

**STATE OF NEW MEXICO
REGULATION AND
LICENSING DEPARTMENT
Financial Statements
for the Year Ended
June 30, 2010,
and Independent
Auditors' Report**

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT



Table of Contents

Official Roster..... 1

Independent Auditors’ Report.....2 – 4

Management’s Discussion and Analysis5 – 14

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Assets 16

Statement of Activities..... 17

Fund Financial Statements:

Balance Sheet - Governmental Funds..... 18

Reconciliation of the Balance Sheet to the Statement
of Net Assets - Governmental Funds..... 19

Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Funds 20

Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances -
Governmental Fund to the Statement of
Activities - Governmental Funds 21

Statement of Revenues and Expenditures - General Fund –
Budget and Actual (Modified Accrual Basis)..... 22

Statement of Revenues and Expenditures – Securities Enforcement and
Investor Education – Budget and Actual (Modified Accrual Basis)..... 23

Statement of Revenues and Expenditures - Board of Pharmacy –
Budget and Actual (Modified Accrual Basis)..... 24

Statement of Revenues and Expenditures - Real Estate Commission –
Budget and Actual (Modified Accrual Basis)..... 25

Statement of Fiduciary Assets and Liabilities – Agency Funds 26

Notes to the Financial Statements27 – 53

Supplementary Information:

Non-Major Special Revenue Funds Descriptions55 – 57

Combining Balance Sheet - Non-Major Special Revenue Funds.....58 – 64

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Non-Major Special Revenue Funds.....65 – 70

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Table of Contents - continued

Supplementary Information - continued:

Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Hoisting Operators (2110) (Modified Accrual Basis).....	71
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – FID Revolving (3720) (Modified Accrual Basis).....	72
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – CID Revolving Fund (3730) (Modified Accrual Basis).....	73
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Real Estate Education and Training (4450) (Modified Accrual Basis)	74
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Carnival Ride Insurance (6430) (Modified Accrual Basis).....	75
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Impaired Dentists and Dental Hygienists (8760) (Modified Accrual Basis)	76
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – HUD Manufactured Housing (4720) (Modified Accrual Basis).....	77
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Signed Language Interpreting Practice (2011) (Modified Accrual Basis)	78
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Animal Sheltering (2012) (Modified Accrual Basis).....	79
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Real Estate Recovery (2970) (Modified Accrual Basis).....	80
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Barbers and Cosmetologists Fund (4390) (Modified Accrual Basis)	81
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Athletic Commission (4410) (Modified Accrual Basis).....	82
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Massage Therapy (4420) (Modified Accrual Basis).....	83

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Table of Contents - continued

Supplementary Information - continued:

Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Counselors and Therapy Practice (4440) (Modified Accrual Basis).....	84
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Chiropractic Examiners (4460) (Modified Accrual Basis)	85
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Dental Health Care (4470) (Modified Accrual Basis).....	86
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Nutrition and Dietetics Practice (4480) (Modified Accrual Basis)	87
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Nursing Home Administrators (4490) (Modified Accrual Basis).....	88
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Examiners for Occupational Therapy (4500) (Modified Accrual Basis)	89
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Optometry (4510) (Modified Accrual Basis)	90
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Osteopathic Medical Examiners (4520) (Modified Accrual Basis).....	91
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Podiatry (4530) (Modified Accrual Basis)	92
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Psychologist Examiners (4540) (Modified Accrual Basis).....	93
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Physical Therapy (4550) (Modified Accrual Basis)	94
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Thanatopractice (4560) (Modified Accrual Basis).....	95
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Interior Design (4570) (Modified Accrual Basis).....	96

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Table of Contents - continued

Supplementary Information - continued:

Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Private Investigations Advisory (4590) (Modified Accrual Basis)	97
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Landscape Architects (4600) (Modified Accrual Basis)	98
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Real Estate Appraisers (4650) (Modified Accrual Basis)	99
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Public Accountancy (4660) (Modified Accrual Basis)	100
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Social Work Examiners (4690) (Modified Accrual Basis)	101
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Acupuncture and Oriental Medicine (4710) (Modified Accrual Basis)	102
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Speech Language, Pathology, Audiology and Hearing Aid Dispensing Practice (4730) (Modified Accrual Basis)	103
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Advisory Board Respiratory Care Practitioners (4740) (Modified Accrual Basis)	104
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Athletic Trainers (4750) (Modified Accrual Basis)	105
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Narapathy Practice (5350) (Modified Accrual Basis)	106
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – ARRA Fund (8900) (Modified Accrual Basis)	107
Statement of Revenues and Expenditures – Other Non-major Governmental Funds - Budget and Actual – Mortgage Regulatory Fund (1066) (Modified Accrual Basis)	108
Statement of Revenues and Expenditures – General Fund – Construction Industries and Manufactured Housing Division – Budget and Actual (Modified Accrual Basis)	109

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Table of Contents - continued

Supplementary Information - continued:

Statement of Revenues and Expenditures – General Fund – Financial Institution and Securities Division – Budget and Actual (Modified Accrual Basis).....	110
Statement of Revenues and Expenditures – General Fund – Alcohol and Gaming Division – Budget and Actual (Modified Accrual Basis).....	111
Statement of Revenues and Expenditures – General Fund – Program Support – Budget and Actual (Modified Accrual Basis).....	112

Supplemental Schedules:

Agency Funds Descriptions	114
Supplemental Schedule of Fiduciary Assets and Liabilities – Agency Funds.....	115 – 116
Supplemental Schedule of Changes in Assets and Liabilities – Agency Funds.....	117 – 119
Supplemental Schedule of Cash Accounts	120 – 121

Other Information:

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	123 – 124
Schedule of Findings and Responses.....	125 – 126
Summary Schedule of Prior Year Audit Findings	127
Exit Conference.....	128

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Official Roster

Year Ended June 30, 2010

Kelly O'Donnell, Ph.D.	Superintendent
Julie Ann Meade	Deputy Superintendent
Cynthia A. Marietta	CFO and Administrative Services Division Director
Lisa Martinez	Director, Construction Industries Division
Wayne Dotson	Director, Manufactured Housing Division
William Verant	Director, Financial Institutions Division
Mike Vargon	Acting Director, Securities Division
Gary Tomada	Director, Alcohol and Gaming Division
Linda Trujillo	Director, Boards and Commissions Division

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information and the budgetary comparisons for the general fund and major special revenue funds of the State of New Mexico Regulation and Licensing Department (the Department) as of and for the year ended June 30, 2010, which collectively comprise the Department's basic financial statements as listed in the accompanying table of contents. We also have audited the financial statements of each of the Department's non-major governmental funds, fiduciary funds and budgetary comparisons, presented as supplementary information in the accompanying combining and individual fund financial statements and schedules as of and for the year ended June 30, 2010, 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we express no such opinion. 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, State of New Mexico, 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 of the State that is attributable to the transactions of the Department. They do not purport to and do not present fairly the financial position of the State of New Mexico as of June 30, 2010, and the changes in its



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

financial position 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 and for the year ended June 30, 2010, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each non-major governmental fund and fiduciary fund of the Department as of and for the year ended June 30, 2010, and the respective changes in financial position thereof, and the respective budgetary comparisons for the non-major governmental funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2010, 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 read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis on pages 5 through 14 is not a required part of the basic financial statements but is supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the basic financial statements and the combining and individual fund financial statements and budgetary comparisons. The additional schedules listed as other supplemental schedules in the

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

table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Department, including the Supplemental Schedule of Fiduciary Assets and Liabilities – Agency Funds, the Supplemental Schedule of Changes in Assets and Liabilities for Agency Funds and the Supplemental Schedule of Cash Accounts. 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.

Meyers + Company, LLC

November 24, 2010

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Management's Discussion and Analysis -
Fiscal Year Ended June 30, 2010

The State of New Mexico Regulation and Licensing Department's (Department) Management Discussion and Analysis (MD&A) is designed to assist the reader in focusing on significant financial issues, provide an overview of the Department's financial activity, identify changes in the Department's financial position (ability to address future year challenges), identify any material deviations from the financial plan and identify any financial issues or concerns.

The MD&A is designed to focus on the past year's activities, resulting changes and currently known facts; please read it in conjunction with the Department's financial statements and notes which follow this section.

The MD&A should provide an objective and easily readable analysis of the government's financial activities, based on currently known facts, decisions or conditions. It should provide an analysis of the government's overall financial position and results of operations to assist users in assessing whether the financial position has improved as a result of the year's activities. Additionally, it should provide an analysis of significant changes that occur in funds and significant budget variances.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Department's basic financial statements. The Department's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) budget and actual comparisons and 4) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The basic financial statements include two kinds of statements that provide different views of the Department. The first two statements are **government-wide financial statements** that provide both long-term and short-term information about the Department's overall financial status. The remaining statements are **fund financial statements** that focus on individual parts of the Department's operations in more detail than the government-wide statements.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Department's financial statements, in a manner similar to a private-sector business.

The Statement of Net Assets shows the Department's overall financial position as of June 30, 2010. This financial statement is comparable to the balance sheet in a private sector entity's set of financial statements. A Statement of Net Assets differs from a balance sheet in several ways, but there is one main difference. The Department is a government agency and a trustee of public assets rather than a company with shareholders or owners. In a private sector balance sheet, the surplus (or deficit) of assets compared to liabilities is the owners' equity. In governmental financial statements, this excess is labeled net assets.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Management's Discussion and Analysis -
Fiscal Year Ended June 30, 2010 - continued

Overview of the Financial Statements - continued

Government-wide Financial Statements - continued. The next government-wide statement is the Statement of Activities. This statement provides information about revenue and expenditure activity throughout the course of fiscal year 2010. The statement provides the net assets at the beginning of the year and the balance at the end of the year. The difference between revenue and expenditure amounts provides for the change in net assets.

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 non-financial factors, however, such as changes in the revenue projections of the State in general in order 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.

The remaining financial statements report the Department's operations in greater detail than the government-wide statements.

Fund Financial Statements. The fund financial statements provide detailed information about the general fund, the Pharmacy Board, the Real Estate Commission and the Securities Education and Training Fund, and a summary of all the non-major special revenue funds.

Pharmacist fees are paid in advance of the issuance of any license, permit, certificate or replacement of a certificate and are indicated in the table below. The Department's funds are reported using 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 schedule below is a list of the pharmacy fund fee structure.

Fee Type	Fee Description	Fee Amount
Registration Fees		
	Examination	\$200
	Reciprocity	\$200
	Intern	\$30
	Pharmacy Technician	\$30

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Management's Discussion and Analysis -
Fiscal Year Ended June 30, 2010 - continued

Overview of the Financial Statements - continued

Fund Financial Statements – continued

Fee Type	Fee Description	Fee Amount
Certificate of Registration or Replacement		\$20
Certification of Grades and Internship Hours		\$10
License/Registration Renewal		
	Pharmacist license renewal for active	\$200 biennially
	Pharmacist license renewal for inactive	\$70 biennially
	Intern renewal	\$30 per year
	Duplicate license for interns and pharmacists	\$10
	Controlled substance registration	\$60
	Duplicate license for controlled substance	\$10
	Pharmacy technician renewal	\$30 biennially
	Pharmacist clinician	\$70 biennially
	Pharmacist license renewal for active pharmacists with 50 or more years of service	\$70 biennially
License Fees		
	Drug manufacturer	\$700 biennially
	Wholesale drug distributor	\$700 biennially
	Drug manufacturer/re-packager	\$700 biennially
	Re-packager	\$700 biennially
	Retail pharmacy license	\$300 biennially
	Hospital pharmacy license	\$300 biennially
	Hospital drug room pursuant to Section 61-11-7 of Pharmacy Act	\$60
	Duplicate license	\$10
	Nonresident pharmacies	\$400 biennially
	Seller or dispenser of contact lenses	\$400 biennially
	Alternative reduced licensure fee for wholesale drug distributor/manufacturer/re-packager	As determined by Board or Board's designee
	Dangerous drug research	\$200 biennially
Drug Room Permit		
	In Adult Shelter Care or Custodial Care Facility	
	10 or fewer beds	\$100 biennially
	11 or more beds	\$200 biennially
	In Intermediate Nursing Home Facility	\$200 biennially

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Management's Discussion and Analysis -
Fiscal Year Ended June 30, 2010 - continued

Overview of the Financial Statements - continued

Fund Financial Statements – continued

Fee Type	Fee Description	Fee Amount
	In Skilled Nursing Home Facility	\$200 biennially
	Duplicate license	\$10
Clinic License Fees		
	Limited Clinic	\$300 biennially
	Intermediate Clinic	\$300 biennially
	Major Clinic	\$300 biennially
	Duplicate Licenses	\$10
	Animal Control Clinics	\$100 biennially
Home Care Services Drug Permit Fee		\$75
Limited Veterinary Drug Retail or Wholesale License		\$150
Inspection Fee		\$150
Drug Precursor License		\$500
Reinstatement Fees		
	Pharmacists	\$25
	All other licenses	25% of the license renewal fee, not to exceed \$100
EMS Licensure Fees		
	Home office or headquarters	\$50
	Every additional location shall pay	\$25

The following fees required by the Real Estate Commission must be submitted at the time an application is filed.

Fee Type	Fee Description	Fee Amount
Examinations		
	Associate Broker Exam	\$95
	Broker Exam	\$95
Licenses		
	Broker (3 year)	\$240 *
	Associate Broker (3 year)	\$240 *
	Additional Broker License	\$80 annually
	Lost or Duplicate License	\$20

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Management's Discussion and Analysis -
Fiscal Year Ended June 30, 2010 - continued

Overview of the Financial Statements - continued

Fund Financial Statements - continued.

Fee Type	Fee Description	Fee Amount
Tri-Year License Renewal		
	Broker Renewal (3 year)	\$240 *
	Associate Broker Renewal (3 year)	\$240 *
	Penalty for renewal after expiration date (up to 1 year)	\$720
Other fees		
	License Transfer	\$20
	Trade Name Registration	\$20
	Verification of licensure	\$25
	Copy charges for public records	50 cents per page
	Rules and Regulations Manual	\$10

* The Real Estate Commission voted on July 19, 2010 to increase the fee for license applications and renewals from \$240 to \$270, effective September 1, 2010.

The Securities Enforcement and Investor Education Fund consists of the collection of all or any portion of civil penalties, costs of investigations and other administrative assessments collected by the Securities Division through enforcement actions pursuant to the New Mexico Uniform Securities Act, and five dollars of each registration fee collected from registrants pursuant to Subsections B and D of Section 58-13C-410 NMSA 1978. These funds are used to cover costs incurred for the investigation and prosecution of civil and criminal violations of the Act, including expert and other consulting fees, witness fees, deposition costs and travel and training expenses, to provide for consumer education and training in matters concerning securities laws and investment issues, and to provide for education and training of investigative and prosecutorial staff of the Securities Division. The fund was established in accordance with the provisions of Section 58-13C-601 NMSA 1978.

The Department as Fiduciary

The Department is the fiduciary agent over assets which are collected on behalf of the State General Fund. The Department's fiduciary activities are reported in a 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 -
Fiscal Year Ended June 30, 2010 - continued

Financial Analysis of the Department as a Whole

Net Assets: The Department's net assets decreased by \$1,828,492 from \$12,038,168 to \$10,209,676 for fiscal year ended June 30, 2010. In contrast, last year's net assets decreased by \$3,098,994. Our analysis below focuses on the net assets and changes in net assets of the Department's governmental activities.

The Department's Net Assets

<u>Category</u>	<u>FY 2010</u>	<u>FY 2009</u>	<u>Total Percent Change 2009 - 2010</u>
Government Activities:			
Assets:			
Current and Other Assets	\$ 19,002,955	18,441,623	3%
Capital Assets	<u>235,793</u>	<u>253,296</u>	-7%
Total Assets	\$ <u>19,238,748</u>	<u>18,694,919</u>	3%
Liabilities:			
Current Liabilities	\$ 8,500,392	6,054,922	40%
Long-term Liabilities	<u>528,680</u>	<u>601,829</u>	-12%
Total Liabilities	\$ <u>9,029,072</u>	<u>6,656,751</u>	36%
Net Assets:			
Invested in Capital Assets	\$ 235,793	253,296	-7%
Restricted for Special Purposes	10,958,920	12,906,199	-15%
Unrestricted (deficit)	<u>(985,037)</u>	<u>(1,121,327)</u>	-12%
Total Net Assets	\$ <u>10,209,676</u>	<u>12,038,168</u>	-15%

The Department realized a 15% decrease in net assets over fiscal year 2009. This decrease is primarily attributed to an increase in expenses for Boards and Commissions as a result of the transfers described under Budgetary Highlights.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Management's Discussion and Analysis -
Fiscal Year Ended June 30, 2010 - continued

Financial Analysis of the Department as a Whole - continued

Governmental Activities: The table below summarizes the Department's activities for the fiscal years ending June 30, 2010 and 2009. Total change in net assets from the previous fiscal year was a decrease of \$1,828,492.

The Department's Activities

<u>Category</u>	<u>FY 2010</u>	<u>FY 2009</u>	<u>Total Percent Change 2009 - 2010</u>
Government Activities:			
Operating Grants and Charges for Services	\$ 10,017,328	7,162,892	40%
General Fund Appropriations	15,861,300	16,220,400	-2%
Special Appropriations	100,000	-	100%
Net Transfers (Out) In	(4,071,200)	914,700	-545%
Reversions – FY09 & FY10	(1,728,640)	(203,765)	748%
Other	<u>9,640</u>	<u>46,259</u>	-79%
 Total Revenues	 20,202,552	 24,140,486	 -16%
 Program Expenses	 <u>22,016,920</u>	 <u>27,239,480</u>	 -19%
 Change in Net Assets	 (1,828,492)	 (3,098,994)	 41%
 Net Assets, Beginning of Year	 12,038,168	 15,172,189	 -20%
 Restatement	 <u>-</u>	 <u>(35,027)</u>	 -100%
 Net Assets, End of Year	 \$ <u>10,209,676</u>	 <u>12,038,168</u>	 -15%

The Department's total revenues decreased by 16 percent, or \$3,937,934. The total cost of all programs and services decreased by \$5,208,436, or 19 percent.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Management's Discussion and Analysis -
Fiscal Year Ended June 30, 2010 - continued

The Department's Funds

As the Department completed the year, it reported a combined fund balance of \$10,958,920, which is below last year's total of \$12,906,199.

