			<u>\$ 56,664</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
OPTOMETRY BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 3,000	3,000	6,800	3,800
Other licenses and permits	-	-	73,045	73,045
Registration for trades and professions licenses	65,500	65,500	-	(65,500)
Trades and professions examination fees	3,200	3,200	-	(3,200)
Other current services	600	600	-	(600)
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Other penalties	1,000	1,000	-	(1,000)
Miscellaneous revenue	-	-	2,730	2,730
Total revenues	73,300	73,300	82,575	9,275
Expenditures				
Personnel services and employee benefits	48,000	36,000	29,105	6,895
Contractual services	11,500	11,500	7,575	3,925
Other	13,000	25,000	19,455	5,545
Other financing uses	9,200	9,200	9,000	200
Total expenditures	81,700	81,700	65,135	16,565
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(8,400)	(8,400)	\$ 17,440	25,840
Cash balance carryforward	-	-		
Total	\$ (8,400)	(8,400)		
Excess revenue over expense			\$ 17,440	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF OSTEOPATHIC MEDICAL EXAMINERS
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 18,300	18,300	103,237	84,937
Other licenses and permits	-	-	6,153	6,153
Registration for trades and professions licenses	67,400	67,400	-	(67,400)
Other current services	2,400	2,400	-	(2,400)
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Interest on Bank Deposits	-	-	-	-
Interest on Investments	-	-	-	-
Other penalties	10,800	10,800	-	(10,800)
Miscellaneous revenue	-	-	8,500	8,500
Total revenues	<u>98,900</u>	<u>98,900</u>	<u>117,890</u>	<u>18,990</u>
Expenditures				
Personnel services and employee benefits	66,000	66,000	59,332	6,668
Contractual services	2,000	2,000	-	2,000
Other	25,300	25,300	11,737	13,563
Other financing uses	7,400	7,400	7,250	150
Total expenditures	<u>100,700</u>	<u>100,700</u>	<u>78,319</u>	<u>22,381</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(1,800)	(1,800)	<u>\$ 39,571</u>	<u>41,371</u>
Cash balance carryforward	-	-		
Total	<u>\$ (1,800)</u>	<u>(1,800)</u>		
Excess revenue over expense			<u>\$ 39,571</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PODIATRY BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 1,600	1,600	29,975	28,375
Other licenses and permits	-	-	1,657	1,657
Registration for trades and professions licenses	-	-	-	-
Other current services	500	500	-	(500)
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Other penalties	800	800	-	(800)
Miscellaneous revenue	-	-	650	650
Total revenues	<u>2,900</u>	<u>2,900</u>	<u>32,282</u>	<u>29,382</u>
Expenditures				
Personnel services and employee benefits	19,800	19,800	18,804	996
Contractual services	500	500	-	500
Other	10,800	10,800	4,338	6,462
Other financing uses	3,700	3,700	3,620	80
Total expenditures	<u>34,800</u>	<u>34,800</u>	<u>26,762</u>	<u>8,038</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(31,900)	(31,900)	<u>\$ 5,520</u>	<u>37,420</u>
Cash balance carryforward	-	-		
Total	<u>\$ (31,900)</u>	<u>(31,900)</u>		
Excess revenue over expense			<u>\$ 5,520</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PSYCHOLOGY BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 12,500	12,500	241,833	229,333
Other licenses and permits	-	-	2,891	2,891
Registration for trades and professions licenses	162,500	162,500	-	(162,500)
Other registration fees	-	-	-	-
Trades and professions examination fees	-	-	-	-
Other current services	100	100	-	(100)
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Other penalties	5,200	5,200	-	(5,200)
Miscellaneous revenue	1,300	1,300	4,495	3,195
Other financing sources	-	-	-	-
	<hr/>			
Total revenues	181,600	181,600	249,219	67,619
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Expenditures				
Personnel services and employee benefits	109,600	109,600	104,966	4,634
Contractual services	20,000	20,000	10,903	9,097
Other	48,700	48,700	34,334	14,366
Other financing uses	29,800	29,800	29,180	620
	<hr/>			
Total expenditures	208,100	208,100	179,383	28,717
<hr/>				
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(26,500)	(26,500)	\$ 69,836	96,336
	<hr/>			
Cash balance carryforward	-	-		
	<hr/>			
Total	\$ (26,500)	(26,500)		
	<hr/>			
Excess revenue over expense			\$ 69,836	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PHYSICAL THERAPY BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 22,500	22,500	123,820	101,320
Other licenses and permits	-	-	18,130	18,130
Registration for trades and professions licenses	92,800	92,800	-	(92,800)
Trades and professions examination fees	2,600	2,600	-	(2,600)
Other current services	9,000	9,000	-	(9,000)
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Interest on investments	-	-	10,956	10,956
Other penalties	2,700	2,700	-	(2,700)
Miscellaneous revenue	-	-	6,800	6,800
Total revenues	129,600	129,600	159,706	30,106
Expenditures				
Personnel services and employee benefits	85,600	85,600	52,772	32,828
Contractual services	3,000	3,000	1,095	1,905
Other	29,200	29,200	6,925	22,275
Other financing uses	18,500	18,500	18,120	380
Total expenditures	136,300	136,300	78,912	57,388
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(6,700)	(6,700)	\$ 80,794	87,494
Cash balance carryforward	-	-		
Total	\$ (6,700)	(6,700)		
Excess revenue over expense			\$ 80,794	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
THANATOPRACTICE BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 27,000	27,000	107,770	80,770
Other licenses and permits	-	-	310	310
Registration for trades and professions licenses	76,500	76,500	-	(76,500)
Trades and professions examination fees	1,500	1,500	-	(1,500)
Other current services	-	-	-	-
Manuals and codes	-	-	30	30
Other publications	-	-	-	-
Interest on bank deposits	-	-	-	-
Other penalties	-	-	-	-
Miscellaneous revenue	2,000	2,000	1,500	(500)
Total revenues	<u>107,000</u>	<u>107,000</u>	<u>109,610</u>	<u>2,610</u>
Expenditures				
Personnel services and employee benefits	97,600	97,600	74,505	23,095
Contractual services	7,500	7,500	2,220	5,280
Other	35,400	35,400	12,712	22,688
Other financing uses	13,000	13,000	12,730	270
Total expenditures	<u>153,500</u>	<u>153,500</u>	<u>102,167</u>	<u>51,333</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(46,500)	(46,500)	\$ 7,443	53,943
Cash balance carryforward	-	-		
Total	<u>\$ (46,500)</u>	<u>(46,500)</u>		
Excess revenue over expense			<u>\$ 7,443</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
INTERIOR DESIGN BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 2,100	2,100	29,658	27,558
Other licenses and permits	-	-	-	-
Registration for trades and professions licenses	24,100	24,100	-	(24,100)
Other registration fees	-	-	-	-
Other services	-	-	-	-
Other current services	300	300	-	(300)
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Other penalties	900	900	-	(900)
Miscellaneous revenue	-	-	1,965	1,965
Total revenues	<u>27,400</u>	<u>27,400</u>	<u>31,623</u>	<u>4,223</u>
Expenditures				
Personnel services and employee benefits	11,100	11,100	9,464	1,636
Contractual services	-	-	-	-
Other	11,500	11,500	3,861	7,639
Other financing uses	6,700	6,700	6,560	140
Total expenditures	<u>29,300</u>	<u>29,300</u>	<u>19,885</u>	<u>9,415</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(1,900)	(1,900)	\$ 11,738	<u>13,638</u>
Cash balance carryforward	-	-		
Total	<u>\$ (1,900)</u>	<u>(1,900)</u>		
Excess revenue over expense			<u>\$ 11,738</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PRIVATE INVESTIGATORS AND POLYGRAPHERS BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 18,900	18,900	126,337	107,437
Other licenses and permits	-	-	5,693	5,693
Registration for trades and professions licenses	54,700	54,700	-	(54,700)
Other registration fees	39,300	39,300	-	(39,300)
Trades and professions examination fees	-	-	-	-
Other current services	200	200	-	(200)
Interest on bank deposits	-	-	-	-
Interest on investments	-	-	12,650	12,650
Other penalties	500	500	-	(500)
Miscellaneous revenue	-	-	8,929	8,929
Total revenues	113,600	113,600	153,609	40,009
Expenditures				
Personnel services and employee benefits	73,400	73,400	46,771	26,629
Contractual services	5,000	5,000	-	5,000
Other	32,800	32,800	22,924	9,876
Other financing uses	22,800	22,800	22,330	470
Total expenditures	134,000	134,000	92,025	41,975
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(20,400)	(20,400)	\$ 61,584	81,984
Cash balance carryforward	-	-		
Total	\$ (20,400)	(20,400)		
Excess revenue over expense			\$ 61,584	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF LANDSCAPE ARCHITECTS
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 7,100	7,100	41,962	34,862
Registration for trades and professions licenses	25,600	25,600	150	(25,450)
Trades and professions examination fees	100	100	-	(100)
Other current services	-	-	-	-
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Other penalties	2,100	2,100	-	(2,100)
Miscellaneous revenue	-	-	-	-
Other financing sources	-	-	6,125	6,125
Total revenues	34,900	34,900	48,237	13,337
Expenditures				
Personnel services and employee benefits	19,900	19,900	17,960	1,940
Contractual services	300	300	289	11
Other	10,600	12,335	10,661	1,674
Other financing uses	4,600	4,600	4,500	100
Total expenditures	35,400	37,135	33,410	3,725
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(500)	(2,235)	\$ 14,827	17,062
Cash balance carryforward	-	-		
Total	\$ (500)	(2,235)		
Excess revenue over expense			\$ 14,827	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
REAL ESTATE APPRAISERS BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 42,300	42,300	134,322	92,022
Other licenses and permits	-	-	4,877	4,877
Registration for trades and professions licenses	-	-	-	-
Registration for trades and professions exam fees	63,400	63,400	-	(63,400)
Other registration fees	-	-	-	-
Other services	-	-	-	-
Other current services	3,500	3,500	-	(3,500)
Manuals and codes	-	-	75	75
Other publications	100	100	-	(100)
Interest on bank deposits	-	-	-	-
Court fines and forfeitures	-	-	-	-
Interest on investments	-	-	10,135	10,135
Other penalties	8,800	8,800	-	(8,800)
Miscellaneous revenue	-	-	7,000	7,000
Total revenues	118,100	118,100	156,409	38,309
Expenditures				
Personnel services and employee benefits	96,100	96,100	95,285	815
Contractual services	12,500	12,500	-	12,500
Other	36,800	36,800	23,476	13,324
Other financing uses	24,300	24,300	23,800	500
Total expenditures	169,700	169,700	142,561	27,139
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(51,600)	(51,600)	\$ 13,848	65,448
Cash balance carryforward	-	-		
Total	\$ (51,600)	(51,600)		
Excess revenue over expense			<u>\$ 13,848</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF ACCOUNTANCY
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 30,200	30,200	377,011	346,811
Other licenses and permits	-	-	1,171	1,171
Registration for trades and professions licenses	333,400	333,400	-	(333,400)
Other registration fees	-	-	-	-
Trades and professions examination fees	-	-	-	-
Other current services	-	-	-	-
Interest on investments	-	-	46,075	46,075
Other penalties	23,700	23,700	-	(23,700)
Miscellaneous revenue	2,900	2,900	-	(2,900)
Other Financing Sources	-	-	32,869	32,869
Total revenues	390,200	390,200	457,126	66,926
Expenditures				
Personnel services and employee benefits	264,800	264,800	261,894	2,906
Contractual services	21,600	21,600	2,571	19,029
Other	149,600	149,600	117,129	32,471
Other financing uses	56,500	56,500	55,330	1,170
Total expenditures	492,500	492,500	436,924	55,576
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(102,300)	(102,300)	\$ 20,202	122,502
Cash balance carryforward	-	-		
Total	\$ (102,300)	(102,300)		
Excess revenue over expense			\$ 20,202	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
SOCIAL WORK EXAMINERS BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 52,400	52,400	406,764	354,364
Other licenses and permits	-	-	-	-
Registration for trades and professions licenses	216,600	216,600	-	(216,600)
Trades and professions examination fees	6,400	6,400	-	(6,400)
Other current services	10,500	10,500	-	(10,500)
Interest on bank deposits	-	-	-	-
Interest on investments	-	-	-	-
Other penalties	4,000	4,000	-	(4,000)
Miscellaneous revenue	-	-	-	-
Other Financing Sources	-	-	9,237	9,237
Total revenues	289,900	289,900	416,001	126,101
Expenditures				
Personnel services and employee benefits	250,000	250,000	171,017	78,983
Contractual services	3,000	3,000	1,663	1,337
Other	88,500	88,500	67,652	20,848
Other financing uses	44,000	44,000	43,090	910
Total expenditures	385,500	385,500	283,422	102,078
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(95,600)	(95,600)	\$ 132,579	228,179
Cash balance carryforward	-	-		
Total	\$ (95,600)	(95,600)		
Excess revenue over expense			<u>\$ 132,579</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ACUPUNCTURE BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 6,600	6,600	174,318	167,718
Other licenses and permits	5,500	5,500	5,530	30
Registration for trades and professions licenses	124,000	124,000	-	(124,000)