Budgetary Highlights

During the Special Session called to deal with the budget shortfall caused by the national recession, the 49th Legislature, 1st Special Session, Laws 2009, Chapter 2 (House Bill 3, as amended with emergency clause) was passed. This legislation resulted in the transfer of \$4,522,000 from various funds to the General Fund. The transfer amounts are detailed as follows:

<u>Fund</u>	<u>Amount</u>
Real Estate Commission	\$ 1,500,000
Social Work Examiners	650,000
Counseling and Therapy	500,000
Public Accountancy	400,000
Massage Therapy	300,000
Chiropractic	200,000
Physical Therapy	200,000
Private Investigators	200,000
Psychology	200,000
Real Estate Recovery	172,000
Barbers and Cosmetologists	100,000
Securities Education and Training	<u>100,000</u>
Total	\$ <u>4,522,000</u>

Executive Order 2009-044, issued November 12, 2009, called for expenditure restrictions to achieve specific General Fund savings. The Regulation and Licensing Department's expenditure savings requirement was \$873,100. The Executive Order further required the development and implementation of a furlough plan for five days during fiscal year 2010. The plan applied to all of the Agency's divisions, boards and commissions.

The 49th Legislature, 2nd Special Session, Laws 2010, Chapter 6 (House Bill 2, as amended with certificate of correction) reverted the expenditure savings requirements and the amount of personnel services and employee benefit savings from the General Fund from the furlough plan on June 30, 2010.

The hiring freeze, effective November 15, 2008, continued through fiscal year 2010. Exemptions to the hiring freeze were requested for critical positions in accordance with the procedures provided by the Department of Finance and Administration and the State Personnel Office.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Management's Discussion and Analysis -
Fiscal Year Ended June 30, 2010 - continued

Capital Asset and Debt Administration

Capital Assets: At the end of fiscal year 2010, the Department had \$235,793 invested in capital assets, including vehicles and IT equipment. This amount represents a net decrease of \$19,998, or about 8 percent, from last year.

This year's major additions totaled \$43,670 and included various IT equipment and a vehicle.

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 October 2010 General Fund Consensus Revenue Estimates were developed by the Consensus Revenue Estimating Group (CREG). The group consists of professional economists at the Department of Finance and Administration (DFA), Taxation and Revenue Department (TRD), Department of Transportation (DOT) and Legislative Finance Committee (LFC). The CREG monitors economic conditions, actual receipts and regular reports provided by revenue generating agencies, governmental authorities, commissions and reports as required in statute.

The new estimate revised the July FY 11 General Fund recurring revenue estimate downward by \$40 million. The October estimates for FY 10 and FY 11 did not reflect a substantially different view in aggregate of General Fund revenues from the July estimate, less than a .4% change.

The estimates are likely to be changed by the group in December for several reasons:

1. Final FY 10 audited revenues and expenditures will not be available until December; and,
2. The December projections will be based on several additional months of actual revenue collections.

Weakness in gross receipts and selective sales taxes late in FY 10 were important factors in the downward revision of the FY 11 General Fund estimate. Although recurring revenues are predicted to rebound, the state has prepared for continued slow growth in revenue and will take additional measures as necessary to control spending in FY 11.

Although the October 2010 estimate focused on the General Fund, the greatest proportion of State spending comes from federal sources. During the last year, the federal government extended additional assistance to the states especially in Medicaid and education. Federal spending plans were critically important to funding New Mexico programmatic obligations in FY 10.

In FY 10, the overall gross receipts and compensating tax collections dropped by 10.7% from FY 09, the largest drop in decades; this is 12% below FY 08's peak level. Construction activity has continued a trend of double

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Management's Discussion and Analysis -
Fiscal Year Ended June 30, 2010 - continued

Economic Factors and Next Year's Budgets and Rates - continued

digit declines. In FY 08 construction activity slowed, but in FY 09 construction became a significant drag on taxable sales, helping lower GRT revenues year-over-year for the first time in decades. In FY 10 construction fell by over 30% year-over-year, an unprecedented drop, considered to be a reflection of the magnitude of the national recession. The contraction of the construction sector is changing the composition of the gross receipts tax revenue base. Revenue from the construction sector made up almost one-sixth of total gross receipts in the past but in recent years, it has been contributing as little as one-twelfth of General Fund revenues.

Gross receipts tax revenue growth is expected to return slowly during FY 11. The base level is expected to grow by 1.3 percent and will be augmented by the 1/8th rate increase. Overall revenue growth is therefore expected to grow by 4.6 percent.

Personal income taxes comprise approximately 20% of General Fund recurring revenues. FY 10 revenues are expected to be only about 0.6% higher than they were in FY 09. However, in FY 11, the personal income tax revenue is expected to grow about 10.6% over the FY 10 revenue.

While the final audited number for FY 10 is not available yet, the corporate income tax revenue is expected to be approximately \$114.9 million. Based on federal data, the corporate income tax revenues are generally expected to rise considerably from their FY 10 level.

Selective excise taxes, particularly the motor vehicle excise tax, are sensitive measures of consumer sentiment. These taxes are expected to decline by 7.0 percent year-over-year in FY 10.

Regular reversions for FY 10 are estimated at \$58.6 million, an increase of \$22.6 from the July 2010 estimate.

The 49th Legislature, 2nd Special Session, Laws 2010, Chapter 6 (House Bill 2, as amended with certificate of correction) authorizes the Governor, with State Board of Finance approval, and after review and an opportunity to comment by the Legislative Finance Committee, to reduce General Fund allotments. This action may be taken should a General Fund consensus revenue forecast project that revenues and transfers to the General Fund will be insufficient to meet General Fund appropriations for FY 11. Effective September 1, 2010, a 3.2% General Fund budget reduction was implemented. However, in order to avoid 4.5 furlough days, discretionary federal stimulus money was granted to the Alcohol and Gaming Division.

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 information, contact the Department's Chief Financial Officer and Administrative Services Division Director at (505) 476-4523 or at the Department's Administrative Services Division Office located in the Toney Anaya Building, 2550 Cerrillos Road, Santa Fe, New Mexico 87505.

BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Net Assets

AS OF JUNE 30, 2010

	<u>Governmental Activities</u>
ASSETS:	
CURRENT ASSETS:	
Investment in State General Fund Investment Pool	\$ 18,736,737
Accounts receivable	52,665
Prepaid expenses	123,836
Due from agency fund	100
Due from other state agencies	47,935
Inventories	<u>41,682</u>
TOTAL CURRENT ASSETS	19,002,955
Capital assets	533,432
Less accumulated depreciation	<u>(297,639)</u>
Total capital assets	<u>235,793</u>
TOTAL ASSETS	\$ <u>19,238,748</u>
LIABILITIES:	
CURRENT LIABILITIES:	
Due to State General Fund Investment Pool - overdraft	\$ 35,305
Accounts payable	554,394
Accrued payroll and related liabilities	849,508
Other Liabilities	-
Deferred revenue	4,873,173
Due to state general fund	1,728,640
Due to federal government	3,015
Accrued compensated absences	<u>456,357</u>
TOTAL CURRENT LIABILITIES	8,500,392
LONG-TERM OBLIGATIONS:	
Non-current compensated absences	<u>528,680</u>
TOTAL LIABILITIES	9,029,072
NET ASSETS:	
Invested in capital assets	235,793
Restricted for special purposes	10,958,920
Unrestricted deficit	<u>(985,037)</u>
TOTAL NET ASSETS	<u>10,209,676</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>19,238,748</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Activities

YEAR ENDED JUNE 30, 2010

		Program Revenues		Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants	Governmental Activities
GOVERNMENTAL ACTIVITIES:				
Construction Industries	\$ 9,694,689	-	-	(9,694,689)
Financial Institutions	3,047,000	-	-	(3,047,000)
Alcohol and Gaming	1,011,300	-	-	(1,011,300)
Pharmacy Program	1,293,620	1,473,628	-	180,008
Real Estate Commission	728,217	658,413	-	(69,804)
Boards and Commissions	2,892,402	7,410,511	178,321	4,696,430
Program Support	3,349,692	296,455	-	(3,053,237)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 22,016,920	9,839,007	178,321	(11,999,592)
GENERAL REVENUES:				
Interest and investment earnings				9,640
TRANSFERS				
Transfers in/out				(4,071,200)
State general fund appropriation				15,861,300
Special appropriation				100,000
Reversion to state general fund FY10				(1,728,640)
TOTAL GENERAL REVENUES AND TRANSFERS				10,171,100
CHANGE IN NET ASSETS				(1,828,492)
NET ASSETS, BEGINNING				12,038,168
NET ASSETS, ENDING				\$ 10,209,676

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Balance Sheet - Governmental Funds

AS OF JUNE 30, 2010

	Major Funds					Other Governmental Funds	Total Governmental Funds
	4330	0440	4640	4670			
	General Fund	Securities Enforcement and Investor Education	Board of Pharmacy	Real Estate Commission			
ASSETS:							
Investment in State General Fund Investment Pool	\$ 2,737,476	2,096,846	1,993,369	1,408,693		10,500,353	18,736,737
Account receivable	727	175	-	2,170		49,593	52,665
Prepaid expenses	30,349	1,684	90	193		91,520	123,836
Due from other funds	704,130	-	-	3,475		45,598	753,203
Due from other state agencies	-	317	-	-		47,618	47,935
Inventories	-	-	-	-		41,682	41,682
TOTAL ASSETS	\$ 3,472,682	2,099,022	1,993,459	1,414,531		10,776,364	19,756,058
LIABILITIES:							
Due to State General Fund Investment Pool - overdraft	\$ -	-	-	-		35,305	35,305
Accounts payable	319,795	52,876	17,374	850		163,499	554,394
Accrued payroll and related liabilities	633,605	5,382	45,272	24,292		140,957	849,508
Other liabilities	-	-	-	-		-	-
Deferred revenues	-	-	1,315,414	1,004,234		2,553,525	4,873,173
Due to state general fund	1,636,761	-	-	-		91,879	1,728,640
Due to other funds	-	4,134	253,368	110,405		385,196	753,103
Due to federal government	915	-	100	-		2,000	3,015
TOTAL LIABILITIES	2,591,076	62,392	1,631,528	1,139,781		3,372,361	8,797,138
FUND BALANCES:							
Reserve for prepaid expenses	30,349	1,684	90	193		91,520	123,836
Inventories	-	-	-	-		41,682	41,682
Unreserved-Special Revenue Funds:							
Designated for subsequent year expenditures	851,257	2,034,946	361,841	274,557		7,270,801	10,793,402
TOTAL FUND BALANCES	881,606	2,036,630	361,931	274,750		7,404,003	10,958,920
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,472,682	2,099,022	1,993,459	1,414,531		10,776,364	19,756,058

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Reconciliation of the Balance Sheet to the
Statement of Net Assets - Governmental Funds

YEAR ENDED JUNE 30, 2010

Total Fund Balance - Governmental Funds
(Governmental Fund Balance Sheet) \$ 10,958,920

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

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

The cost of capital assets is:	533,432
Accumulated depreciation is:	<u>(297,639)</u>

Total capital assets	235,793
----------------------	---------

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

Compensated absences payable	<u>(985,037)</u>
------------------------------	------------------

Total long-term and other liabilities	<u>(985,037)</u>
---------------------------------------	------------------

Net assets of governmental activities (Statement of Net Assets)	\$ <u><u>10,209,676</u></u>
---	-----------------------------

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds

YEAR ENDED JUNE 30, 2010

	Major Funds					Total Governmental Funds
	4330 General Fund	0440 Securities Enforcement and Investor Education	4640 Board of Pharmacy	4670 Real Estate Commission	Other Governmental Funds	
REVENUES:						
Trade and professional licenses	\$ 80,000	76,835	1,413,774	536,269	5,168,056	7,274,934
Trade and professions examination fees	-	-	29,650	5,147	277,222	312,019
Publications	-	-	2,587	20,783	12,018	35,388
Interest on investments	-	2,020	-	-	7,620	9,640
Federal grants	114,339	-	-	-	63,982	178,321
Other revenues	102,116	1,681,236	27,617	96,214	309,483	2,216,666
TOTAL REVENUES	\$ 296,455	1,760,091	1,473,628	658,413	5,838,381	10,026,968
EXPENDITURES:						
Current:						
Personal services	\$ 9,164,606	124,179	747,350	389,599	2,001,188	12,426,922
Employee benefits	3,820,289	54,580	282,254	179,822	905,028	5,241,973
In-state travel	821,837	3,467	30,377	17,350	168,087	1,041,118
Maintenance and repairs	110,546	95	13,424	1,648	35,584	161,297
Supplies and materials	299,789	4,333	11,511	18,730	87,091	421,454
Contractual services	431,496	136,998	19,729	1,111	227,155	816,489
Operating costs	1,028,443	30,942	145,098	103,266	524,640	1,832,389
Other costs	71,009	(2,852)	7,426	14,964	39,439	129,986
Out-of-state travel	2,598	-	3,117	1,727	12,967	20,409
Capital outlay	10,336	-	33,334	-	-	43,670
TOTAL EXPENDITURES	15,760,949	351,742	1,293,620	728,217	4,001,179	22,135,707
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(15,464,494)	1,408,349	180,008	(69,804)	1,837,202	(12,108,739)
OTHER FINANCING SOURCES (USES):						
Transfers in	1,523,000	-	-	-	260,800	1,783,800
Transfers out	-	(100,000)	(252,774)	(1,851,727)	(3,650,499)	(5,855,000)
State general fund appropriation FY10	15,761,400	-	-	-	99,900	15,861,300
Special appropriation	-	-	-	-	100,000	100,000
Reversions to state general fund FY10	(1,636,761)	-	-	-	(91,879)	(1,728,640)
TOTAL OTHER FINANCING SOURCES AND USES	15,647,639	(100,000)	(252,774)	(1,851,727)	(3,281,678)	10,161,460
NET CHANGE IN FUND BALANCE	183,145	1,308,349	(72,766)	(1,921,531)	(1,444,476)	(1,947,279)
FUND BALANCE, June 30, 2009	-	730,711	690,430	2,305,115	9,179,943	12,906,199
RESTATEMENTS	698,461	(2,430)	(255,733)	(108,834)	(331,464)	-
FUND BALANCE, AS RESTATED	698,461	728,281	434,697	2,196,281	8,848,479	12,906,199
FUND BALANCE, June 30, 2010	\$ 881,606	2,036,630	361,931	274,750	7,404,003	10,958,920

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities - Governmental Funds

YEAR ENDED JUNE 30, 2010

Net Changes in Fund Balances - Total Governmental Funds
(Statement of Revenues, Expenditures, and Changes in Fund Balances) \$ (1,947,279)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts were:

Capital outlay	43,670
Depreciation expense	<u>(61,173)</u>
Net change in capital assets	(17,503)

In the Statement of Activities, certain operating expenses - compensated absences (sick and annual leave) are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are measured by the amounts of financial resources used (essentially, the amounts actually paid). The decrease in the liabilities for the fiscal year was:

Compensated absences, beginning of period	1,121,327
Compensated absences, end of period	<u>(985,037)</u>
Net change in compensated absences	<u>136,290</u>

Change in net assets of governmental activities
(Statement of Activities) \$ (1,828,492)

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures - General Fund -
Budget and Actual (Modified Accrual Basis)

YEAR ENDED JUNE 30, 2010

	GENERAL FUND (4330)			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES:				
State general fund	\$ 15,811,400	15,811,400	15,761,400	(50,000)
Federal funds	-	193,008	114,339	(78,669)
Other state funds	-	-	182,116	182,116
Inter-agency transfers	<u>1,684,100</u>	<u>1,684,100</u>	<u>1,523,000</u>	(161,100)
	17,495,500	17,688,508	17,580,855	<u>(107,653)</u>
Cash balance budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUES	\$ <u>17,495,500</u>	<u>17,688,508</u>		
EXPENDITURES - current				
Personal services and benefits	\$ 14,357,800	14,359,103	12,984,895	1,374,208
Contractual services	415,000	524,225	431,496	92,729
Other costs	2,722,700	2,805,180	2,344,558	460,622
Other financing uses	-	-	-	-
Reversions to state general fund*	<u>-</u>	<u>-</u>	<u>1,636,761</u>	<u>(1,636,761)</u>
TOTAL EXPENDITURES	\$ <u>17,495,500</u>	<u>17,688,508</u>	<u>17,397,710</u>	<u>290,798</u>
NET CHANGE IN FUND BALANCE			\$ <u>183,145</u>	

* Reversions are not budgeted

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures - Securities Enforcement
and Investor Education -Budget and Actual (Modified Accrual Basis)

YEAR ENDED JUNE 30, 2010

SECURITIES ENFORCEMENT AND
INVESTOR EDUCATION (0440)