Trades and professions examination fees	10,000	10,000	-	(10,000)
Other current services	2,100	2,100	-	(2,100)
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Other penalties	5,000	5,000	-	(5,000)
Miscellaneous revenue	-	-	10,500	10,500
Total revenues	<u>153,200</u>	<u>153,200</u>	<u>190,348</u>	<u>37,148</u>
Expenditures				
Personnel services and employee benefits	157,600	157,600	69,779	87,821
Contractual services	24,000	24,000	15,273	8,727
Other	20,700	20,700	15,849	4,851
Other financing uses	15,600	15,600	15,280	320
Total expenditures	<u>217,900</u>	<u>217,900</u>	<u>116,181</u>	<u>101,719</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(64,700)	(64,700)	<u>\$ 74,167</u>	<u>138,867</u>
Cash balance carryforward	-	-		
Total	<u>\$ (64,700)</u>	<u>(64,700)</u>		
Excess revenue over expense			<u>\$ 74,167</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
HUD MANUFACTURED HOUSING
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Federal Grants	\$ 109,000	109,000	81,100	(27,900)
Other Current Services	-	-	-	-
Total revenues	<u>109,000</u>	<u>109,000</u>	<u>81,100</u>	<u>(27,900)</u>
Expenditures				
Personnel services and employee benefits	109,000	64,000	67,956	(3,956)
Contractual services	-	-	-	-
Operating Costs	-	-	-	-
Other	-	45,000	37,954	7,046
Total expenditures	<u>109,000</u>	<u>109,000</u>	<u>105,910</u>	<u>3,090</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	<u>\$ (24,810)</u>	<u>(24,810)</u>
Cash balance carryforward	-	-		
Total	<u>\$ -</u>	<u>-</u>		
Excess revenue over expense			<u>\$ (24,810)</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
SPEECH, LANGUAGE PATHOLOGY, AND AUDIOLOGY BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 23,700	23,700	126,731	103,031
Other licenses and permits	-	-	5,985	5,985
Registration for trades and professions licenses	94,500	94,500	-	(94,500)
Other registration fees	-	-	-	-
Trades and professions examination fees	200	200	-	(200)
Other current services	700	700	-	(700)
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Interest on bank deposits	-	-	-	-
Interest on investments	-	-	11,595	11,595
Other penalties	4,000	4,000	-	(4,000)
Miscellaneous revenue	-	-	3,985	3,985
Total revenues	<u>123,100</u>	<u>123,100</u>	<u>148,296</u>	<u>25,196</u>
Expenditures				
Personnel services and employee benefits	116,000	116,000	91,358	24,642
Contractual services	2,700	2,700	712	1,988
Operating Costs	-	-	-	-
Other	21,500	21,500	9,085	12,415
Other financing uses	23,000	23,000	22,520	480
Total expenditures	<u>163,200</u>	<u>163,200</u>	<u>123,675</u>	<u>39,525</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(40,100)	(40,100)	<u>\$ 24,621</u>	<u>64,721</u>
Cash balance carryforward	-	-		
Total	<u>\$ (40,100)</u>	<u>(40,100)</u>		
Excess revenue over expense			<u>\$ 24,621</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
RESPIRATORY CARE ADVISORY BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 8,700	8,700	64,448	55,748
Other licenses and permits	900	900	1,698	798
Registration for trades and professions licenses	53,500	53,500	-	(53,500)
Other registration fees	1,700	1,700	-	(1,700)
Other current services	1,100	1,100	-	(1,100)
Manuals and codes	-	-	-	-
Other publications	-	-	-	-
Other penalties	1,300	1,300	1,710	410
Total revenues	67,200	67,200	67,856	656
Expenditures				
Personnel services and employee benefits	51,200	51,200	28,335	22,865
Contractual services	-	-	-	-
Other	6,700	6,700	3,511	3,189
Other financing uses	9,500	9,500	9,300	200
Total expenditures	67,400	67,400	41,146	26,254
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(200)	(200)	\$ 26,710	26,910
Cash balance carryforward	44,800	44,800		
Total	\$ 44,600	44,600		
Excess revenue over expense			\$ 26,710	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ATHLETIC TRAINER'S BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 3,600	3,600	6,498	2,898
Registration for trades and professions licenses	16,400	16,400	15,315	(1,085)
Trades and professions examination fees	-	-	-	-
Other current services	100	100	120	20
Other publications	-	-	-	-
Other penalties	800	800	975	175
Miscellaneous revenue	-	-	-	-
Other financing sources	-	-	-	-
Total revenues	20,900	20,900	22,908	2,008
Expenditures				
Personnel services and employee benefits	11,900	11,900	9,662	2,238
Contractual services	900	900	-	900
Other	6,400	6,400	4,105	2,295
Other financing uses	2,900	2,900	2,840	60
Total expenditures	22,100	22,100	16,607	5,493
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(1,200)	(1,200)	\$ 6,301	7,501
Cash balance carryforward	-	-		
Total	\$ (1,200)	(1,200)		
Excess (deficiency) revenue over expense			<u>\$ 6,301</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
NAPRAPATHY BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 2,500	2,500	5,350	2,850
Other licenses and permits	-	-	-	-
Registration for trades and professions licenses	-	-	-	-
Other current services	-	-	150	150
Total revenues	<u>2,500</u>	<u>2,500</u>	<u>5,500</u>	<u>3,000</u>
Expenditures				
Other	5,400	5,400	471	4,929
Total expenditures	<u>5,400</u>	<u>5,400</u>	<u>471</u>	<u>4,929</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(2,900)	(2,900)	\$ 5,029	7,929
Cash balance carryforward	-	-		
Total	<u>\$ (2,900)</u>	<u>(2,900)</u>		
Excess revenue over expense- Budgetary Basis			<u>\$ 5,029</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
CARNIVAL RIDE INSURANCE
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Other licenses and permits	\$ -	-	13,300	13,300
Total revenues	<u>-</u>	<u>-</u>	<u>13,300</u>	<u>13,300</u>
Expenditures				
Other financing uses	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	<u>\$ 13,300</u>	<u>13,300</u>
Cash balance carryforward	-	-		
Total	<u>\$ -</u>	<u>-</u>		
Excess (deficiency) revenue over expense- Budgetary Basis			\$ 13,300	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
IMPAIRED DENTISTS AND DENTAL HYGIENISTS BOARD
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Other services	\$ 15,000	15,000	15,285	285
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>15,285</u>	<u>285</u>
Expenditures				
Contractual services	15,000	15,000	12,000	3,000
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>12,000</u>	<u>3,000</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	<u>\$ 3,285</u>	<u>3,285</u>
Cash balance carryforward	-	-		
Total	<u>\$ -</u>	<u>-</u>		
Excess revenue over expense- Budgetary Basis			\$ 3,285	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
HOISTING OPERATORS
Year Ended June 30, 2008