	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	-	-	-	-
Federal funds	-	-	-	-
Other state fund	83,900	83,900	1,760,091	1,676,191
Inter-agency transfers	-	-	-	-
	<u>83,900</u>	<u>83,900</u>	<u>1,760,091</u>	<u>1,676,191</u>
Cash balance budgeted	<u>436,500</u>	<u>536,500</u>		
TOTAL REVENUES	<u>\$ 520,400</u>	<u>620,400</u>		
EXPENDITURES - current				
Personal services and benefits	\$ 150,500	185,500	178,759	6,741
Contractual services	198,500	198,500	136,998	61,502
Other costs	171,400	136,400	35,985	100,415
Other financing uses	-	<u>100,000</u>	<u>100,000</u>	-
TOTAL EXPENDITURES	<u>\$ 520,400</u>	<u>620,400</u>	<u>451,742</u>	<u>168,658</u>
NET CHANGE IN FUND BALANCE			<u>\$ 1,308,349</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures - Board of Pharmacy -
Budget and Actual (Modified Accrual Basis)

YEAR ENDED JUNE 30, 2010

	BOARD OF PHARMACY (4640)			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	1,521,200	1,521,200	1,473,628	(47,572)
Inter-agency transfers	-	-	-	-
	1,521,200	1,521,200	1,473,628	(47,572)
Cash balance budgeted	202,300	202,300		
TOTAL REVENUES	\$ 1,723,500	1,723,500		
EXPENDITURES - current				
Personal services and benefits	\$ 1,165,000	1,165,000	1,029,604	135,396
Contractual services	30,900	30,900	19,729	11,171
Other costs	262,300	262,300	244,287	18,013
Other financing uses	265,300	265,300	252,774	12,526
TOTAL EXPENDITURES	\$ 1,723,500	1,723,500	1,546,394	177,106
NET CHANGE IN FUND BALANCE			\$ (72,766)	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures - Real Estate Commission -
Budget and Actual (Modified Accrual Basis)

YEAR ENDED JUNE 30, 2010

REAL ESTATE COMMISSION (4670)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	1,025,000	1,025,000	658,413	(366,587)
Inter-agency transfers	-	-	-	-
	1,025,000	1,025,000	658,413	(366,587)
Cash balance budgeted	126,700	1,626,700		
TOTAL REVENUES	\$ 1,151,700	2,651,700		
EXPENDITURES - current				
Personal services and benefits	\$ 555,000	585,000	569,421	15,579
Contractual services	36,500	6,500	1,111	5,389
Other costs	196,000	196,000	157,685	38,315
Other financing uses	364,200	1,864,200	1,851,727	12,473
TOTAL EXPENDITURES	\$ 1,151,700	2,651,700	2,579,944	71,756
NET CHANGE IN FUND BALANCE			\$ (1,921,531)	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Fiduciary Assets and Liabilities -
Agency Funds

AS OF JUNE 30, 2010

	<u>Agency Funds</u>
ASSETS:	
Interest in State General Fund Investment Pool	\$ <u>230,037</u>
TOTAL ASSETS	<u>230,037</u>
LIABILITIES:	
Due to State General Fund	229,937
Due to other funds	<u>100</u>
TOTAL LIABILITIES	\$ <u>230,037</u>

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

Notes to Financial Statements

NATURE OF ORGANIZATION

The State of New Mexico and Licensing Department (the 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 affects 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 30 boards and commissions. Each of the boards and commissions has Department employees assigned as staff, who 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' fiscal staff to provide each board with quarterly or more frequent financial reviews. 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.

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 Section 60-13-1.1 NMSA 1978.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

NATURE OF ORGANIZATION - continued

CID also administers the Employee Leasing and Carnival Ride Insurance Acts pursuant to Sections 60-13A and 57-25 NMSA 1978, respectively.

The Securities Division (SD) is responsible for administering the New Mexico Securities Act of 1986 and the Model State Commodity Code. Pursuant to those laws the SD 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 (Section 60-14-1 through 60-14-20 NMSA 1978) provides that its purpose is "to ensure the purchasers and users of manufactured homes the 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. 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.

The Alcohol and Gaming Division (AGD) is the licensing and regulatory authority for the Liquor Control 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 every community in the state. The AGD 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 AGD is funded by an appropriation from the State of New Mexico General Fund. All fees from licenses, citation and other administrative charges are transferred monthly 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, as amended by GASB 39.

NATURE OF ORGANIZATION - continued

- **Reporting Entity - continued**

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 were no component units identified that were excluded from the reporting entity.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- **Basic Financial Statements - GASB Statement #34**

The financial statements of the Department have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. Pronouncements of the Financial Accounting Standard Board (FASB) issued after November 30, 1989 are not applied in the preparation of the financial statements of the proprietary fund type in accordance with GASB No. 20. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

In June 1999, the GASB unanimously approved GASB No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*. In June 2001, the GASB unanimously approved Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus*, and Statement No. 38, *Certain Financial Statement Note Disclosures*. Statement 37 clarifies and modifies Statement 34 and should be implemented simultaneously with Statement 34.

Statement 38 modifies establishes and rescinds certain financial statements' disclosure requirements. The Department implemented the provisions of GASB No. 34, 37 and 38 effective July 1, 2001.

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

• **Basic Financial Statements - GASB Statement #34 - continued**

The basic financial statements include both government-wide (based on the Department as a whole) and fund financial statements. The new reporting model focus is on either the Department as a whole or major individual fund (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as governmental activities. In the government-wide Statement of Net Assets, the governmental activities column is presented on a consolidated basis by column, and is reflected on a full accrual, economic resources measurement focus basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. Funds that are fiduciary in nature are excluded from the government-wide statements and the fund statements.

• **Government-wide Financial Statements**

The government-wide Statement of Activities reflects both the gross and net cost per functional category. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function. Activity between the funds is eliminated at the government-wide level financial statements.

The Department has only governmental activities.

This government-wide focus is more on the sustainability of the Department as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

• **Fund Financial Statements**

The fund financial statements are similar to the financial statements presented in the previous accounting model. Emphasis here is on major funds. Major funds under GASB No. 34 are described as funds with balances exceeding 10 percent of the total assets, liabilities, revenues or expenditures for all funds of that category or type. An entity's general fund is always considered a major fund. The Department's funds are classified in the accompanying fund statements in accordance with the GASB No. 34 requirements.

The governmental fund statements are presented on the current financial resource measurement focus and modified accrual basis of accounting. This presentation is deemed appropriate to (a) demonstrate legal compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the Department actual experience conforms to the budget or fiscal plan.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented on the page following each statement, which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental column on the government-wide presentation.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

• **Fund Financial Statements - continued**

The financial transactions of the Department are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expense. The various funds are reported by generic classification within the financial statements.

Department policy is to first apply restricted resources to an expense incurred for purposes for which both restricted and unrestricted resources are available.

• **Basis of Presentation - Fund Accounting**

The following fund types and account groups are used by the Department:

Governmental Funds - All governmental fund types are accounted for on a spending or financial flow measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of available spendable resources. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

Due to their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. However, they are reported as liabilities in the government-wide financial statements.

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 Supplemental Information Section.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

- Basis of Presentation - Fund Accounting - continued

Governmental Funds - continued

Special Revenue Funds - continued

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 nine special revenue funds that have been established for purposes other than the licensing and monitoring of members. The purpose of these nine funds is enumerated in the Supplemental Information Section.

<u>Fund No.</u>	<u>Special Revenue Fund</u>	<u>NMSA Authority</u>
2011	Signed Language Interpreting Practice	61-34-13
2012	Animal Sheltering	77-1B-4
2110	Hoisting Operators	60-15-15
2970	Real Estate Recovery	61-29-21
3730	CID Revolving	60-13-8.1
4390	Barbers and Cosmetology	61-17A-14
4410	Athletic Commission	60-2A-24
4420	Massage Therapy	61-12C-23
4440	Counselors and Therapy Practice	61-9A-25
4460	Chiropractic Examiners	61-4-7
4470	Dental Health Care	61-5A-26
4480	Nutrition and Dietetics Practice	61-7A-12
4490	Nursing Home Administrators	61-13-12
4500	Examiners for Occupational Therapy	61-12A-20
4510	Optometry	61-2-7
4520	Osteopathic Medical Examiners	61-10-6
4530	Podiatry	61-8-7
4540	Psychologist Examiners	61-9-5
4550	Physical Therapy	61-12D-6
4560	Thanatopractice	61-32-26
4570	Interior Design	61-24C-16
4590	Private Investigations Advisory	61-27B-30
4600	Landscape Architects	61-24B-14
4640	Board of Pharmacy	61-11-19
4650	Real Estate Appraisers	61-30-18
4660	Public Accountancy	61-28B-6

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

- Basis of Presentation - Fund Accounting - continued

Governmental Funds - continued

Special Revenue Funds - continued

<u>Fund No.</u>	<u>Special Revenue Fund</u>	<u>NMSA Authority</u>
4670	Real Estate Commission	61-29-8
4690	Social Work Examiners	61-31-16
4710	Acupuncture and Oriental Medicine	61-14A-18
4730	Speech Language Pathology, Audiology and Hearing Aid Dispensing Practices	61-14B-24
4740	Advisory Board Respiratory Care Practitioners	61-12B-13
4750	Athletic Trainers Practice	61-14D-18
5350	Naprapathy	61-12E-13
6430	Carnival Ride Insurance	57-25-3

In addition, the Vehicle Replacement and FID Revolving Funds are considered reverting funds. HUD Manufactured Housing and Osteopathic Examiners Funds are considered non-reverting 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, Manufactured Housing Division, and Alcohol and Gaming Division. At the close of each month, money received is transferred from the suspense accounts to the general fund.

- Major Funds

The Department reports the following as major governmental funds:

- General Fund
- Securities Enforcement and Investor Education (Special Revenue Fund)
- Board of Pharmacy (Special Revenue Fund)
- Real Estate Commission (Special Revenue Fund)

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

• **Basis of Accounting**

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

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

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

Revenues from grants that are restricted for specific uses are recognized as revenues and as receivables when the related costs are incurred. Contributions and other monies held by other state and local agencies are recorded as a receivable at the time the money is made available to the specific fund. All other revenues are recognized when they are received and are not susceptible to accrual.

Revenues from special appropriations (capital projects) that are restricted for specific uses are recognized as revenues and receivables when the related costs are incurred. Contributions and other monies held by other State and local agencies are recorded as a receivable at the time the money is made available to the specific fund. All other revenues are recognized when they are received if they are not susceptible to accrual.

Expenditures are recorded as liabilities when incurred. An exception to this general rule is that accumulated unpaid annual, compensatory and certain sick leave are not accrued as current liabilities but as non-current liabilities at the government-wide level only. Expenditures charged to federal programs are recorded utilizing the cost principles described by the various funding sources.

In applying the “susceptible to accrual” concept to intergovernmental revenues pursuant to GASB No. 33 (as it relates to non-exchange and exchange transactions), the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and deferred revenue by the recipient.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

• **Basis of Accounting - continued**

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. The Department has elected not to follow subsequent private-sector guidance.

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

• **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 expenditure classification level. Adjustments 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 adjusted 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 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.

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. 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.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

- **Budgets and Budgetary Accounting - continued**

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.

- **Investment in the State General Fund Investment Pool**

Investments held by the State Treasurer's Office consist of required deposits made to the State Treasurer's Office. The State Treasurer's Office monitors the accounts and the State Treasurer issues separate financial statements, which disclose the collateral pledged to secure these deposits. The State Treasurer invests all public monies held in excess of the minimum compensating balance maintained with the fiscal agent bank in accordance with an investment policy approved by the State Board of Finance.

It is the Department's position that all deposits at the State Treasurer's Office are reported at carrying value, which reasonably estimates fair value.

The investments are valued at fair value based on quoted market prices as of the valuation date.

For additional GASB 40 disclosure information regarding cash held by the New Mexico State Treasurer's State General Fund Investment Pool, the reader should see the separate audit report for the New Mexico State Treasurer's Office for the fiscal year ended June 30, 2010.

- **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.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

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

• **Other Financing Sources**

The amounts recorded as “other financing sources” are overhead costs charged to various boards 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”. These amounts have been eliminated in the government-wide statement of activities.

• **Capital Assets**

Capital assets are recorded as expenditures in the governmental funds and capitalized at cost in the government-wide statements. The valuation bases for capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement. Items purchased or acquired with an original cost of \$5,000 or more are capitalized and reported at cost or estimated historical cost, per Section 12-6-10 NMSA 1978. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlay that significantly extend the useful life of an asset are also capitalized. Costs for repairs and maintenance are expensed as incurred.

Depreciation on assets is provided on a straight-line basis with no salvage value over the following estimated useful lives:

Data Processing Equipment	5 years
Vehicles	5 years

• **Compensated Absences**

Qualified employees are entitled to accumulate annual leave according to a graduated leave schedule of 80 to 160 hours per year, depending upon length of service and employee’s hire date. A maximum of 30 working days (240 hours) or such accumulated annual leave may be carried forward into the beginning of the calendar year and any excess leave is lost.

When employees terminate, they are compensated for accumulated unpaid annual leave as of the date of termination, up to a maximum of 240 hours. Accumulated annual leave is not expected to be liquidated with expendable available financial resources and is reported in the general long-term debt group.

Qualified employees are entitled to accumulate sick leave at the rate of one day for each calendar month of service. There is no limit to the amount of sick leave that an employee may accumulate. Once per

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

• **Compensated Absences - continued**

fiscal year in either January or July, employees may elect to be paid up to 50% of accrued sick leave in excess of 600 up to 720 hours, but not to exceed 120 hours (net 60 hours can be paid). In the case of retiring employees, up to 200 net hours in excess of 600 hour minimum limit can be paid. All sick leave balances from 600 to 720 hours have been recorded at 50% of the employee's current hourly rate in the general long-term debt account group, including those amounts paid in July because no expendable financial resources are available as of the balance sheet date to liquidate the liability.

• **Net Assets**

Restricted net assets are those assets that have been restricted by external parties through legally enforceable means, such as enabling legislation. 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. Invested in capital assets less any debt is another component of net assets.

• **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.

• **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.

2. CASH AND CASH EQUIVALENTS

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.

Cash balances at June 30, 2010 consisted of cash invested with the New Mexico State Treasurer, known as the State General Fund Investment Pool. In general, state statutes require that all deposits held by the New Mexico State Treasurer be collateralized at a minimum level of 50%. The New Mexico State Treasurer is in compliance with this requirement. Separate financial statements of the New Mexico State Treasurer indicate collateral, categories of risk and market value of purchased investments, which may differ from the cash deposited by the Department.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

2. CASH AND CASH EQUIVALENTS - continued

Total cash, all funds	\$ <u>18,931,469</u>
Reconciliation to financial statements:	
Governmental funds, on deposit with New Mexico State Treasurer	\$ 18,736,737
Agency funds, on deposit with New Mexico State Treasurer	230,037
Due to State General Fund Investment Pool - Overdraft	<u>(35,305)</u>
Total cash balance	\$ <u>18,931,469</u>

The cash on deposit with the New Mexico General Fund Investment Pool is monitored by the office for purposes of collateralization in compliance with Section 6-10-17, NMSA 1978. The Department has been authorized by the NM State Treasurer's Office to carry a negative cash balance (cash overdraft) due to the administration of the cost reimbursement grants.

For additional GASB 40 disclosure information regarding cash held by the New Mexico State Treasurer's State General Fund Investment Pool, the reader should see the separate audit report for the New Mexico State Treasurer's Office for the fiscal year ended June 30, 2010.

• **Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Department does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

• **Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The New Mexico State General Fund Investment Pool is not rated for credit risk.

• **Overdraft**

At June 30, 2010, Fund 8900, ARRA, had an overdraft on its cash on deposit with the New Mexico State General Fund Investment Pool. This overdraft is due to the nature of the Federal reimbursement grants that Fund 8900 was created to track. A corresponding receivable has been recorded that exceeds the amount of the overdraft.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

3. 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.

Amount Due From Other Funds			Amount Due To Other Funds		
Fund Name	Fund No.	Amount	Fund Name	Fund No.	Amount
Governmental Funds:			Governmental Funds:		
General Fund	4330	\$ 704,130	Securities Educ. & Training	0440	\$ 4,134
Barbers and Cosmetology	4390	6,420	Barbers and Cosmetology	4390	87,468
Athletic Commission	4410	4,707	Counselors	4440	44,006
Massage Therapy	4420	16,453	Dental	4470	66,514
Counselors	4440	5,766	Examiners for Occup. Therapy	4500	7,282
Chiropractic Examiners	4460	3,501	Optometry	4510	1,696
Nutrition & Dietetics Practice	4480	169	Osteopath	4520	10,365
Nursing Home Administrators	4490	173	Podiatry	4530	1,737
Psychologist Examiners	4540	230	Private Investigators	4590	13,500
Physical Therapy	4550	1,546	Landscape Architects	4600	246
Thanatopractice	4560	3,899	Board of Pharmacy	4640	253,368
Interior Design	4570	679	Real Estate Appraisers	4650	17,499
Real Estate Commission	4670	3,475	Public Accountancy	4660	54,598
HUD MFD Housing	4720	100	Real Estate Commission	4670	110,405
Adv. Brd. of Resp. Care Prac.	4740	1,522	Social Work	4690	40,725
Athletic Trainers Practice	4750	<u>433</u>	Accupuncture & Oriental Med.	4710	20,519
			HUD MHD Housing	4720	495
			Speech Language Pathology, Audiology and Hearing Aid Dispensing Practices	4730	<u>18,546</u>
Total Governmental Funds		<u>753,203</u>	Total Governmental Funds		753,103
			Agency Fund:		
			MHD Receipts	4360	<u>100</u>
Total		\$ <u>753,203</u>	Total		\$ <u>753,203</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

4. CAPITAL ASSETS

The capital assets activity for the year ended June 30, 2010 is as follows:

	<u>Balance at June 30, 2009</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance at June 30, 2010</u>
Depreciable assets:				
Data processing equipment	\$ 314,526	19,170	-	333,696
Vehicles	<u>175,236</u>	<u>24,500</u>	<u>-</u>	<u>199,736</u>
Total depreciable assets	489,762	43,670	-	533,432
Less accumulated depreciation:				
Data processing equipment	88,104	47,117	-	135,221
Vehicles	<u>148,362</u>	<u>14,056</u>	<u>-</u>	<u>162,418</u>
Total accumulated depreciation	<u>236,466</u>	<u>61,173</u>	<u>-</u>	<u>297,639</u>
Capital assets, net	\$ <u>253,296</u>	<u>(17,503)</u>	<u>-</u>	<u>235,793</u>

The Department does not have any debt related to capital assets as of June 30, 2010. Depreciation expense for the Department amounted to \$61,173 and is related to Program Support and Boards.