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Other Licenses & Permits	\$		20,765	20,765
Total revenues	-	-	20,765	20,765
Expenditures				
Contractual services			-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ 20,765	20,765
Cash balance carryforward	-	-		
Total	\$ -	-		
Excess revenue over expense- Budgetary Basis			\$ 20,765	

STATE OF NEW MEXICO
 REGULATION AND LICENSING DEPARTMENT
 COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 June 30, 2008

	FID Receipts	MHD Receipts	CID Receipts
ASSETS			
Interest in State Treasurer General Fund Investment Pool	\$ 101,471	59,832	916,678
LIABILITIES			
Due to State General Fund	\$ 101,471	59,832	916,678

	SEC Receipts	Alcohol and Gaming Receipts	Total
\$	1,008,785	197,426	2,284,192

\$	1,008,785	197,426	2,284,192
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STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING SCHEDULE OF CHANGES
IN ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2008

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008
FID RECEIPTS				
ASSETS				
Interest in State Treasurer General Fund Investment Pool	\$ -	101,471	-	101,471
Total assets	<u>\$ -</u>	<u>101,471</u>	<u>-</u>	<u>101,471</u>
LIABILITIES				
Due to State General Fund	\$ -	101,471	-	101,471
Total liabilities	<u>\$ -</u>	<u>101,471</u>	<u>-</u>	<u>101,471</u>
 MHD RECEIPTS				
ASSETS				
Interest in State Treasurer General Fund Investment Pool	\$ 335	59,497	-	59,832
Total assets	<u>\$ 335</u>	<u>59,497</u>	<u>-</u>	<u>59,832</u>
LIABILITIES				
Due to State General Fund	\$ 335	59,497	-	59,832
Total liabilities	<u>\$ 335</u>	<u>59,497</u>	<u>-</u>	<u>59,832</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING SCHEDULE OF CHANGES
IN ASSETS AND LIABILITIES (CONTINUED)
AGENCY FUNDS
June 30, 2008

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008
CID RECEIPTS				
ASSETS				
Interest in State Treasurer General Fund Investment Pool	\$ 3,887	912,791	-	916,678
Total assets	<u>\$ 3,887</u>	<u>912,791</u>	<u>-</u>	<u>916,678</u>
LIABILITIES				
Due to State General Fund	\$ 3,887	912,791	-	916,678
Total liabilities	<u>\$ 3,887</u>	<u>912,791</u>	<u>-</u>	<u>916,678</u>
 SEC RECEIPTS				
ASSETS				
Interest in State Treasurer General Fund Investment Pool	\$ 2,625	1,006,160	-	1,008,785
Total assets	<u>\$ 2,625</u>	<u>1,006,160</u>	<u>-</u>	<u>1,008,785</u>
LIABILITIES				
Due to State General Fund	\$ 2,625	1,006,160	-	1,008,785
Total liabilities	<u>\$ 2,625</u>	<u>1,006,160</u>	<u>-</u>	<u>1,008,785</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING SCHEDULE OF CHANGES
IN ASSETS AND LIABILITIES (CONTINUED)
AGENCY FUNDS
June 30, 2008

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008
ALCOHOL AND GAMING RECEIPTS				
ASSETS				
Interest in State Treasurer General Fund Investment Pool	\$ -	197,426	-	<u>197,426</u>
Total assets	<u>\$ -</u>	<u>197,426</u>	<u>-</u>	<u>197,426</u>
LIABILITIES				
Due to State General Fund	\$ -	197,426	-	<u>197,426</u>
Total liabilities	<u>\$ -</u>	<u>197,426</u>	<u>-</u>	<u>197,426</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF CASH ACCOUNTS
Year Ended June 30, 2008