5. COMPENSATED ABSENCES

	<u>Balance at June 30, 2009</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance at June 30, 2010</u>	<u>Amount Due Within One Year</u>
Compensated absences	\$ <u>1,121,327</u>	<u>749,888</u>	<u>(886,178)</u>	<u>985,037</u>	<u>456,357</u>

Management estimates that \$456,357 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.

Qualified employees accumulate maximum annual leave as follows:

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

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

5. COMPENSATED ABSENCES - continued

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 the pay day immediately following the first full period day in January or the first full pay period in July. 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, 2010, over 600. Expenditures for accumulated sick pay for hours under 600 will be recognized as employees take such absences.

6. 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.

	<u>Reversion</u>	<u>Balance Due</u>
General Fund Reversions, 2010	\$ 643,340	643,340
General Fund Executive Order 2009-044 Reversions, 2010	<u>1,085,300</u>	<u>1,085,300</u>
	<u>\$ 1,728,640</u>	<u>1,728,640</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

7. OPERATING TRANSFERS

Operating transfers in and out, which relate to the allocation of administrative costs, consist of the following for the year ending June 30, 2010:

Intra-agency Transfers

Fund	Transfers In	Transfers Out
4330 General Fund (Major)	\$ 1,233,000	-
4640 Board of Pharmacy (Major)	-	252,774
4670 Real Estate Commission (Major)	-	351,727
2011 Signed Language Interpreting Practices	-	19,913
4390 Barber and Cosmetology	-	141,393
4410 Athletic Commission	-	23,439
4420 Massage Therapy	-	37,635
4440 Counselors and Therapy	-	65,456
4450 Real Estate Education and Training	100,000	-
4460 Chiropractic Examiners	-	19,056
4470 Dental Health Care	-	64,122
4480 Nutrition and Dietetics Practice	-	4,573
4490 Nursing Home Administrators	-	8,480
4500 Examiners for Occupational Therapy	-	10,385
4510 Optometry	-	10,481
4520 Osteopathic Medical Examiners	-	9,433
4530 Podiatry	-	5,050
4540 Psychologist Examiners	-	34,300
4550 Physical Therapy	-	19,723
4560 Thanatopractice	-	18,770
4570 Interior Design	-	7,908
4590 Private Investigations Advisory	-	24,296
4600 Landscape Architects	-	5,907
4650 Real Estate Appraisers	-	26,678
4660 Public Accountancy	-	66,028
4690 Social Work Examiners	-	49,926
4710 Accupuncture and Oriental Medicine	-	16,864
4730 Speech Language Pathology, Audiology and Hearing Aid Dispensing Practices	-	23,724
4740 Respiratory Care Practitioners	-	10,671
4750 Athletic Trainers	-	4,288
Total	1,333,000	\$ <u>1,333,000</u>
Transfers from Other State Agencies (Note 8)	<u>450,800</u>	
	\$ <u>1,783,800</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

8. TRANSFERS TO/FROM OTHER STATE AGENCIES

Transfers (to) from other state agencies for the year ended June 30, 2010 are as follows. These transfers are routine in nature and are consistent with the activities of the fund making the transfer.

A. Transfers In From Other State Agencies

<u>Transfers to (purpose)</u>	<u>Fund No.</u>	<u>Amount</u>	<u>Transfers from</u>	<u>Fund No.</u>	<u>Amount</u>
<u>Governmental Funds</u>					
NM RLD General Fund (Reimbursement Inspections of School Projects)	4330	\$ 250,000	Public School Facility Authority (Reimbursement of Inspections)	9430	\$ (250,000)
NM RLD General Fund (Information Technology)	4330	40,000	NM Medical Board	0710	(40,000)
NM RLD Sign Language Pathology	2011	<u>160,800</u>	Commission for Deaf & Hard of Hearing Persons (Signed Language Interpreting)	0460	<u>(160,800)</u>
Total transfers (to) from other state agencies		\$ <u>450,800</u>			\$ <u>(450,800)</u>

B. Transfers Out to Other State Agencies

<u>Transfers from (purpose)</u>	<u>Fund No.</u>	<u>Amount</u>	<u>Transfers to</u>	<u>Fund No.</u>	<u>Amount</u>
<u>Governmental Funds</u>					
NM RLD Barbers and Cosmetology	4390	\$ (100,000)	State General Fund (General Fund Appropriation)	8530	\$ 100,000
NM RLD Massage Therapy	4420	(300,000)	State General Fund (General Fund Appropriation)	8530	300,000
NM RLD Counselors and Therapists	4440	(500,000)	State General Fund (General Fund Appropriation)	8530	500,000
NM RLD Chiropractic Examiners	4460	(200,000)	State General Fund (General Fund Appropriation)	8530	200,000
NM RLD Psychologist	4540	(200,000)	State General Fund (General Fund Appropriation)	8530	200,000
NM RLD Physical Therapy	4550	(200,000)	State General Fund (General Fund Appropriation)	8530	200,000

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

8. TRANSFERS TO/FROM OTHER STATE AGENCIES - continued

B. Transfers Out to Other State Agencies - continued

<u>Transfers from (purpose)</u>	<u>Fund No.</u>	<u>Amount</u>	<u>Transfers to</u>	<u>Fund No.</u>	<u>Amount</u>
<u>Governmental Funds – cont.</u>					
NM RLD Private Investigation	4590	\$ (200,000)	State General Fund (General Fund Appropriation)	8530	\$ 200,000
NM RLD Accountancy	4660	(400,000)	State General Fund (General Fund Appropriation)	8530	400,000
NM RLD Real Estate Commission	4670	(1,500,000)	State General Fund (General Fund Appropriation)	8530	1,500,000
NM RLD Social Work	4690	(650,000)	State General Fund (General Fund Appropriation)	8530	650,000
NM RLD Real Estate Recovery	2970	(172,000)	State General Fund (General Fund Appropriation)	8530	172,000
NM RLD Securities Education	0440	<u>(100,000)</u>	State General Fund (General Fund Appropriation)	8530	<u>100,000</u>
Total transfers (to) from other state agencies		\$ <u>4,522,000</u>			\$ <u>(4,522,000)</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

9. DUE FROM AND DUE TO OTHER AGENCIES

Transactions that occur among state agencies under legislative mandate, exchange transactions and other situations are accounted for in the financial statements which make up the due from and due to other state agencies. The due from and due to other agencies balances at June 30, 2010 consist of the following:

- Due From Other State Agencies

RLD SHARE Fund No.	Agency	Other Agency's No.- Fund No.	Amount
0440	Securities Enforcement and Investor Education	39400-8010	\$ 317
1066	Mortgage Regulatory Fund	39400-8010	93
2011	Signed Language Interpreting Practice	39400-8010	63
2012	Animal Sheltering	39400-8010	61
2110	Hoisting Operators	39400-8010	12
2970	Real Estate Recovery	39400-8010	42
4440	Counselors and Therapy Practice	39400-8010	102
4450	Real Estate Education	39400-8010	2
4560	Thanatopractice	39400-8010	1,433
4590	Private Investigations Advisory	39400-8010	45
4650	Real Estate Appraisers	39400-8010	46
4660	Public Accountancy	39400-8010	92
4690	Social Work Examiners	39400-8010	98
4710	Acupuncture and Oriental Medicine	39400-8010	46
4730	Speech Language Pathology, Audiology Hearing Aid Disp.	39400-8010	46
8900	ARRA	52100-8900	39,106
8900	ARRA	79000-8900	<u>6,331</u>
			\$ <u>47,935</u>

10. 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 \$18,545 during the year ended June 30, 2010.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

10. 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.

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. This coverage is 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.

• **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 15 for more information.

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 is obligated under these leases as follows:

Year ended June 30,

2011	\$	409,639
2012		414,549
2013		383,661
2014		365,651
2015		30,569
2016 and thereafter		<u> -</u>
	\$	<u>1,604,069</u>

12. OPERATING LEASE AGREEMENTS - continued

Rent expense under these building leases totaled \$395,255 for the year ended June 30, 2010.

13. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

• **Plan Description**

Substantially all of the Department's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA 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 is required to contribute 16.59% of the gross covered salary. The contribution requirements of plan members and the Department are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Department's contributions to PERA for the fiscal years ending June 30, 2010, 2009 and 2008 were \$1,875,834, \$2,173,182 and \$1,937,814, respectively, which equal the amount of the required contributions for each fiscal year.

• **Plan Description**

The Department contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit post-employment 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.

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

• **Plan Description - 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. During the fiscal year ended June 30, 2010, the statute required each participating employer to contribute 1.3% of each participating employee’s annual salary; each participating employee was required to contribute .65% of their salary. In the fiscal years ending June 30, 2011 through 2013, the contribution rates for employees and employers will rise as follows:

For employees who are not members of an enhanced retirement plan, the contribution rates will be:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY11	1.666%	.833%
FY12	1.834%	.917%
FY13	2.000%	1.000%

For employees who are members of an enhanced retirement plan (state police and adult correctional officer coverage plan 1; municipal police member coverage plans 3, 4 and 5; municipal fire member coverage plan 3,4 and 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act [10-12B-1 NMSA 1978]), the contribution rates will be:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY11	2.084%	1.042%
FY12	2.292%	1.146%
FY13	2.500%	1.250%

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

14. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN - continued

• **Funding Policy - continued**

Also, employers joining the program after January 1, 1998 are 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, 2010, 2009 and 2008 were \$158,930, \$165,070 and \$236,740, respectively, which equal the required contributions for each year.

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 2007-2008 fiscal year, the Department paid Risk Management \$340,245 in insurance premiums. In the fiscal year 2008-2009, the Department paid Risk Management \$453,556, and in the fiscal year 2009-2010, the Department paid Risk Management \$439,994. 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, 2008, 2009 and 2010, the Department had no claims for which the Risk Management Division has returned as "not covered" that would become the responsibility of the Department.

To obtain the separately issued financial statements, contact General Services Department, PO Box 26110, Santa Fe, New Mexico 87502-6110.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

16. SPECIAL APPROPRIATIONS

Special, deficiency and supplemental appropriations during the year consisted of the following:

<u>Fund</u>	<u>Original Appropriation Balance</u>	<u>Short Purpose</u>	<u>Period</u>	<u>Cumulative Expenditures 6/30/10</u>	<u>Outstanding Encumbrances 6/30/10</u>	<u>Amount to be Reverted</u>	<u>Unencumbered Appropriations</u>
NMRLD Animal Sheltering - 2012	\$ 100,000	Animal Sheltering Services	July 2009 to June 2010	63,121	-	36,879	-
General - 4330	\$ 184,700	Wireless Inspections	July 2009 to June 2010	183,945	-	755	-
General - 4330	\$ 50,000	National Loan Originator Licensing Program	July 2009 to June 2010	50,000	-	-	-

Special, deficiency and supplemental appropriations during the year consisted of the following:

<u>Fund</u>	<u>Original Appropriation Balance</u>	<u>Short Purpose</u>	<u>Period</u>	<u>Cumulative Expenditures 6/30/10</u>	<u>Outstanding Encumbrances 6/30/10</u>	<u>Amount to be Reverted</u>	<u>Unencumbered Appropriations</u>
General - 4330	\$ 180,000	Liquor Control Act	Oct. 2008 to Sept. 2009	142,938	-	-	37,062
General - 4330	\$ 90,020	Liquor Control Act	Oct. 2009 to Sept. 2010	57,816	-	-	32,184
Real Estate Commission - 4670	\$ 117,400	Software Upgrade	July 2009 to June 2012	53,067	4,996	-	59,336

The amount to be reverted of \$37,634 is included in the total reversions of the Department of \$1,728,640 (Note 6).

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

17. RESTATEMENT

There were corrections for third-party payroll liabilities that were recorded in error in the prior year. These corrections were both debits and credits. We recorded a prior period adjustment to the following funds:

Fund Description	Fund No.	Amount of Adjustment	Increase (Decrease) in Net Assets
General Fund	4330	\$ 733,688	\$ 733,688
Board of Pharmacy	4640	255,733	(255,733)
Real Estate Commission	4670	108,834	(108,834)
Securities Education and Training	0440	2,430	(2,430)
HUD Manufactured Housing	4720	1,205	1,205
Animal Sheltering	2012	203	203
Barbers and Cosmetologists	4390	86,642	(86,642)
Athletic Commissions	4410	4,680	4,680
Massage Therapy	4420	9,766	9,766
Counselors and Therapy Practice	4440	43,652	(43,652)
Chiropractic Examiners	4460	3,224	3,224
Dental Health Care	4470	61,544	(61,544)
Nutrition and Dietetics Practice	4480	289	289
Nursing Home Administrators	4490	175	\$ 175
Examiners for Occupational Therapy	4500	6,109	(6,109)
Optometry	4510	268	(268)
Osteopathic Medical Examiners	4520	8,478	(8,478)
Podiatry	4530	1,732	(1,732)
Psychological Examiners	4540	123	(123)
Physical Therapy	4550	1,711	1,711
Thanatopractice	4560	3,868	3,868
Interior Design	4570	689	689
Private Investigations Advisory	4590	3,801	(3,801)
Landscape Architects	4600	293	(293)
Real Estate Appraisers	4650	12,200	(12,200)
Public Accountancy	4660	55,316	(55,316)
Social Work Examiners	4690	39,863	(39,863)
Acupuncture and Oriental Medicine	4710	20,511	(20,511)
Speech Language Pathology, Audio & Hearing Aid Dispensing Practice	4730	18,659	(18,659)
Advisory Board of Respiratory Care Practitioners	4740	1,497	1,497
Athletic Trainers	4750	420	<u>420</u>
Total restatement			\$ <u>35,027</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Notes to Financial Statements - continued

17. **RESTATEMENT - continued**

The net effect of prior period corrections for third-party payroll liabilities was \$35,027. To correct the net balance of third-party payroll liabilities, we recorded a prior period adjustment to the following funds:

Fund Description	Fund No.	Amount of Adjustment	Increase (Decrease) in Net Assets
General Fund	4330	\$ 35,227	\$ (35,227)
FID Revolving Fund	3720	200	<u>200</u>
			\$ <u>(35,027)</u>
Net restatement to General Fund	4330		\$ <u>698,461</u>
Net restatement to FID Revolving Fund	3720		<u>-</u>
Net restatement to the Statement of Activities			<u>-</u>

18. **DEFICIT FUND BALANCE**

The Dental Health Care Fund (4470) and ARRA Fund (8900) have a deficit fund balance of \$170,082 and \$794, respectively; current year expenditures exceed revenues. These will be corrected next fiscal year.

19. **NEW PRONOUNCEMENTS**

Effective for fiscal years beginning after June 15, 2010, GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, will provide modifications to, and additional types of, fund balance classifications. This statement will enhance the usefulness of fund balance information to provide more consistency among the classifications and will establish reporting standards for all governments that report governmental funds. Although early implementation is encouraged, the State of New Mexico has decided to implement this new pronouncement for fiscal year ending June 30, 2011. The impact on the Department's financial statements has not yet been determined.

20. **OVEREXPENDITURES IN EXCESS OF BUDGET**

The Advisory Board of Respiratory Care Practitioners (4740) exceeded 2010 budgeted expenditures for Other Costs by \$21. Final budgeted expenditures for Other Costs were \$6,300 and actual expenditures as of June 30, 2010 were \$6,321.

SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Non-Major Special Revenue Funds Descriptions

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

Hoisting Operators Fund - To account for fees charged by the Department pursuant to the Hoisting Operators Safety Act. The fund is administrated by the Department for the purpose of carrying out the provisions of the Act. The fund was established in accordance with the provisions of Section 60-15-15 NMSA 1978. (SHARE Fund Number 2110)

Financial Institutions Revolving Fund (FID) - 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 3720)

Construction Industries Revolving Fund (CID) - 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 in accordance with the provisions of Section 60-13-8 NMSA 1978. (SHARE Fund Number 3730)

Real Estate Education and Training Fund - To account for the initial transfer of the balance per Section 61-19-19.1.C NMSA 1978 from the Real Estate Recovery Fund and fees charged by the Real Estate Commission for approval of real estate education sponsors, courses and instructors. The purpose of the fund is to improve real estate education and to train real estate instructors. The fund was established in accordance with provisions of Section 61-29-21 NMSA 1978. (SHARE Fund Number 4450)

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 Section 57-25-3 NMSA 1978. (SHARE Fund Number 6430)

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 Section 61-5B-11 NMSA 1978. (SHARE Fund Number 8760)

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. (SHARE Fund Number 4720)

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Non-Major Special Revenue Funds Descriptions - continued

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 board's revenue is restricted to each board's 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, 2010.