Name of Fund	Fund Type	SHARE Fund Number	Interest Bearing	Type of Account	Balance at June 30, 2008
General Fund					
NM State Treasurer	General	433	NO	State Treasury	\$ 1,978,272
Petty cash	Imprest				-
Total General Fund cash					<u>1,978,272</u>
Special Revenue Fund					
Securities Education	Special Revenue	44	NO	State Treasury	1,154,689
Vehicle Replacement	Special Revenue	296	NO	State Treasury	1,528
Real Estate Recovery	Special Revenue	297	NO	State Treasury	455,935
FID Revolving Fund	Special Revenue	372	NO	State Treasury	200
CID Revolving Fund	Special Revenue	373	NO	State Treasury	198,158
Barber and Cosmetology	Special Revenue	439	NO	State Treasury	1,185,773
Athletic Commission	Special Revenue	441	NO	State Treasury	29,377
Massage Therapy	Special Revenue	442	NO	State Treasury	615,249
Counselors and Therapists	Special Revenue	444	NO	State Treasury	1,007,564
Securities Escrow	Special Revenue	445	NO	State Treasury	111,172
Chiropractic Examiners	Special Revenue	446	NO	State Treasury	394,136
Dental	Special Revenue	447	NO	State Treasury	300,694
Nutrition and Dietetics	Special Revenue	448	NO	State Treasury	76,905
Nursing Home Administration	Special Revenue	449	NO	State Treasury	69,873
Occupational Therapy	Special Revenue	450	NO	State Treasury	222,262
Optometry	Special Revenue	451	NO	State Treasury	215,344
Osteopathic Examiners	Special Revenue	452	NO	State Treasury	293,057
Podiatry	Special Revenue	453	NO	State Treasury	65,035
Psychologist	Special Revenue	454	NO	State Treasury	438,502
Physical Therapist	Special Revenue	455	NO	State Treasury	315,145
Thanatopractice	Special Revenue	456	NO	State Treasury	262,071
Interior Design	Special Revenue	457	NO	State Treasury	48,667
Private Investigation	Special Revenue	459	NO	State Treasury	282,778
Landscape Architects	Special Revenue	460	NO	State Treasury	71,677
Pharmacy	Special Revenue	464	NO	State Treasury	4,916,089
Pharmacy	Imprest				-
Real Estate Appraisers	Special Revenue	465	NO	State Treasury	244,057
Accountancy	Special Revenue	466	NO	State Treasury	1,035,783
Accountancy	Imprest				-
Real Estate Commission	Special Revenue	467	NO	State Treasury	3,182,820
Real Estate Commission	Imprest				-
Social Workers	Special Revenue	469	NO	State Treasury	1,379,403
Acupuncture	Special Revenue	471	NO	State Treasury	275,769
HUD Manufactured Housing	Special Revenue	472	NO	State Treasury	53,890
Speech Language	Special Revenue	473	NO	State Treasury	277,970
Respiratory Care	Special Revenue	474	NO	State Treasury	137,272
Athletic Trainers	Special Revenue	475	NO	State Treasury	36,685
Naprapathy	Special Revenue	535	NO	State Treasury	26,109
Carnival Ride Insurance	Special Revenue	643	NO	State Treasury	32,200
Impaired Dentists	Special Revenue	876	NO	State Treasury	44,067
Hoisting Operators	Special Revenue	2110	NO	State Treasury	37,070
Sign Language Services	Special Revenue	20110	NO	State Treasury	-
Animal Sheltering Services	Special Revenue	20120	NO	State Treasury	184,395
Total Special Revenue					<u>19,679,370</u>
Fiduciary Fund					
FID Receipts Fund	Fiduciary	435	NO	State Treasurer	101,471
MHD Receipts	Fiduciary	436	NO	State Treasurer	59,832
CID Receipts Fund	Fiduciary	437	NO	State Treasurer	916,678
SEC Receipts Fund	Fiduciary	438	NO	State Treasurer	1,008,785
Alcohol and Gaming Receipts	Fiduciary	808	NO	State Treasurer	197,426
Total Fiduciary Funds					<u>2,284,192</u>
Total all funds					<u>\$ 23,941,834</u>

**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***

Kelly O'Donnell Ph.D, Superintendent
State of New Mexico
Regulation and Licensing Department
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

We have audited the financial statements of the governmental activities, each major fund, including the budgetary comparisons, of the State of New Mexico Regulation and Licensing Department (Department) as of and for the year ended June 30, 2008, and have issued our report thereon dated January 26, 2009. We have also audited the financial statements of each of the Department's non-major governmental funds, including the budgetary comparisons, presented as supplementary information in the combining and individual fund financial statements as of and for the year ended June 30, 2008, and have issued our report thereon dated January 26, 2009. 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

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 Department's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Department'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 would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

Kelly O'Donnell Ph.D, Superintendent
State of New Mexico
Regulation and Licensing Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

A *control deficiency* 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Department's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Department's financial statements that is more than inconsequential will not be prevented or detected by the Department's internal control. We consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies in internal control over financial reporting as items 04-2, 06-2, 06-6, 06-7, 06-8, 07-1, 08-1 through 08-5.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Department's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

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

Kelly O'Donnell, Superintendent
State of New Mexico
Regulation and Licensing Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 04-2, 06-8, 08-3, and 08-5.

The Department's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. 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 the New Mexico Department of Finance and Administration, and is not intended to be and should not be used by anyone other than these specified parties.

Moss Adams LLP

Albuquerque, New Mexico
January 26, 2009

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2008**

<u>Finding</u>	<u>Current Status</u>
03-4 Cash Receipts Segregation of Duties	Resolved
04-2 Untimely Deposits	Updated & Included
06-1 Wright Express (WEX) Card Procedures	Resolved
06-2 Payroll Procedures	Updated & Included
06-3 Late Financial Audit Report	Resolved
06-6 Disaster Recovery Plan	Updated & Included
06-7 System Logs	Updated & Included
06-8 Actual Expenditure Exceeded Budget Amounts	Updated & Included
07-1 Controls over Cash Receipts	Updated & Included
07-2 Deposit Validation	Resolved
07-3 SHARE Security/Access	Resolved
07-4 Rec of Agency Interest in the State Investment Pool	Resolved
07-5 Lack of Adequate Management Reporting	Resolved

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2008**

A. FINDINGS - FINANCIAL STATEMENT AUDIT

04-2 Untimely Deposits

CONDITION

During our cash receipts testwork, we noted that two out of the eighteen receipts tested were not deposited within 24 hours of collection. The receipts were from the Alcohol and Gaming Division.

CRITERIA

The Public Money Act (6-10-3 NMSA 1978) requires that all public monies be deposited by the next business day.

CAUSE

There are a large number of deposits and there have been occasional staffing issues.

EFFECT

The Department is in violation of the statute and there is increased risk of the loss or theft of deposits.

RECOMMENDATION

We recommend that all deposits are verified and deposited on a daily basis to ensure all monies are being tracked accordingly.

MANAGEMENT'S RESPONSE

The department will continue to provide employees involved in the cash receipts process training in order to ensure compliance with the Public Money Act.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2008

A. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

06-2 Payroll Procedures

CONDITION

During our testing of Payroll for 32 employees the following was noted:

- to be adequately tested, the pay rate not being able to be verified with the payroll register, the title of the employee to be undocumented
- No security user role provided (three employees)
- No updated payroll change form for an increase in pay rate available (one employee)
- Sufficient supporting documentation not provided causing comp. time not to be able to be adequately tested (32 employees) Annual leave not calculated correctly (two employees)
- 3 payroll files not provided causing annual leave not to be able to be calculated.

CRITERIA

Internal control procedures over payroll should ensure that employee files and documents are complete and accurate. Specific guidelines regarding payroll can be found in Department of Finance and Authority's HR guidelines.

CAUSE

FY 2007 was the first year of SHARE implementation and all controls had not been established to facilitate smooth payroll processing. Some issues carried over into 2008.

EFFECT

Adequate documentation is not being obtained and maintained. There is an increased risk that errors in payroll may not be detected.

RECOMMENDATION

We recommend that the Human Resource staff implement controls in order to compliance with payroll requirements. In addition, we recommend the develop to monitor compliance with these controls throughout the year.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2008**

A. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

06-2 Payroll Procedures (Continued)

MANAGEMENT'S RESPONSE

The Human Resources Bureau continues to implement various procedures and checks and balances to be able to address the payroll issues. However, due to the implementation of the PeopleSoft SHARE system we are unable to address the issues in bullets 2 and 5 as we no longer have access to this information.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2008

A. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

Finding 06-6 Disaster Recovery Plan

CONDITION

The Department's disaster recovery plan (DRP) has been updated into a knowledge base entry which is stored on the Department servers. However, this information has not been formalized into a document which has been reviewed and approved by RLD non-technology management. They are however in the process of creating this document based upon the information located on the knowledge base.

Annual testing of the disaster recovery plan to prepare the Department for continuing operations in the event of an unforeseen disaster is not being performed. The tests should be documented and formalized to be included with the Department's overall business continuity planning.

Additionally, the RLD does not perform an offsite back-up of their information. Ironically, if the servers were to fail the disaster recovery plan as well as the documentation for that recovery are located on servers which would potentially, not be available during a disaster. However, RLD is in the process of developing a Cold, and Warm offsite storage location to address this issue.

CRITERIA

A review of the disaster recovery plan will ensure that the plan meets business continuity needs. It also would be prudent for the organization to test its disaster recovery plan to ensure the viability of the plan and the timeliness of its execution. Off-site backups are a crucial part of this process and a good business practice.

EFFECT

The Department's daily operations could be hampered upon a system failure.

CAUSE

To date the RLD has created a rough draft business continuity plan to address a broad scope of disasters however, this does not address IT related issues, and creating continuity over IT related resources as well as the resources that track and maintain the revenue recognition of RLD in the form of soft wares, System Automation (License2000 and MyLicense), and KIVA. In regards to software packages and the restoration or correction of issues within the software packages, RLD has a contract or Service Level Agreement, SLA, with System Automation, see z-01. This will provide the correction or

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2008**

A. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

Finding 06-6 Disaster Recovery Plan (Continued)

CAUSE (Continued)

help in restoring the revenue generating applications to a functioning status however the data for this application still is susceptible to the issues of a data backup disaster. In regards to the KIVA application this application is not backed by a contract or SLA with the developer and is also susceptible to the issue of data backup disasters.

RECOMMENDATION

We recommend formalizing, reviewing, and approving the DRP and performing annual recurrent, documented, testing of the plan. Additionally, the Department should complete the Cold and Warm offsites with a minimum of weekly backups offsite. Implement and monitor these changes into the Department's overall business continuity planning.

MANAGEMENT RESPONSE

RLD implemented a virtual server environment in FY08 which created a fully redundant system, both at the hardware level and the server level. This environment eliminated any one single point of failure, and RLD maintains spare parts on hand in the case of any hardware failure. All of these parts are hot-swappable, meaning the system can still be running while new hardware is installed. This has reduced the amount of downtime the agency experiences and is the first step in the IS team's business continuity plan implementation. It is true that since the environment switched over, RLD has not had off-site weekly backups; however, the agency purchased a new backup system that allows for full virtual server and database tape backups. This system will be implemented at the end of December, 2008. In addition, the RLD IS team will be creating a warm site in Albuquerque with excess servers that were decommissioned as part of the virtual server project. This will be the final phase in the IS team's business continuity implementation. The business continuity plan does address IT issues and processes, and the intent once implemented is for each person on the BC/DR team to maintain a printed copy of all BC/DR documentation as well as have access to the electronic copy. The plan has not been signed off by agency management, but IS has completed their risk analysis and planning effort. The IS team does not currently have a full system recovery test of the DR plan, but recovers individual systems quarterly, at a minimum. Once the warm site is in place, RLD plans to have its first full system recovery test and continue to test it annually after that.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2008

A. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

Finding 06-7 System Logs

CONDITION

Security logs and error reports for License2000, KIVA, and MyLicense should be reviewed on a consistent basis.