<u>Board</u>	<u>NMSA Funding Authority</u>	<u>SHARE Fund Number</u>
Signed Language Interpreting Practice	61-34-13	2011
Animal Sheltering	77-1B-4	2012
Real Estate Recovery	61-29-21	2970
Barbers and Cosmetologists	61-17A-14	4390
Athletic Commission	60-2A-24	4410
Massage Therapy	61-12C-23	4420
Counselors and Therapy Practice	61-9A-25	4440
Chiropractic Examiners	61-4-7	4460
Dental Health Care	61-5A-26	4470
Nutrition and Dietetics Practice	61-7A-12	4480
Nursing Home Administrators	61-13-12	4490
Examiners for Occupational Therapy	61-12A-20	4500
Optometry	61-2-7	4510
Osteopathic Medical Examiners	61-10-6	4520
Podiatry	61-8-7	4530
Psychologist Examiners	61-9-5	4540
Physical Therapy	61-12D-6	4550
Thanatopractice	61-32-26	4560
Interior Design	61-24C-16	4570
Private Investigations Advisory	61-27B-30	4590
Landscape Architects	61-24B-14	4600
Real Estate Appraisers	61-30-18	4650
Public Accountancy	61-28B-6	4660
Social Work Examiners	61-31-16	4690
Acupuncture and Oriental Medicine	61-14A-18	4710
Speech Language Pathology, Audiology and Hearing Aid Dispensing Practices	61-14B-24	4730
Advisory Board of Respiratory Care Practitioners	61-12B-13	4740
Athletic Trainers Practice	61-14D-18	4750
Naprapathy Practice	61-12E-13	5350

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Non-Major Special Revenue Funds Descriptions - continued

RLD American Recovery and Reinvestment Act (ARRA) Fund – An administrative fund established by the Department of Finance and Administration and funded by the Federal government. This is a non-reverting fund. (SHARE Fund Number 89000)

Mortgage Regulatory Fund - To account for application, licensing, renewal, examination, investigation and any other fees received that are associated with the costs of administering the New Mexico Mortgage Loan Originator Licensing Act, fees specified in Subsection E of Section 58-21-5 NMSA 1978 and any money that is appropriated or donated or that otherwise accrues to the fund. Income from the investment of the fund shall be credited to the fund. The Mortgage Regulatory Fund is created as a non-reverting fund in the state treasury and shall be administered by the financial institutions in accordance with the provisions of Section 9-16-15 NMSA 1978. (SHARE Fund Number 10660)

AS OF JUNE 30, 2010

	2110	3720	3730	4450	6430
	Hoisting Operators	FID Revolving	CID Revolving	Real Estate Education	Carnival Ride Insurance
ASSETS:					
Investment in State General					
Fund Investment Pool	\$ 80,355	200	212,703	64,653	68,550
Accounts receivable	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other state agencies	12	-	-	2	-
Due from federal government	-	-	-	-	-
Inventories	-	-	41,682	-	-
TOTAL ASSETS	\$ 80,367	200	254,385	64,655	68,550
LIABILITIES:					
Bank overdraft	-	-	-	-	-
Accounts payable	-	-	10,750	-	-
Accrued payroll	-	-	-	-	-
Other Liabilities	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Due to State General Fund	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to other state agencies	-	-	-	-	-
Due to federal government	-	-	-	-	-
TOTAL LIABILITIES	-	-	10,750	-	-
FUND BALANCES:					
Reserved for prepaid expenses	-	-	-	-	-
Reserved for inventories	-	-	41,682	-	-
Unreserved:					
Designated for subsequent years' expenditures	80,367	200	201,953	64,655	68,550
TOTAL FUND BALANCES	80,367	200	243,635	64,655	68,550
TOTAL LIABILITIES AND FUND BALANCES	\$ 80,367	200	254,385	64,655	68,550

STATE OF NEW MEXICO
REGULATON AND LICENSING DEPARTMENT

Combining Balance Sheet -
Non-Major Special Revenue Funds

8760 Impaired Dentists and Dental Hygienists	4720 HUD Manufactured Housing	2011 Signed Language Interpreting Practice	2012 Animal Sheltering	2970 Real Estate Recovery	4390 Barbers and Cosmetologists	4410 Athletic Commission
63,452	61,077	406,545	381,812	290,497	1,260,744	114,451
-	10,958	-	-	-	113	-
-	-	6,585	1,065	-	3,693	-
-	100	-	-	-	6,420	4,707
-	-	63	61	42	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>63,452</u>	<u>72,135</u>	<u>413,193</u>	<u>382,938</u>	<u>290,539</u>	<u>1,270,970</u>	<u>119,158</u>
-	-	-	-	-	-	-
7,277	1,497	5,539	16,683	-	10,199	2,330
-	1,991	2,954	-	-	20,713	3,877
-	-	-	-	-	-	-
-	-	-	-	-	389,008	50,708
-	-	-	91,879	-	-	-
-	495	-	-	-	87,468	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>7,277</u>	<u>3,983</u>	<u>8,493</u>	<u>108,562</u>	<u>-</u>	<u>507,388</u>	<u>56,915</u>
-	-	6,585	1,065	-	3,693	-
-	-	-	-	-	-	-
<u>56,175</u>	<u>68,152</u>	<u>398,115</u>	<u>273,311</u>	<u>290,539</u>	<u>759,889</u>	<u>62,243</u>
<u>56,175</u>	<u>68,152</u>	<u>404,700</u>	<u>274,376</u>	<u>290,539</u>	<u>763,582</u>	<u>62,243</u>
<u>63,452</u>	<u>72,135</u>	<u>413,193</u>	<u>382,938</u>	<u>290,539</u>	<u>1,270,970</u>	<u>119,158</u>

AS OF JUNE 30, 2010

	4420	4440	4460	4470	4480
	Massage Therapy	Counselors and Therapy Practice	Chiropractic Examiners	Dental Health Care	Nutrition and Dietetics Practice
ASSETS:					
Investment in State General Fund Investment Pool	\$ 322,912	626,485	380,728	471,291	103,725
Accounts receivable	-	-	-	-	59
Prepaid expenses	7,814	14,786	4,480	6,231	2,165
Due from other funds	16,453	5,766	3,501	-	169
Due from other state agencies	-	102	-	-	-
Due from federal government	-	-	-	-	-
Inventories	-	-	-	-	-
TOTAL ASSETS	\$ <u>347,179</u>	<u>647,139</u>	<u>388,709</u>	<u>477,522</u>	<u>106,118</u>
LIABILITIES:					
Bank overdraft	\$ -	-	-	-	-
Accounts payable	14,267	8,533	2,966	4,165	558
Accrued payroll	7,415	15,369	3,181	8,661	663
Other Liabilities	-	-	-	-	-
Deferred revenue	109,640	106,975	-	568,264	15,743
Due to State General Fund	-	-	-	-	-
Due to other funds	-	44,006	-	66,514	-
Due to other state agencies	-	-	-	-	-
Due to federal government	-	-	-	-	-
TOTAL LIABILITIES	131,322	174,883	6,147	647,604	16,964
FUND BALANCES:					
Reserved for prepaid expenses	7,814	14,786	4,480	6,231	2,165
Reserved for inventories	-	-	-	-	-
Unreserved:					
Designated for subsequent years' expenditures	<u>208,043</u>	<u>457,470</u>	<u>378,082</u>	<u>(176,313)</u>	<u>86,989</u>
TOTAL FUND BALANCES	<u>215,857</u>	<u>472,256</u>	<u>382,562</u>	<u>(170,082)</u>	<u>89,154</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>347,179</u>	<u>647,139</u>	<u>388,709</u>	<u>477,522</u>	<u>106,118</u>

STATE OF NEW MEXICO
REGULATON AND LICENSING DEPARTMENT

Combining Balance Sheet -
Non-Major Special Revenue Funds - continued

4490 Nursing Home Administrators	4500 Examiners for Occupational Therapy	4510 Optometry	4520 Osteopathic Medical Examiners	4530 Podiatry	4540 Psychologist Examiners	4550 Physical Therapy
78,968	275,810	244,383	403,110	90,036	354,009	374,490
-	-	-	-	-	-	-
839	2,283	2,663	873	2,557	3,149	7,481
173	-	-	-	-	230	1,546
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>79,980</u>	<u>278,093</u>	<u>247,046</u>	<u>403,983</u>	<u>92,593</u>	<u>357,388</u>	<u>383,517</u>
-	-	-	-	-	-	-
163	365	299	774	22	3,091	2,854
1,368	1,190	1,798	2,223	575	6,779	4,093
-	-	-	-	-	-	-
23,896	18,651	-	-	18,025	230,035	127,422
-	-	-	-	-	-	-
-	7,282	1,696	10,365	1,737	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>25,427</u>	<u>27,488</u>	<u>3,793</u>	<u>13,362</u>	<u>20,359</u>	<u>239,905</u>	<u>134,369</u>
839	2,283	2,663	873	2,557	3,149	7,481
-	-	-	-	-	-	-
<u>53,714</u>	<u>248,322</u>	<u>240,590</u>	<u>389,748</u>	<u>69,677</u>	<u>114,334</u>	<u>241,667</u>
<u>54,553</u>	<u>250,605</u>	<u>243,253</u>	<u>390,621</u>	<u>72,234</u>	<u>117,483</u>	<u>249,148</u>
<u>79,980</u>	<u>278,093</u>	<u>247,046</u>	<u>403,983</u>	<u>92,593</u>	<u>357,388</u>	<u>383,517</u>

AS OF JUNE 30, 2010

	4560	4570	4590 Private	4600	4650 Real
	Thanato- practice	Interior Design	Investigations Advisory	Landscape Architects	Estate Appraisers
ASSETS:					
Investment in State General Fund Investment Pool	\$ 304,820	52,012	191,192	113,100	285,998
Accounts receivable	-	-	-	-	-
Prepaid expenses	1,965	800	3,488	2,005	2,479
Due from other funds	3,899	679	-	-	-
Due from other state agencies	1,433	-	45	-	46
Due from federal government	-	-	-	-	-
Inventories	-	-	-	-	-
TOTAL ASSETS	\$ 312,117	53,491	194,725	115,105	288,523
LIABILITIES:					
Bank overdraft	\$ -	-	-	-	-
Accounts payable	770	814	24,820	67	7,926
Accrued payroll	4,030	629	3,044	722	5,165
Other Liabilities	-	-	-	-	-
Deferred revenue	100,500	9,729	34,409	31,200	132,384
Due to State General Fund	-	-	-	-	-
Due to other funds	-	-	13,500	246	17,499
Due to other state agencies	-	-	-	-	-
Due to federal government	-	-	-	-	2,000
TOTAL LIABILITIES	105,300	11,172	75,773	32,235	164,974
FUND BALANCES:					
Reserved for prepaid expenses	1,965	800	3,488	2,005	2,479
Reserved for inventories	-	-	-	-	-
Unreserved:					
Designated for subsequent years' expenditures	204,852	41,519	115,464	80,865	121,070
TOTAL FUND BALANCES	206,817	42,319	118,952	82,870	123,549
TOTAL LIABILITIES AND FUND BALANCES	\$ 312,117	53,491	194,725	115,105	288,523

STATE OF NEW MEXICO
REGULATON AND LICENSING DEPARTMENT

Combining Balance Sheet -
Non-Major Special Revenue Funds - continued

4660 Public Accountancy	4690 Social Work Examiners	4710 Acupuncture and Oriental Medicine	4730 Speech Language Pathology, Audiology Hearing Aid Disp.	4740 Adv. Board of Respiratory Care Practioners	4750 Athletic Trainers Practice	5350 Naprapathy Practice
561,832	695,073	308,023	290,001	179,352	59,283	36,289
-	663	-	-	-	-	-
5	6,798	2,875	2,403	430	462	1,146
-	-	-	-	1,522	433	-
92	98	46	46	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>561,929</u>	<u>702,632</u>	<u>310,944</u>	<u>292,450</u>	<u>181,304</u>	<u>60,178</u>	<u>37,435</u>
-	-	-	-	-	-	-
6,253	17,513	4,191	958	507	27	149
14,662	11,124	7,107	3,010	2,366	707	-
-	-	-	-	-	-	-
253,585	160,581	4,552	80,632	86,407	1,179	-
-	-	-	-	-	-	-
54,598	40,725	20,519	18,546	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
329,098	229,943	36,369	103,146	89,280	1,913	149
5	6,798	2,875	2,403	430	462	1,146
-	-	-	-	-	-	-
<u>232,826</u>	<u>465,891</u>	<u>271,700</u>	<u>186,901</u>	<u>91,594</u>	<u>57,803</u>	<u>36,140</u>
<u>232,831</u>	<u>472,689</u>	<u>274,575</u>	<u>189,304</u>	<u>92,024</u>	<u>58,265</u>	<u>37,286</u>
<u>561,929</u>	<u>702,632</u>	<u>310,944</u>	<u>292,450</u>	<u>181,304</u>	<u>60,178</u>	<u>37,435</u>

STATE OF NEW MEXICO
REGULATON AND LICENSING DEPARTMENT

Combining Balance Sheet -
Non-Major Special Revenue Funds - continued

AS OF JUNE 30, 2010

	8900	1066	
	<u>ARRA Fund</u>	<u>Mortgage Regulatory Fund</u>	<u>Total</u>
ASSETS:			
Investment in State General			
Fund Investment Pool	\$ -	692,392	10,500,353
Accounts receivable	-	37,800	49,593
Prepaid expenses	-	-	91,520
Due from other funds	-	-	45,598
Due from other state agencies	45,437	93	47,618
Due from federal government	-	-	-
Inventories	<u>-</u>	<u>-</u>	<u>41,682</u>
TOTAL ASSETS	\$ <u>45,437</u>	<u>730,285</u>	<u>10,776,364</u>
LIABILITIES:			
Bank overdraft	\$ 35,305	-	35,305
Accounts payable	7,172	-	163,499
Accrued payroll	3,754	1,787	140,957
Other Liabilities	-	-	-
Deferred revenue	-	-	2,553,525
Due to State General Fund	-	-	91,879
Due to other funds	-	-	385,196
Due to other state agencies	-	-	-
Due to federal government	<u>-</u>	<u>-</u>	<u>2,000</u>
TOTAL LIABILITIES	46,231	1,787	3,372,361
FUND BALANCES:			
Reserved for prepaid expenses	-	-	91,520
Reserved for inventories	-	-	41,682
Unreserved:			
Designated for subsequent			
years' expenditures	<u>(794)</u>	<u>728,498</u>	<u>7,270,801</u>
TOTAL FUND BALANCES	<u>(794)</u>	<u>728,498</u>	<u>7,404,003</u>
TOTAL LIABILITIES			
AND FUND BALANCES	\$ <u>45,437</u>	<u>730,285</u>	<u>10,776,364</u>

YEAR ENDED JUNE 30, 2010

	2110	3720	3730	4450	6430
	Hoisting Operators	FID Revolving	CID Revolving	Real Estate Education and Training	Carnival Ride Insurance
REVENUES:					
Trade and professional licenses	\$ 24,535	-	-	-	20,050
Trades and professions examination fees	-	-	-	-	-
Publications	-	-	11,848	-	-
Interest on investments	12	-	-	2	-
Federal sources	-	-	-	-	-
Other revenues	-	-	-	-	-
TOTAL REVENUES	<u>24,547</u>	<u>-</u>	<u>11,848</u>	<u>2</u>	<u>20,050</u>
EXPENDITURES:					
Current:					
Personal services	-	-	-	-	-
Employee benefits	-	-	-	-	-
In-state travel	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-
Supplies and materials	-	-	-	-	-
Contractual services	-	-	-	91,619	-
Operating costs	-	-	89	-	-
Other costs	-	-	12,641	-	-
Out-of-state travel	-	-	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>12,730</u>	<u>91,619</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	24,547	-	(882)	(91,617)	20,050
OTHER FINANCING SOURCES:					
Transfers in	-	-	-	100,000	-
Transfers out	-	-	-	-	-
General fund appropriation	-	-	-	-	-
Special appropriation	-	-	-	-	-
Reversions to State General Fund	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	24,547	-	(882)	8,383	20,050
FUND BALANCE, JUNE 30, 2009	55,820	200	244,517	56,272	48,500
RESTATEMENTS	-	-	-	-	-
FUND BALANCE, AS RESTATED	<u>55,820</u>	<u>200</u>	<u>244,517</u>	<u>56,272</u>	<u>48,500</u>
FUND BALANCE, JUNE 30, 2010	\$ <u>80,367</u>	<u>200</u>	<u>243,635</u>	<u>64,655</u>	<u>68,550</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Combining Statement of Revenues, Expenditures, and Changes
in Fund Balances - Non-Major Special Revenue Funds

8760 Impaired Dentists and Dental Hygienists	4720 HUD Manufactured Housing	2011 Signed Language Interpreting Practice	2012 Animal Sheltering	2970 Real Estate Recovery	4390 Barbers and Cosmetologists	4410 Athletic Commission	4420 Massage Therapy
-	37,880	12,607	6,315	-	650,234	3,748	275,424
13,860	49,230	75	3,775	-	13,958	54,416	6,710
-	-	-	-	-	-	-	-
-	-	63	61	531	-	-	-
-	18,545	-	-	-	-	-	-
-	-	-	-	-	59,975	-	6,452
<u>13,860</u>	<u>105,655</u>	<u>12,745</u>	<u>10,151</u>	<u>531</u>	<u>724,167</u>	<u>58,164</u>	<u>288,586</u>
-	37,651	20,277	3,905	-	307,900	61,403	110,830
-	11,241	13,494	4,811	-	130,337	18,653	58,561
-	15,533	2,854	1,735	-	19,935	6,410	3,973
-	978	5,500	-	-	5,565	-	11,012
-	1,639	1,374	-	-	7,804	72	6,657
7,277	-	2,559	5,750	-	22,687	3,733	8,216
-	22,901	1,284	64,410	-	38,612	6,757	8,167
-	395	1,197	5	-	1,173	-	786
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>7,277</u>	<u>90,338</u>	<u>48,539</u>	<u>80,616</u>	<u>-</u>	<u>534,013</u>	<u>97,028</u>	<u>208,202</u>
6,583	15,317	(35,794)	(70,465)	531	190,154	(38,864)	80,384
-	-	160,800	-	-	-	-	-
-	-	(19,913)	-	(172,000)	(241,393)	(23,439)	(337,635)
-	-	-	99,900	-	-	-	-
-	-	-	100,000	-	-	-	-
-	-	-	(91,879)	-	-	-	-
-	-	<u>140,887</u>	<u>108,021</u>	<u>(172,000)</u>	<u>(241,393)</u>	<u>(23,439)</u>	<u>(337,635)</u>
6,583	15,317	105,093	37,556	(171,469)	(51,239)	(62,303)	(257,251)
49,592	51,630	299,607	236,617	462,008	901,463	119,866	463,342
-	1,205	-	203	-	(86,642)	4,680	9,766
<u>49,592</u>	<u>52,835</u>	<u>299,607</u>	<u>236,820</u>	<u>462,008</u>	<u>814,821</u>	<u>124,546</u>	<u>473,108</u>
<u>56,175</u>	<u>68,152</u>	<u>404,700</u>	<u>274,376</u>	<u>290,539</u>	<u>763,582</u>	<u>62,243</u>	<u>215,857</u>