CRITERIA

Error reports and security logs assist in providing information required to correct system-generated mistakes in the accounting records, which is good business practice.

EFFECT

System generated mistakes could cause the system to crash and the daily operations to be postponed until the issues are resolved. Errors could be uncorrected. Employees who have left the Department could still have system access.

CAUSE

Currently an employee who is not a member of management reviews and corrects issues that are reported on the security as well as application error logs of License2000 and MyLicense, and the server system logs that maintain these applications. Application as well as server issues are communicated to management daily through email or face-to-face; however, reported issues are not formally signed-off by management at this time. Currently, RLD is in the process of implementing a help desk issue tracking system that will be used to monitor and track application as well as server system errors which will allow for managements' oversight of issues related to the performance as well as corrective issues surrounding the servers, and the soft wares, License2000, MyLicense, and KIVA, contained on these servers on a daily basis. Currently, RLD does not regularly monitor Licese2000 for disabled accounts for those individuals who have been terminated or rights to perform business within the application.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2008**

A. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

Finding 06-7 System Logs (Continued)

RECOMMENDATION

We recommend that the Department document error patterns to aid in diagnosis and correction. Substantial additional testing by in-house accounting staff and outside auditors may be required to verify the accuracy of system financial records without evidence of the detection and correction of system-generated errors. The System security logs or reports can assist the Department in determining when its internal systems have been breached, or attempted breaches have been made, by outside parties. Management should sign-off on review activities daily to verify the logs are being checked and the corrections are being performed correctly. In addition, the Department should implement a regular review of system access to verify accounts are disabled for individuals who should no longer have access to the system.

MANGAGEMENT RESPONSE

An application "subject matter expert" needs to be empowered to review and resolve errors in the logs and management can simply identify whether or not the tasks have been consistently completed in a timely and effective manner. The auditors suggested management sign-off on this task should be obtained daily, rather than evaluated through the quarterly performance review process, which is the current practice. RLD will implement this daily process through the new Help Desk tool mentioned in the finding above. The staff member will enter a ticket into the system identifying any errors identified that day and management will sign-off that they have reviewed the ticket. Through this tool, RLD will be able to generate reports to identify patterns in system errors. In addition, RLD is currently formalizing procedures for the hiring and termination processes, which will attempt to close the gap between system accounts that are not disabled in a timely manner. The procedure will define who is responsible for notifying the IS team of terminations and transfers, and the appropriate timeframe in which the notification should be given.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2008

A. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

Finding 06-08 Actual Expenditures Exceeded Budgeted Amounts

CONDITION

The Department exceeded their budget expenditures for certain funds/programs and category items. These items included the following over expenditures: Board of Pharmacy – Personnel Services and Employee Benefits \$546; Board of Dental Care – Other \$94,815; Board of Landscape Architects – Other \$2,826; HUD Manufactured Housing – Personnel Services and Employee Benefits \$3,956; Animal Sheltering Services Board Personnel Services and Employee Benefits \$1,625 & Other \$8,226.

CRITERIA

Per the 2007 State Audit Rule, section 2.2.2.10 P, “If actual expenditures exceed budgeted expenditures within a category that fact must be reported in a finding.”

CAUSE

Due to unforeseen increases in certain costs, management was unable to accurately predict that budgeted costs would be exceeded until late in the year.

EFFECT

The Department has not complied with budgetary compliance requirements.

RECOMENDATION

We recommend that budget and actual expenditures are examined regularly to avoid over expenditures.

MANAGEMENT RESPONSE

The Department had a vacancy in the budget section for several months of the fiscal year. The position is now filled and the Department will develop a process for regular review of expenditures in order to ensure that the budget is not over expended in any fund.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2008**

A. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

07-1 Controls over Cash Receipts – ASD & CID

CONDITION

During our cash receipt testwork, we noted that two out of eighteen receipts tested, the Administrative Services Department and Construction Industries Division did not date stamp the check when it was received.

CRITERIA

Proper internal controls over Cash Receipt should include a date stamp to document when the money was received. The Department of Finance Authority FIN2 includes guidelines for the handling of public monies.

CAUSE

Lack of monitoring to ensure controls are followed was not maintained.

EFFECT

There is an increased risk of error in the financial records.

RECOMMENDATION

We recommend that they ensure that all checks are stamped when received by monitoring to ensure that controls are operating as intended.

MANAGEMENT RESPONSE

The Cash Office staff will be provided with additional training to ensure that this important part of the cash receipts process is followed.

Staff in the cash office changed in fiscal year 2008. The two receipts noted were related to the previous staff.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2008

A. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

08-1 Segregations of Duties – Administrative Services Division

CONDITION

The Financial Manager has complete general ledger access; including creating and approving purchase orders, invoices, and journal entries, as well as the ability to pick up checks from DFA.

CRITERIA

Internal controls are designed to safeguard assets and help prevent losses from employee dishonestly or error. A fundamental concept in an adequate system of internal control is the segregation of duties.

CAUSE

The internal control procedure of segregation of duties is not practiced due to inadequate staffing and lack of monitoring system access.

EFFECT

There is an increased risk of error or fraud in the financial records.

RECOMMENDATION

We recommend limiting the Financial Manager's access and designing compensating controls to address this issue.

MANAGEMENT RESPONSE

The Department will review the Financial Manager's SHARE access and determine how access can be modified in order to strengthen internal controls and maintain a sufficient level of back-up for the Department.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2008**

A. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

08-2 Financial Close & Reporting – Administrative Services Division

CONDITION

The financial closing and reporting process is not well established and documented, including the identification and updating of internal and external financial reporting requirements and deadlines; the methodology, format, and frequency of required analyses; roles and responsibilities; changes and analyses of financial information and requirements. This includes a process to review entries posted by the Department of Finance and Administration and a process to reconcile liability accounts related to payroll.