YEAR ENDED JUNE 30, 2010

	4440 Counselors and Therapy Practice	4460 Chiropractic Examiners	4470 Dental Health Care	4480 Nutrition and Dietetics Practice	4490 Nursing Home Administrators	4500 Examiners for Occupational Therapy
REVENUES:						
Trade and professional licenses	\$ 548,601	206,900	239,100	32,229	51,036	63,724
Trades and professions examination fees	7,429	26,300	12,281	195	1,067	9,450
Publications	-	-	-	-	-	-
Interest on investments	1,361	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Other revenues	5,387	-	41,372	450	900	4,515
TOTAL REVENUES	<u>562,778</u>	<u>233,200</u>	<u>292,753</u>	<u>32,874</u>	<u>53,003</u>	<u>77,689</u>
EXPENDITURES:						
Current:						
Personal services	176,704	53,778	149,716	6,988	15,859	18,123
Employee benefits	82,833	23,051	67,051	2,626	8,528	10,447
In-state travel	13,489	3,878	18,539	1,312	909	2,698
Maintenance and repairs	5,500	-	-	-	-	-
Supplies and materials	13,666	1,953	3,283	1,274	132	632
Contractual services	10,931	3,197	245	-	-	1,152
Operating costs	16,424	4,830	26,923	3,105	2,465	2,377
Other costs	3,621	738	1,315	51	382	814
Out-of-state travel	2,452	1,376	1,558	-	-	-
Capital outlay	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>325,620</u>	<u>92,801</u>	<u>268,630</u>	<u>15,356</u>	<u>28,275</u>	<u>36,243</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	237,158	140,399	24,123	17,518	24,728	41,446
OTHER FINANCING SOURCES:						
Transfers in	-	-	-	-	-	-
Transfers out	(565,456)	(219,056)	(64,122)	(4,573)	(8,480)	(10,385)
General fund appropriation	-	-	-	-	-	-
Special appropriation	-	-	-	-	-	-
Reversions to State General Fund	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>(565,456)</u>	<u>(219,056)</u>	<u>(64,122)</u>	<u>(4,573)</u>	<u>(8,480)</u>	<u>(10,385)</u>
NET CHANGE IN FUND BALANCES	(328,298)	(78,657)	(39,999)	12,945	16,248	31,061
FUND BALANCES, JUNE 30, 2009	844,206	457,995	(68,539)	75,920	38,130	225,653
RESTATEMENTS	<u>(43,652)</u>	<u>3,224</u>	<u>(61,544)</u>	<u>289</u>	<u>175</u>	<u>(6,109)</u>
FUND BALANCE, AS RESTATED	<u>800,554</u>	<u>461,219</u>	<u>(130,083)</u>	<u>76,209</u>	<u>38,305</u>	<u>219,544</u>
FUND BALANCES, JUNE 30, 2010	<u>\$ 472,256</u>	<u>382,562</u>	<u>(170,082)</u>	<u>89,154</u>	<u>54,553</u>	<u>250,605</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Combining Statement of Revenues, Expenditures, and Changes
in Fund Balances - Non-Major Special Revenue Funds - continued

4510	4520	4530	4540	4550	4560	4570	4590
Optometry	Osteopathic Medical Examiners	Podiatry	Psychologist Examiners	Physical Therapy	Thanato- practice	Interior Design	Private Investigations Advisory
80,145	121,275	20,650	121,848	191,414	156,050	28,221	160,847
795	3,865	955	6,740	21,273	85	255	12,272
-	-	-	-	-	95	-	-
-	-	-	-	181	1,433	-	580
-	-	-	-	-	-	-	-
<u>4,540</u>	<u>13,100</u>	<u>225</u>	<u>3,580</u>	<u>8,565</u>	<u>3,458</u>	<u>1,360</u>	<u>71,714</u>
<u>85,480</u>	<u>138,240</u>	<u>21,830</u>	<u>132,168</u>	<u>221,433</u>	<u>161,121</u>	<u>29,836</u>	<u>245,413</u>
28,125	35,521	9,823	69,228	47,988	43,534	6,902	47,387
11,672	14,664	3,845	37,854	25,693	19,515	3,065	18,539
5,423	2,863	1,152	6,631	4,477	6,251	1,978	3,081
-	-	-	-	-	420	-	-
117	630	1,313	4,510	2,793	5,440	798	478
5,625	170	-	812	-	3,736	-	6,485
1,952	4,040	1,455	5,926	7,271	4,437	3,456	149,314
129	433	591	563	3,219	98	564	-
-	-	-	-	-	1,014	-	-
-	-	-	-	-	-	-	-
<u>53,043</u>	<u>58,321</u>	<u>18,179</u>	<u>125,524</u>	<u>91,441</u>	<u>84,445</u>	<u>16,763</u>	<u>225,284</u>
32,437	79,919	3,651	6,644	129,992	76,676	13,073	20,129
-	-	-	-	-	-	-	-
(10,481)	(9,433)	(5,050)	(234,300)	(219,723)	(18,770)	(7,908)	(224,296)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>(10,481)</u>	<u>(9,433)</u>	<u>(5,050)</u>	<u>(234,300)</u>	<u>(219,723)</u>	<u>(18,770)</u>	<u>(7,908)</u>	<u>(224,296)</u>
21,956	70,486	(1,399)	(227,656)	(89,731)	57,906	5,165	(204,167)
221,565	328,613	75,365	345,262	337,168	145,043	36,465	326,920
(268)	(8,478)	(1,732)	(123)	1,711	3,868	689	(3,801)
<u>221,297</u>	<u>320,135</u>	<u>73,633</u>	<u>345,139</u>	<u>338,879</u>	<u>148,911</u>	<u>37,154</u>	<u>323,119</u>
<u>243,253</u>	<u>390,621</u>	<u>72,234</u>	<u>117,483</u>	<u>249,148</u>	<u>206,817</u>	<u>42,319</u>	<u>118,952</u>

YEAR ENDED JUNE 30, 2010

	4600	4650	4660	4690	4710	4730
	Landscape Architects	Real Estate Appraisers	Public Accountancy	Social Work Examiners	Acupuncture and Oriental Medicine	Speech Language Pathology, Audiology Hearing Aid Disp.
REVENUES:						
Trade and professional licenses	\$ 16,300	119,036	442,167	138,642	205,705	260,622
Trades and professions examination fees	319	9,072	3,450	5,761	4,709	6,805
Publications	-	75	-	-	-	-
Interest on investments	-	366	1,089	1,381	46	412
Federal sources	-	-	-	-	-	-
Other revenues	7,450	3,350	41,271	4,969	8,275	5,350
TOTAL REVENUES	<u>24,069</u>	<u>131,899</u>	<u>487,977</u>	<u>150,753</u>	<u>218,735</u>	<u>273,189</u>
EXPENDITURES:						
Current:						
Personal services	11,524	61,005	201,395	159,406	109,053	64,303
Employee benefits	6,092	27,366	94,818	70,568	54,085	30,102
In-state travel	2,688	12,068	8,198	10,201	3,492	4,292
Maintenance and repairs	-	-	1,109	5,500	-	-
Supplies and materials	651	3,653	2,980	19,257	1,759	1,319
Contractual services	935	6,330	4,288	2,685	18,854	1,584
Operating costs	5,027	14,651	97,164	12,229	6,190	7,086
Other costs	258	1,596	2,178	1,309	1,163	2,007
Out-of-state travel	-	-	710	2,650	-	-
Capital outlay	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>27,175</u>	<u>126,669</u>	<u>412,840</u>	<u>283,805</u>	<u>194,596</u>	<u>110,693</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,106)	5,230	75,137	(133,052)	24,139	162,496
OTHER FINANCING SOURCES:						
Transfers in	-	-	-	-	-	-
Transfers out	(5,907)	(26,678)	(466,028)	(699,926)	(16,864)	(23,724)
General fund appropriation	-	-	-	-	-	-
Special appropriation	-	-	-	-	-	-
Reversions to State General Fund	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>(5,907)</u>	<u>(26,678)</u>	<u>(466,028)</u>	<u>(699,926)</u>	<u>(16,864)</u>	<u>(23,724)</u>
NET CHANGE IN FUND BALANCES	(9,013)	(21,448)	(390,891)	(832,978)	7,275	138,772
FUND BALANCES, JUNE 30, 2009	92,176	157,197	679,038	1,345,530	287,811	69,191
RESTATEMENTS	<u>(293)</u>	<u>(12,200)</u>	<u>(55,316)</u>	<u>(39,863)</u>	<u>(20,511)</u>	<u>(18,659)</u>
FUND BALANCE, AS RESTATED	<u>91,883</u>	<u>144,997</u>	<u>623,722</u>	<u>1,305,667</u>	<u>267,300</u>	<u>50,532</u>
FUND BALANCES, JUNE 30, 2010	\$ <u>82,870</u>	<u>123,549</u>	<u>232,831</u>	<u>472,689</u>	<u>274,575</u>	<u>189,304</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Combining Statement of Revenues, Expenditures, and Changes
in Fund Balances - Non-Major Special Revenue Funds - continued

4740 Adv. Board of Respiratory Care Practitioners	4750 Athletic Trainers	5350 Naprathopathy Practice	8900 ARRA Fund	1066 Mortgage Regulatory Fund	Total
59,359	26,042	5,700	-	841,650	5,168,056
1,965	80	75	-	-	277,222
-	-	-	-	-	12,018
-	9	-	-	93	7,620
-	-	-	45,437	-	63,982
<u>2,735</u>	<u>525</u>	<u>-</u>	<u>-</u>	<u>9,965</u>	<u>309,483</u>
<u>64,059</u>	<u>26,656</u>	<u>5,775</u>	<u>45,437</u>	<u>851,708</u>	<u>5,838,381</u>
29,161	5,828	-	17,019	90,852	2,001,188
16,008	2,476	-	4,675	32,358	905,028
1,134	1,730	963	200	-	168,087
-	-	-	-	-	35,584
1,005	-	-	1,902	-	87,091
1,565	389	-	16,331	-	227,155
2,349	457	470	2,822	-	524,640
1,833	296	9	75	-	39,439
-	-	-	3,207	-	12,967
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>53,055</u>	<u>11,176</u>	<u>1,442</u>	<u>46,231</u>	<u>123,210</u>	<u>4,001,179</u>
11,004	15,480	4,333	(794)	728,498	1,837,202
-	-	-	-	-	260,800
(10,671)	(4,288)	-	-	-	(3,650,499)
-	-	-	-	-	99,900
-	-	-	-	-	100,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(91,879)</u>
<u>(10,671)</u>	<u>(4,288)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,281,678)</u>
333	11,192	4,333	(794)	728,498	(1,444,476)
90,194	46,653	32,953	-	-	9,179,943
<u>1,497</u>	<u>420</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(331,464)</u>
<u>91,691</u>	<u>47,073</u>	<u>32,953</u>	<u>-</u>	<u>-</u>	<u>8,848,479</u>
<u>92,024</u>	<u>58,265</u>	<u>37,286</u>	<u>(794)</u>	<u>728,498</u>	<u>7,404,003</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

		HOISTING OPERATORS (2110)			
		Budgeted Amounts		Actual Amounts	Variance From Final Budget
		Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES:					
State general fund appropriation	\$	-	-	-	-
Federal funds		-	-	-	
Other state funds		-	-	24,547	24,547
Inter-agency transfers		-	-	-	-
		-	-	24,547	<u>24,547</u>
Cash balance budgeted		-	-		
TOTAL REVENUES	\$	<u>-</u>	<u>-</u>		
EXPENDITURES - current					
Personal services and benefits	\$	-	-	-	-
Contractual services		-	-	-	-
Other costs		-	-	-	-
Other financing uses		-	-	-	-
Reversions to state general fund		-	-	-	-
TOTAL EXPENDITURES	\$	<u>-</u>	<u>-</u>	-	-
NET CHANGE IN FUND BALANCE				\$ <u>24,547</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	FID REVOLVING (3720)			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
Trade and professional licenses	\$ -	-	-	-
Trades and professions examination fees	-	-	-	-
Publications	-	-	-	-
Interest on investments	-	-	-	-
Federal grants	-	-	-	-
Other revenue	-	-	-	-
Other financing sources	-	-	-	-
State general fund appropriation	-	-	-	-
	-	-	-	-
Cash balance budgeted	-	-	-	-
TOTAL REVENUES	\$ -	-	-	-
EXPENDITURES - current				
Personal services and benefits	\$ -	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	-	-
Other financing uses	-	-	-	-
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ -	-	-	-
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

		CID REVOLVING (3730)			
		Budgeted Amounts		Actual	Variance From
		Original	Final	Amounts	Final Budget
				(Budgetary Basis)	Positive (Negative)
REVENUES:					
State general fund	\$	-	-	-	-
Federal funds		-	-	-	-
Other state funds		100,000	100,000	11,848	(88,152)
Inter-agency transfers		-	-	-	-
		100,000	100,000	11,848	(88,152)
Cash balance budgeted		-	-		
TOTAL REVENUES	\$	100,000	100,000		
EXPENDITURES - current					
Personal services and benefits	\$	-	-	-	-
Contractual services		-	-	-	-
Other costs		100,000	100,000	12,730	87,270
Other financing uses		-	-	-	-
Reversions to state general fund		-	-	-	-
TOTAL EXPENDITURES	\$	100,000	100,000	12,730	87,270
NET CHANGE IN FUND BALANCE				\$ (882)	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

REAL ESTATE EDUCATION AND TRAINING (4450)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	-	-	2	2
Inter-agency transfers	<u>225,000</u>	<u>225,000</u>	<u>100,000</u>	<u>(125,000)</u>
	225,000	225,000	100,002	<u>(124,998)</u>
Cash balance budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUES	\$ <u>225,000</u>	<u>225,000</u>		
EXPENDITURES - current				
Personal services and benefits	\$ -	-	-	-
Contractual services	225,000	225,000	91,619	133,381
Other costs	-	-	-	-
Other financing uses	-	-	-	-
Reversions to state general fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	\$ <u>225,000</u>	<u>225,000</u>	<u>91,619</u>	<u>133,381</u>
NET CHANGE IN FUND BALANCE			\$ <u>8,383</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

CARNIVAL RIDE INSURANCE (6430)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	-	-	20,050	20,050
Inter-agency transfers	-	-	-	-
	-	-	20,050	<u>20,050</u>
Cash balance budgeted	-	-		
TOTAL REVENUES	<u>\$ -</u>	<u>-</u>		
EXPENDITURES - current				
Personal services and benefits	\$ -	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	-	-
Other financing uses	-	-	-	-
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE			<u>\$ 20,050</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	IMPAIRED DENTISTS AND DENTAL HYGIENISTS (8760)			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	15,000	15,000	13,860	(1,140)
Inter-agency transfers	-	-	-	-
	<u>15,000</u>	<u>15,000</u>	13,860	<u>(1,140)</u>
Cash balance budgeted	-	-		
TOTAL REVENUES	\$ <u>15,000</u>	<u>15,000</u>		
EXPENDITURES - current				
Personal services and benefits	\$ -	-	-	-
Contractual services	15,000	15,000	7,277	7,723
Other costs	-	-	-	-
Other financing uses	-	-	-	-
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ <u>15,000</u>	<u>15,000</u>	<u>7,277</u>	<u>7,723</u>
NET CHANGE IN FUND BALANCE			\$ <u>6,583</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

HUD MANUFACTURED HOUSING (4720)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	109,000	109,000	18,545	(90,455)
Other state funds	-	-	87,110	87,110
Inter-agency transfers	-	-	-	-
	109,000	109,000	105,655	<u>(3,345)</u>
Cash balance budgeted	-	-		
TOTAL REVENUES	\$ <u>109,000</u>	<u>109,000</u>		
EXPENDITURES - current				
Personal services and benefits	\$ -	50,650	48,892	1,758
Contractual services	-	-	-	-
Other costs	109,000	58,350	41,446	16,904
Other financing uses	-	-	-	-
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ <u>109,000</u>	<u>109,000</u>	<u>90,338</u>	<u>18,662</u>
NET CHANGE IN FUND BALANCE			\$ <u>15,317</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

SIGNED LANGUAGE INTERPRETING PRACTICE (2011)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	-	-	-	-
Federal funds	-	-	-	-
Other state funds	-	-	12,745	12,745
Inter-agency transfers	160,800	160,800	160,800	-
	160,800	160,800	173,545	12,745
Cash balance budgeted	-	-		
TOTAL REVENUES	\$ 160,800	160,800		
EXPENDITURES - current				
Personal services and benefits	86,500	86,500	33,771	52,729
Contractual services	8,000	8,000	2,559	5,441
Other costs	45,400	45,400	12,209	33,191
Other financing uses	20,900	20,900	19,913	987
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ 160,800	160,800	68,452	92,348
NET CHANGE IN FUND BALANCE			\$ 105,093	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

ANIMAL SHELTERING (2012)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ 99,900	99,900	99,900	-
Federal funds	-	-	-	-
Other state funds	-	-	110,151	110,151
Inter-agency transfers	-	-	-	-
	99,900	99,900	210,051	<u>110,151</u>
Cash balance budgeted	-	<u>100,000</u>		
TOTAL REVENUES	\$ <u>99,900</u>	<u>199,900</u>		
EXPENDITURES - current				
Personal services and benefits	\$ 63,900	63,900	8,716	55,184
Contractual services	30,000	30,000	5,750	24,250
Other costs	6,000	106,000	66,150	39,850
Other financing uses	-	-	-	-
Reversions to state general fund*	-	-	91,879	(91,879)
TOTAL EXPENDITURES	\$ <u>99,900</u>	<u>199,900</u>	<u>172,495</u>	<u>27,405</u>
NET CHANGE IN FUND BALANCE			\$ <u>37,556</u>	

* Reversions are not budgeted

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	REAL ESTATE RECOVERY (2970)			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	10,200	10,200	531	(9,669)
Inter-agency transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	10,200	10,200	531	<u>(9,669)</u>
Cash balance budgeted	<u>39,800</u>	<u>211,800</u>		
TOTAL REVENUES	\$ <u>50,000</u>	<u>222,000</u>		
EXPENDITURES - current				
Personal services and benefits	\$ -	-	-	-
Contractual services	-	-	-	-
Other costs	50,000	50,000	-	50,000
Other financing uses	-	172,000	172,000	-
Reversions to state general fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	\$ <u>50,000</u>	<u>222,000</u>	<u>172,000</u>	<u>50,000</u>
NET CHANGE IN FUND BALANCE			\$ <u>(171,469)</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

BARBERS AND COSMETOLOGISTS (4390)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	633,600	633,600	724,167	90,567
Inter-agency transfers	-	-	-	-
	633,600	633,600	724,167	90,567
Cash balance budgeted	323,000	423,000		
TOTAL REVENUES	\$ 956,600	1,056,600		
EXPENDITURES - current				
Personal services and benefits	\$ 654,100	654,100	438,237	215,863
Contractual services	50,000	50,000	22,687	27,313
Other costs	104,100	104,100	73,089	31,011
Other financing uses	148,400	248,400	241,393	7,007
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ 956,600	1,056,600	775,406	281,194
NET CHANGE IN FUND BALANCE			\$ (51,239)	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

ATHLETIC COMMISSION (4410)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	148,800	148,800	58,164	(90,636)
Inter-agency transfers	-	-	-	-
	148,800	148,800	58,164	(90,636)
Cash balance budgeted	1,600	1,600		
TOTAL REVENUES	\$ 150,400	150,400		
EXPENDITURES - current				
Personal services and benefits	\$ 81,800	81,800	80,056	1,744
Contractual services	14,000	14,000	3,733	10,267
Other costs	30,000	30,000	13,239	16,761
Other financing uses	24,600	24,600	23,439	1,161
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ 150,400	150,400	120,467	29,933
NET CHANGE IN FUND BALANCE			\$ (62,303)	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	MASSAGE THERAPY (4420)			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	239,100	239,100	288,586	49,486
Inter-agency transfers	-	-	-	-
	239,100	239,100	288,586	49,486
Cash balance budgeted	49,700	358,350		
TOTAL REVENUES	\$ 288,800	597,450		
EXPENDITURES - current				
Personal services and benefits	\$ 182,800	191,450	169,391	22,059
Contractual services	18,000	18,000	8,216	9,784
Other costs	48,500	48,500	30,595	17,905
Other financing uses	39,500	339,500	337,635	1,865
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ 288,800	597,450	545,837	51,613
NET CHANGE IN FUND BALANCE			\$ (257,251)	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

COUNSELORS AND THERAPY PRACTICE (4440)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	397,100	397,100	562,778	165,678
Inter-agency transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	397,100	397,100	562,778	<u>165,678</u>
Cash balance budgeted	<u>73,100</u>	<u>582,500</u>		
TOTAL REVENUES	\$ <u>470,200</u>	<u>979,600</u>		
EXPENDITURES - current				
Personal services and benefits	\$ 278,900	278,900	259,537	19,363
Contractual services	15,500	24,900	10,931	13,969
Other costs	107,100	107,100	55,152	51,948
Other financing uses	68,700	568,700	565,456	3,244
Reversions to state general fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	\$ <u>470,200</u>	<u>979,600</u>	<u>891,076</u>	<u>88,524</u>
NET CHANGE IN FUND BALANCE			\$ <u>(328,298)</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

CHIROPRACTIC EXAMINERS (4460)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	167,000	167,000	233,200	66,200
Inter-agency transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	167,000	167,000	233,200	<u>66,200</u>
Cash balance budgeted	<u>15,100</u>	<u>224,205</u>		
TOTAL REVENUES	\$ <u>182,100</u>	<u>391,205</u>		
EXPENDITURES - current				
Personal services and benefits	\$ 134,900	134,900	76,829	58,071
Contractual services	1,600	10,705	3,197	7,508
Other costs	25,600	25,600	12,775	12,825
Other financing uses	20,000	220,000	219,056	944
Reversions to state general fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	\$ <u>182,100</u>	<u>391,205</u>	<u>311,857</u>	<u>79,348</u>
NET CHANGE IN FUND BALANCE			\$ <u>(78,657)</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

DENTAL HEALTH CARE (4470)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	363,000	363,000	292,753	(70,247)
Inter-agency transfers	-	-	-	-
	363,000	363,000	292,753	(70,247)
Cash balance budgeted	91,900	103,300		
TOTAL REVENUES	\$ 454,900	466,300		
EXPENDITURES - current				
Personal services and benefits	\$ 320,000	295,000	216,767	78,233
Contractual services	6,700	6,700	245	6,455
Other costs	60,900	97,300	51,618	45,682
Other financing uses	67,300	67,300	64,122	3,178
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ 454,900	466,300	332,752	133,548
NET CHANGE IN FUND BALANCE			\$ (39,999)	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

NUTRITION AND DIETETICS PRACTICE (4480)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	30,000	30,000	32,874	2,874
Inter-agency transfers	-	-	-	-
	30,000	30,000	32,874	2,874
Cash balance budgeted	8,200	8,200		
TOTAL REVENUES	\$ 38,200	38,200		
EXPENDITURES - current				
Personal services and benefits	\$ 21,200	21,200	9,614	11,586
Contractual services	-	-	-	-
Other costs	12,200	12,200	5,742	6,458
Other financing uses	4,800	4,800	4,573	227
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ 38,200	38,200	19,929	18,271
NET CHANGE IN FUND BALANCE			\$ 12,945	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

		NURSING HOME ADMINISTRATORS (4490)			
		Budgeted Amounts		Actual Amounts	Variance From Final Budget
		Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES:					
State general fund	\$	-	-	-	-
Federal funds		-	-	-	-
Other state funds		39,400	39,400	53,003	13,603
Inter-agency transfers		-	-	-	-
		<u>39,400</u>	<u>39,400</u>	53,003	<u>13,603</u>
Cash balance budgeted		<u>12,900</u>	<u>12,900</u>		
TOTAL REVENUES	\$	<u>52,300</u>	<u>52,300</u>		
EXPENDITURES - current					
Personal services and benefits	\$	35,000	35,000	24,387	10,613
Contractual services		200	200	-	200
Other costs		8,200	8,200	3,888	4,312
Other financing uses		8,900	8,900	8,480	420
Reversions to state general fund		-	-	-	-
TOTAL EXPENDITURES	\$	<u>52,300</u>	<u>52,300</u>	<u>36,755</u>	<u>15,545</u>
NET CHANGE IN FUND BALANCE				\$ <u>16,248</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	EXAMINERS FOR OCCUPATIONAL THERAPY (4500)			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	73,000	73,000	77,689	4,689
Inter-agency transfers	-	-	-	-
	<u>73,000</u>	<u>73,000</u>	<u>77,689</u>	<u>4,689</u>
Cash balance budgeted	<u>8,200</u>	<u>8,200</u>		
TOTAL REVENUES	<u>\$ 81,200</u>	<u>81,200</u>		
EXPENDITURES - current				
Personal services and benefits	\$ 50,600	50,600	28,570	22,030
Contractual services	2,000	2,000	1,152	848
Other costs	17,700	17,700	6,521	11,179
Other financing uses	10,900	10,900	10,385	515
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 81,200</u>	<u>81,200</u>	<u>46,628</u>	<u>34,572</u>
NET CHANGE IN FUND BALANCE			<u>\$ 31,061</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

		OPTOMETRY (4510)			
		Budgeted Amounts		Actual Amounts	Variance From Final Budget
		Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES:					
State general fund	\$	-	-	-	-
Federal funds		-	-	-	-
Other state funds		79,800	79,800	85,480	5,680
Inter-agency transfers		-	-	-	-
		79,800	79,800	85,480	5,680
Cash balance budgeted		11,300	11,300		
TOTAL REVENUES	\$	91,100	91,100		
EXPENDITURES - current					
Personal services and benefits	\$	55,700	55,700	39,797	15,903
Contractual services		11,500	11,500	5,625	5,875
Other costs		12,900	12,900	7,621	5,279
Other financing uses		11,000	11,000	10,481	519
Reversions to state general fund		-	-	-	-
TOTAL EXPENDITURES	\$	91,100	91,100	63,524	27,576
NET CHANGE IN FUND BALANCE				\$ 21,956	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

		OSTEOPATHIC MEDICAL EXAMINERS (4520)			
		Budgeted Amounts		Actual Amounts	Variance From Final Budget
		Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES:					
State general fund	\$	-	-	-	-
Federal funds		-	-	-	-
Other state funds		72,700	72,700	138,240	65,540
Inter-agency transfers		-	-	-	-
		72,700	72,700	138,240	65,540
Cash balance budgeted		28,200	28,200		
TOTAL REVENUES	\$	100,900	100,900		
EXPENDITURES - current					
Personal services and benefits	\$	64,700	56,700	50,185	6,515
Contractual services		2,000	10,000	170	9,830
Other costs		24,300	24,300	7,966	16,334
Other financing uses		9,900	9,900	9,433	467
Reversions to state general fund		-	-	-	-
TOTAL EXPENDITURES	\$	100,900	100,900	67,754	33,146
NET CHANGE IN FUND BALANCE				\$ 70,486	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	PODIATRY (4530)			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	32,000	32,000	21,830	(10,170)
Inter-agency transfers	-	-	-	-
	32,000	32,000	21,830	(10,170)
Cash balance budgeted	4,600	4,600		
TOTAL REVENUES	\$ 36,600	36,600		
EXPENDITURES - current				
Personal services and benefits	\$ 20,000	20,000	13,668	6,332
Contractual services	500	500	-	500
Other costs	10,800	10,800	4,511	6,289
Other financing uses	5,300	5,300	5,050	250
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ 36,600	36,600	23,229	13,371
NET CHANGE IN FUND BALANCE			\$ (1,399)	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

PSYCHOLOGIST EXAMINERS (4540)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	216,000	216,000	132,168	(83,832)
Inter-agency transfers	-	-	-	-
	<u>216,000</u>	<u>216,000</u>	132,168	<u>(83,832)</u>
Cash balance budgeted	<u>4,100</u>	<u>204,100</u>		
TOTAL REVENUES	\$ <u>220,100</u>	<u>420,100</u>		
EXPENDITURES - current				
Personal services and benefits	\$ 120,000	120,000	107,082	12,918
Contractual services	20,000	20,000	812	19,188
Other costs	44,100	44,100	17,630	26,470
Other financing uses	36,000	236,000	234,300	1,700
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ <u>220,100</u>	<u>420,100</u>	<u>359,824</u>	<u>60,276</u>
NET CHANGE IN FUND BALANCE			\$ <u>(227,656)</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	PHYSICAL THERAPY (4550)			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	147,900	147,900	221,433	73,533
Inter-agency transfers	-	-	-	-
	147,900	147,900	221,433	<u>73,533</u>
Cash balance budgeted	-	200,000		
TOTAL REVENUES	\$ <u>147,900</u>	<u>347,900</u>		
EXPENDITURES - current				
Personal services and benefits	\$ 97,800	97,800	73,681	24,119
Contractual services	3,000	3,000	-	3,000
Other costs	26,400	26,400	17,760	8,640
Other financing uses	20,700	220,700	219,723	977
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ <u>147,900</u>	<u>347,900</u>	<u>311,164</u>	<u>36,736</u>
NET CHANGE IN FUND BALANCE			\$ <u>(89,731)</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	THANATOPRACTICE (4560)			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	107,500	107,500	161,121	53,621
Inter-agency transfers	-	-	-	-
	107,500	107,500	161,121	53,621
Cash balance budgeted	45,100	45,100		
TOTAL REVENUES	\$ 152,600	152,600		
EXPENDITURES - current				
Personal services and benefits	\$ 95,000	95,000	63,049	31,951
Contractual services	7,500	7,500	3,736	3,764
Other costs	30,400	30,400	17,660	12,740
Other financing uses	19,700	19,700	18,770	930
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ 152,600	152,600	103,215	49,385
NET CHANGE IN FUND BALANCE			\$ 57,906	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	INTERIOR DESIGN (4570)			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	28,500	28,500	29,836	1,336
Inter-agency transfers	-	-	-	-
	28,500	28,500	29,836	1,336
Cash balance budgeted	-	1,425		
TOTAL REVENUES	\$ 28,500	29,925		
EXPENDITURES - current				
Personal services and benefits	\$ 8,700	11,625	9,967	1,658
Contractual services	-	-	-	-
Other costs	11,500	10,000	6,796	3,204
Other financing uses	8,300	8,300	7,908	392
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ 28,500	29,925	24,671	5,254
NET CHANGE IN FUND BALANCE			\$ 5,165	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

PRIVATE INVESTIGATIONS ADVISORY (4590)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	133,100	133,100	235,413	102,313
Inter-agency transfers	-	-	-	-
	133,100	133,100	245,413	102,313
Cash balance budgeted	8,200	326,920		
TOTAL REVENUES	\$ 141,300	460,020		
EXPENDITURES - current				
Personal services and benefits	\$ 80,000	75,000	65,926	9,074
Contractual services	5,000	6,600	6,485	115
Other costs	30,800	152,920	152,873	47
Other financing uses	25,500	225,500	224,296	1,204
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ 141,300	460,020	449,580	10,440
NET CHANGE IN FUND BALANCE			\$ (204,167)	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	LANDSCAPE ARCHITECTS (4600)			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	-	-	-	-
Federal funds	-	-	-	-
Other state funds	34,700	34,700	24,069	(10,631)
Inter-agency transfers	-	-	-	-
	<u>34,700</u>	<u>34,700</u>	24,069	<u>(10,631)</u>
Cash balance budgeted	<u>1,600</u>	<u>3,415</u>		
TOTAL REVENUES	<u>\$ 36,300</u>	<u>\$ 38,115</u>		
EXPENDITURES - current				
Personal services and benefits	19,200	19,200	17,616	1,584
Contractual services	300	2,115	935	1,180
Other costs	10,600	10,600	8,624	1,976
Other financing uses	6,200	6,200	5,907	293
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 36,300</u>	<u>\$ 38,115</u>	<u>33,082</u>	<u>5,033</u>
NET CHANGE IN FUND BALANCE			<u>\$ (9,013)</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

REAL ESTATE APPRAISERS (4650)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	139,000	139,000	131,899	(7,101)
Inter-agency transfers	-	-	-	-
	139,000	139,000	131,899	(7,101)
Cash balance budgeted	39,100	48,005		
TOTAL REVENUES	\$ 178,100	187,005		
EXPENDITURES - current				
Personal services and benefits	\$ 103,000	97,000	88,371	8,629
Contractual services	12,500	12,280	6,330	5,950
Other costs	34,600	49,725	31,968	17,757
Other financing uses	28,000	28,000	26,678	1,322
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ 178,100	187,005	153,347	33,658
NET CHANGE IN FUND BALANCE			\$ (21,448)	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

		PUBLIC ACCOUNTANCY (4660)			
		Budgeted Amounts		Actual Amounts	Variance From Final Budget
		Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES:					
State general fund	\$	-	-	-	-
Federal funds		-	-	-	-
Other state funds		474,200	474,200	487,977	13,777
Inter-agency transfers		-	-	-	-
		474,200	474,200	487,977	13,777
Cash balance budgeted		49,600	449,600		
TOTAL REVENUES	\$	523,800	923,800		
EXPENDITURES - current					
Personal services and benefits	\$	297,000	302,000	296,213	5,787
Contractual services		20,000	20,000	4,288	15,712
Other costs		137,500	132,500	112,339	20,161
Other financing uses		69,300	469,300	466,028	3,272
Reversions to state general fund		-	-	-	-
TOTAL EXPENDITURES	\$	523,800	923,800	878,868	44,932
NET CHANGE IN FUND BALANCE				\$ (390,891)	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