CRITERIA

Sound internal controls include procedures to ensure financial closing and reporting process are complete and lead to accurate and timely financial reporting.

CAUSE

The Department has not had adequate resources to develop well-established policies and procedures over financial close and reporting. This has been caused by turnover in key positions along with a lack of adequate staffing.

EFFECT

There is an increased risk of error or fraud in the financial records.

RECOMMENDATION

We recommend the Department develop policies and procedures to outline the requirements, timelines and responsibilities over the financial control and reporting process.

MANAGEMENT RESPONSE

The Department acknowledges that the financial close and reporting process needs work. In early fiscal year 2009 the Department recruited for an accountant, but due to budget constraints, the position could not be filled. With existing resources, the Department will develop and implement a financial close and reporting process.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2008**

A. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

08-3 Capital Assets – Administrative Services Division

CONDITION

The Department's capital assets listing and depreciation is not properly maintained. In addition, a reconciliation of capital outlay was not completed and a physical observation of capital assets was not performed until December 2008.

CRITERIA

State agencies shall record and report state owned capital assets in accordance with state law, state rule, and Generally Accepted Accounting Principles. Section 6-5-2, 13-6-1, NMSA 1978 and GSD Rule 88-101. The Department of Finance and Administration FIN6 has clear guidelines regarding asset management as well.

CAUSE

Staffing has not been assigned to this function and controls have not been implemented by management to properly track and calculate capital assets and related depreciation.

EFFECT

There is an increased risk of that assets may be lost or stolen and this would not be detected.

RECOMMENDATION

We recommend the Department's management assign this responsibility and provide adequate training to properly calculate, record, track, and reconcile capital assets and the related depreciation in compliance with State laws and the Department's policies and procedures.

MANAGEMENT RESPONSE

The Department will develop a fixed asset process in order to be in compliance. The responsibility for fixed assets will be assigned. The person assigned will be provided training on the fixed asset process to be used. The Department will ensure that a physical inventory is taken before fiscal year end.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2008**

A. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

**08-4 Cash Receipts – Board of Accountancy, Alcohol & Gaming Commission,
Construction Industries Division-ABQ, Pharmacy Board, Real Estate Commission,
Athletic Trainers Board**

CONDITION

During current year testing of cash receipts, we noted the following exceptions:

- The Report of Collections was not date stamped at the cashier's office after receipt from the board/division (6 of 18 tested).
- The Report of Collections was not appropriately initialed/certified by the preparer at the bottom of the report (5 of 18 tested).
- Adding machine tapes were not run at any level for verification/review (4 of 18 tested).
- A portion of the deposit was not approved and posted in SHARE by the State Treasurer's Office (1 of 18 tested).

CRITERIA

Proper internal controls over Cash Receipt should include following the Department's policies and procedures over the receipting process.

CAUSE

Lack of review and monitoring to ensure controls are followed was not maintained.

EFFECT

There is an increased risk of error or fraud in the revenue cycle.

RECOMMENDATION

We recommend reemphasizing the Department's new procedures throughout the Agency to ensure uniformity and efficiency in the deposit process. Additionally, spot checks by supervisors may be effective in identifying exceptions.

MANAGEMENT RESPONSE

The department will continue to provide employees involved in the cash receipts process training in order to ensure compliance with the public money act and Department internal controls. The Cash Office staff will be provided with additional training to ensure that sufficient review is taking place on all cash receipts. Reconciliation will take place to ensure that cash receipts are being processed correctly in the accounting system.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2008**

A. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

08-05 Untimely Reversion

CONDITION

The Department prepared a general fund reversion, but failed to submit the required operating transfers within the time frame established by statute for fiscal year 2007 and has not yet completed the final reversions for fiscal years 2006 and 2008 within the time frame established by statute. A general appropriation received should have been reverted timely in the amount of \$296,521 for fiscal year 2007; \$350,920 for fiscal year 2006 and \$463,235 for fiscal year 2008 have yet to be reverted.

CRITERIA

Section 6-5-10, NMSA 1978, requires "all unreserved, undesignated fund balances in reverting funds and accounts as reflected in the central accounting system as of June 30 shall revert by September 30, to the general fund. The agency may adjust the reversion within forty five days of release of the audit report for that fiscal year."

CAUSE

The Department is understaffed and does not have a procedure to ensure completion and compliance with statutory and other year end closing requirements.

EFFECT

Failure to transfer reverting funds by September 30 and the remaining amount within forty five days is noncompliant with State Statute and may impact State funding.

RECOMMENDATION

We recommend that the Department establish procedures to post all activity and verify that all accounts are reverted timely in order to meet the statutory deadline for reversions.

MANAGEMENT RESPONSE

The Department will ensure that the fiscal year 2006 and 2008 reversions are completed. The Department will also address the issue as part of the financial close and reporting process that will be developed.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
EXIT CONFERENCE
Year Ended June 30, 2008**

An exit conference was held on December 11, 2008. Attending were the following:

Representing the Department:

Kelly O'Donnell, Ph.D, Superintendent
Pamelya Herndon, Deputy Superintendent
Andrew Vallegos, Director, Boards & Commissions
Phillip Gonzales, Financial Manager
Michael Vargon, Deputy Director, Securities
Janis Rutschman, Deputy Director, Financial Institutions
Dana Tidwell, CID
Debra Lopez, Deputy Director, Alcohol & Gaming
Sheila Harris, Admin. Assistant, Alcohol & Gaming
Patrick Sandoval, Budget Analyst
Lisa Martinez, Director, Construction Industries
Benito J. Martinez Jr., Director, Manufactured Housing Division

Representing the Independent Auditor:

Larry Carmony, Partner
Audrey Jaramillo, Manager

The financial statements were prepared with the assistance of Moss Adams LLP.