SOCIAL WORK EXAMINERS (4690)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	341,400	341,400	150,753	(190,647)
Inter-agency transfers	-	-	-	-
	341,400	341,400	150,753	(190,647)
Cash balance budgeted	79,000	729,000		
TOTAL REVENUES	\$ 420,400	1,070,400		
EXPENDITURES - current				
Personal services and benefits	\$ 280,000	280,000	229,974	50,026
Contractual services	3,000	3,500	2,685	815
Other costs	85,000	84,500	51,146	33,354
Other financing uses	52,400	702,400	699,926	2,474
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ 420,400	1,070,400	983,731	86,669
NET CHANGE IN FUND BALANCE			\$ (832,978)	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	ACUPUNCTURE AND ORIENTAL MEDICINE (4710)			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	176,700	176,700	218,735	42,035
Inter-agency transfers	-	-	-	-
	<u>176,700</u>	<u>176,700</u>	218,735	<u>42,035</u>
Cash balance budgeted	<u>69,200</u>	<u>69,200</u>		
TOTAL REVENUES	\$ <u>245,900</u>	<u>245,900</u>		
EXPENDITURES - current				
Personal services and benefits	\$ 192,900	192,900	163,138	29,762
Contractual services	19,200	19,200	18,854	346
Other costs	16,100	16,100	12,604	3,496
Other financing uses	17,700	17,700	16,864	836
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ <u>245,900</u>	<u>245,900</u>	<u>211,460</u>	<u>34,440</u>
NET CHANGE IN FUND BALANCE			\$ <u>7,275</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

SPEECH LANGUAGE PATHOLOGY, AUDIOLOGY
AND HEARING AID DISPENSING PRACTICE (4730)

	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	-	-	-	-
Federal funds	-	-	-	-
Other state funds	142,200	142,200	273,189	130,989
Inter-agency transfers	-	-	-	-
	<u>142,200</u>	<u>142,200</u>	273,189	<u>130,989</u>
Cash balance budgeted	<u>36,600</u>	<u>36,600</u>		
TOTAL REVENUES	<u>\$ 178,800</u>	<u>178,800</u>		
EXPENDITURES - current				
Personal services and benefits	\$ 130,000	130,000	94,405	35,595
Contractual services	2,700	2,700	1,584	1,116
Other costs	21,200	21,200	14,704	6,496
Other financing uses	24,900	24,900	23,724	1,176
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 178,800</u>	<u>178,800</u>	<u>134,417</u>	<u>44,383</u>
NET CHANGE IN FUND BALANCE			<u>\$ 138,772</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

ADVISORY BOARD
RESPIRATORY CARE PRACTITIONERS (4740)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	67,600	67,600	64,059	(3,541)
Inter-agency transfers	-	-	-	-
	<u>67,600</u>	<u>67,600</u>	64,059	<u>(3,541)</u>
Cash balance budgeted	<u>1,600</u>	<u>3,700</u>		
TOTAL REVENUES	<u>\$ 69,200</u>	<u>71,300</u>		
EXPENDITURES - current				
Personal services and benefits	\$ 51,700	51,700	45,169	6,531
Contractual services	-	2,100	1,565	535
Other costs	6,300	6,300	6,321	(21)
Other financing uses	11,200	11,200	10,671	529
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 69,200</u>	<u>71,300</u>	<u>63,726</u>	<u>7,574</u>
NET CHANGE IN FUND BALANCE			<u>\$ 333</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

ATHLETIC TRAINERS (4750)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	17,500	17,500	26,656	9,156
Inter-agency transfers	-	-	-	-
	17,500	17,500	26,656	9,156
Cash balance budgeted	1,600	2,100		
TOTAL REVENUES	\$ 19,100	19,600		
EXPENDITURES - current				
Personal services and benefits	\$ 7,300	8,800	8,304	496
Contractual services	900	900	389	511
Other costs	6,400	5,400	2,483	2,917
Other financing uses	4,500	4,500	4,288	212
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ 19,100	19,600	15,464	4,136
NET CHANGE IN FUND BALANCE			\$ 11,192	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

		NAPRAPATHY PRACTICE (5350)			
		Budgeted Amounts		Actual Amounts	Variance From Final Budget
		Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES:					
State general fund	\$	-	-	-	-
Federal funds		-	-	-	-
Other state funds		3,300	3,300	5,775	2,475
Inter-agency transfers		-	-	-	-
		3,300	3,300	5,775	2,475
Cash balance budgeted		2,100	2,100		
TOTAL REVENUES	\$	5,400	5,400		
EXPENDITURES - current					
Personal services and benefits	\$	-	-	-	-
Contractual services		-	-	-	-
Other costs		5,400	5,400	1,442	3,958
Other financing uses		-	-	-	-
Reversions to state general fund		-	-	-	-
TOTAL EXPENDITURES	\$	5,400	5,400	1,442	3,958
NET CHANGE IN FUND BALANCE				\$ 4,333	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

	ARRA FUND (8900)			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	493,042	45,437	(447,605)
Other state funds	-	-	-	-
Inter-agency transfers	-	-	-	-
	-	493,042	45,437	<u>(447,605)</u>
Cash balance budgeted	-	-		
TOTAL REVENUES	\$ <u>-</u>	<u>493,042</u>		
EXPENDITURES - current				
Personal services and benefits	\$ -	170,625	21,694	148,931
Contractual services	-	253,042	16,331	236,711
Other costs	-	69,375	8,206	61,169
Other financing uses	-	-	-	-
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ <u>-</u>	<u>493,042</u>	<u>46,231</u>	<u>446,811</u>
NET CHANGE IN FUND BALANCE			\$ <u>(794)</u>	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures -
Other Non-major Governmental Funds -
Budget and Actual (Modified Accrual Basis) - continued

YEAR ENDED JUNE 30, 2010

MORTGAGE REGULATORY FUND (1066)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ -	-	-	-
Federal funds	-	-	-	-
Other state funds	128,000	128,000	851,708	723,708
Inter-agency transfers	-	-	-	-
	128,000	128,000	851,708	723,708
Cash balance budgeted	-	-		
TOTAL REVENUES	\$ 128,000	128,000		
EXPENDITURES - current				
Personal services and benefits	\$ 128,000	128,000	123,210	4,790
Contractual services	-	-	-	-
Other costs	-	-	-	-
Other financing uses	-	-	-	-
Reversions to state general fund	-	-	-	-
TOTAL EXPENDITURES	\$ 128,000	128,000	123,210	4,790
NET CHANGE IN FUND BALANCE			\$ 728,498	

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures - General Fund (Construction Industries and
Manufactured Housing Division) Budget and Actual (Modified Accrual Basis)

YEAR ENDED JUNE 30, 2010

**CONSTRUCTION INDUSTRIES AND
MANUFACTURED HOUSING DIVISION**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance From</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
			<u>(Budgetary Basis)</u>	<u>Positive (Negative)</u>
REVENUES:				
State general fund	\$ 9,450,300	9,450,300	9,450,300	-
Federal funds	-	-	-	-
Other state funds	-	-	168,479	168,479
Inter-agency transfers	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
	9,700,300	9,700,300	9,868,779	<u>168,479</u>
Cash balance budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUES	\$ <u>9,700,300</u>	<u>9,700,300</u>		
EXPENDITURES - current				
Personal services and benefits	\$ 7,921,500	7,921,500	7,442,305	479,195
Contractual services	66,500	66,500	36,256	30,244
Other costs	1,712,300	1,712,300	1,322,747	389,553
Other financing uses	-	-	-	-
Reversions to state general fund*	<u>-</u>	<u>-</u>	<u>893,381</u>	<u>(893,381)</u>
TOTAL EXPENDITURES	\$ <u>9,700,300</u>	<u>9,700,300</u>	<u>9,694,689</u>	<u>5,611</u>
NET CHANGE IN FUND BALANCE			\$ <u>174,090</u>	

* Reversions are not budgeted

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures - General Fund (Financial Institution
and Securities Division) Budget and Actual (Modified Accrual Basis)

YEAR ENDED JUNE 30, 2010

	FINANCIAL INSTITUTION AND SECURITIES DIVISION			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES:				
State general fund	\$ 3,047,000	3,047,000	2,997,000	(50,000)
Federal funds	-	-	-	-
Other state funds	-	-	601	601
Inter-agency transfers	-	-	-	-
	<u>3,047,000</u>	<u>3,047,000</u>	<u>2,997,601</u>	<u>(49,399)</u>
Cash balance budgeted	-	-		
TOTAL REVENUES	\$ <u>3,047,000</u>	<u>3,047,000</u>		
EXPENDITURES - current				
Personal services and benefits	\$ 2,668,700	2,668,700	2,428,511	240,189
Contractual services	54,900	57,232	57,227	5
Other costs	323,400	321,068	276,922	44,146
Other financing uses	-	-	-	-
Reversions to state general fund*	-	-	284,340	(284,340)
TOTAL EXPENDITURES	\$ <u>3,047,000</u>	<u>3,047,000</u>	<u>3,047,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE			\$ <u>(49,399)</u>	

* Reversions are not budgeted

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures - General Fund (Alcohol and
Gaming Division) Budget and Actual (Modified Accrual Basis)

YEAR ENDED JUNE 30, 2010

ALCOHOL AND GAMING DIVISION				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ 1,011,300	1,011,300	1,011,300	-
Federal funds	-	-	-	-
Other state funds	-	-	164	164
Inter-agency transfers	-	-	-	-
	1,011,300	1,011,300	1,011,464	164
Cash balance budgeted	-	-		
TOTAL REVENUES	\$ 1,011,300	1,011,300		
EXPENDITURES - current				
Personal services and benefits	\$ 919,700	901,700	836,469	65,231
Contractual services	45,600	27,600	23,783	3,817
Other costs	46,000	82,000	79,657	2,343
Other financing uses	-	-	-	-
Reversions to state general fund*	-	-	71,391	(71,391)
TOTAL EXPENDITURES	\$ 1,011,300	1,011,300	1,011,300	-
NET CHANGE IN FUND BALANCE			\$ 164	

* Reversions are not budgeted

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Statement of Revenues and Expenditures - General Fund (Program
Support Division) Budget and Actual (Modified Accrual Basis)

YEAR ENDED JUNE 30, 2010

	PROGRAM SUPPORT DIVISION			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
State general fund	\$ 2,302,800	2,302,800	2,302,800	-
Federal funds	-	193,008	114,339	(78,669)
Other state funds	-	-	12,872	12,872
Inter-agency transfers	<u>1,434,100</u>	<u>1,434,100</u>	<u>1,273,000</u>	<u>(161,100)</u>
	3,736,900	3,929,908	3,703,011	<u>(226,897)</u>
Cash balance budgeted	<u>-</u>	<u>-</u>		
TOTAL REVENUES	\$ <u>3,736,900</u>	<u>3,929,908</u>		
EXPENDITURES - current				
Personal services and benefits	\$ 2,847,900	2,867,203	2,277,610	589,593
Contractual services	248,000	372,893	314,230	58,663
Other costs	641,000	689,812	665,232	24,580
Other financing uses	-	-	-	-
Reversions to state general fund*	<u>-</u>	<u>-</u>	<u>387,649</u>	<u>(387,649)</u>
TOTAL EXPENDITURES	\$ <u>3,736,900</u>	<u>3,929,908</u>	<u>3,644,721</u>	<u>285,187</u>
NET CHANGE IN FUND BALANCE			\$ <u>58,290</u>	

* Reversions are not budgeted

SUPPLEMENTAL SCHEDULES

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Agency Funds

The purpose of the Agency Funds is to account for assets held by the Department as an agency for other government and/or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations. The funds serve as suspense accounts for the deposits of receipts pursuant to Section 9-16-14.C NMSA 1978.

FID Receipts Fund – All money received by the Financial Institutions Division shall be deposited with the State Treasurer and held separately. All monies deposited shall be transferred monthly to the general fund. (SHARE Fund Number 4350)

MHD Receipts Fund – All money received by the Manufactured Housing Division shall be deposited with the State Treasurer and held separately. All monies deposited shall be transferred monthly to the general fund. (SHARE Fund Number 4360)

CID Receipts Fund – All money received by the Construction Industries Division shall be deposited with the State Treasurer and held separately. All monies deposited shall be transferred monthly to the general fund. (SHARE Fund Number 4370)

SEC Receipts Fund – All money received by the Securities Division shall be deposited with the State Treasurer and held separately. All monies deposited shall be transferred monthly to the general fund. (SHARE Fund Number 4380)

Alcohol and Gaming Receipts Fund – All money received by the Alcohol and Gaming Division shall be deposited with the State Treasurer and held separately. All monies deposited shall be transferred monthly to the general fund. (SHARE Fund Number 8080)

AS OF JUNE 30, 2010

	(43500)	(43600)	(43700)
	FID	MHD	CID
	<u>Receipts</u>	<u>Receipts</u>	<u>Receipts</u>
ASSETS:			
Interest in State General Fund Investment Pool	\$ <u>4,220</u>	<u>8,658</u>	<u>46,486</u>
TOTAL ASSETS	\$ <u><u>4,220</u></u>	<u><u>8,658</u></u>	<u><u>46,486</u></u>
LIABILITIES:			
Due to State General Fund	\$ 4,220	8,658	46,486
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	\$ <u><u>4,220</u></u>	<u><u>8,658</u></u>	<u><u>46,486</u></u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Supplemental Schedule of Fiduciary Assets and Liabilities -
Agency Funds

(43800) SEC Receipts	(80800) Alcohol and Gaming Receipts	Total
<u> </u>	<u> </u>	<u> </u>
104,415	66,258	230,037
<u>104,415</u>	<u>66,258</u>	<u>230,037</u>
104,415	66,158	229,937
<u> -</u>	<u> 100</u>	<u> 100</u>
<u>104,415</u>	<u>66,258</u>	<u>230,037</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Supplemental Schedule of Changes in Assets and Liabilities -
Agency Funds

AS OF JUNE 30, 2010

		<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2010</u>
FID RECEIPTS					
ASSETS:					
Interest in State General		-	-	-	-
Fund Investment Pool	\$	<u>27,197</u>	<u>3,092,783</u>	<u>3,115,760</u>	<u>4,220</u>
TOTAL ASSETS	\$	<u>27,197</u>	<u>3,092,783</u>	<u>3,115,760</u>	<u>4,220</u>
LIABILITIES:					
Due to State					
General Fund	\$	<u>27,197</u>	<u>3,092,783</u>	<u>3,115,760</u>	<u>4,220</u>
TOTAL LIABILITIES	\$	<u>27,197</u>	<u>3,092,783</u>	<u>3,115,760</u>	<u>4,220</u>
 MHD RECEIPTS					
ASSETS:					
Interest in State General		-	-	-	-
Fund Investment Pool	\$	<u>9,550</u>	<u>597,581</u>	<u>598,473</u>	<u>8,658</u>
TOTAL ASSETS	\$	<u>9,550</u>	<u>597,581</u>	<u>598,473</u>	<u>8,658</u>
LIABILITIES:					
Due to State					
General Fund	\$	<u>9,550</u>	<u>597,581</u>	<u>598,473</u>	<u>8,658</u>
TOTAL LIABILITIES	\$	<u>9,550</u>	<u>597,581</u>	<u>598,473</u>	<u>8,658</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Supplemental Schedule of Changes in Assets and Liabilities -
Agency Funds - continued

AS OF JUNE 30, 2010

	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
CID RECEIPTS				
ASSETS:				
Interest in State General	-	-	-	-
Fund Investment Pool	\$ 233,435	6,651,369	6,838,318	46,486
TOTAL ASSETS	\$ 233,435	6,651,369	6,838,318	46,486
LIABILITIES:				
Due to State				
General Fund	\$ 233,435	6,651,369	6,838,318	46,486
TOTAL LIABILITIES	\$ 233,435	6,651,369	6,838,318	46,486
SEC RECEIPTS				
ASSETS:				
Interest in State General	-	-	-	-
Fund Investment Pool	\$ 252,515	17,808,926	17,957,026	104,415
TOTAL ASSETS	\$ 252,515	17,808,926	17,957,026	104,415
LIABILITIES:				
Due to State				
General Fund	\$ 252,515	17,808,926	17,957,026	104,415
TOTAL LIABILITIES	\$ 252,515	17,808,926	17,957,026	104,415

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Supplemental Schedule of Changes in Assets and Liabilities -
Agency Funds - continued

AS OF JUNE 30, 2010

	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2010</u>
ALCOHOL AND GAMING RECEIPTS				
ASSETS:				
Interest in State General Fund Investment Pool	\$ 44,591	4,555,979	4,534,312	66,258
TOTAL ASSETS	\$ 44,591	4,555,979	4,534,312	66,258
LIABILITIES:				
Due to State General Fund	44,591	4,555,979	4,534,412	66,158
Due to other funds	\$ -	100	-	100
TOTAL LIABILITIES	\$ 44,591	4,556,079	4,534,412	66,258

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Supplemental Schedule of Cash Accounts

AS OF JUNE 30, 2010

Name of Fund	Fund Type	SHARE System Fund No.	Type of Account	Balance at June 30, 2010
General Fund:				
NM State Treasurer	General	4330	State Treasurer	\$ 2,737,476
Petty cash	Imprest			-
Total General Fund cash				<u>2,737,476</u>
Special Revenue Fund:				
Mortgage Regulatory	Special Revenue	1066	State Treasurer	692,392
Signed Language Interpreting Practice	Special Revenue	2011	State Treasurer	406,545
Animal Sheltering	Special Revenue	2012	State Treasurer	381,812
Hoisting Operators	Special Revenue	2110	State Treasurer	80,355
Real Estate Recovery	Special Revenue	2970	State Treasurer	290,497
FID Revolving Fund	Special Revenue	3720	State Treasurer	200
CID Revolving Fund	Special Revenue	3730	State Treasurer	212,703
Barbers and Cosmetology	Special Revenue	4390	State Treasurer	1,260,744
Securities Education and Training	Special Revenue	4400	State Treasurer	2,096,846
Athletic Commission	Special Revenue	4410	State Treasurer	114,451
Massage Therapy	Special Revenue	4420	State Treasurer	322,912
Counselors and Therapy	Special Revenue	4440	State Treasurer	626,485
Real Estate Education	Special Revenue	4450	State Treasurer	64,653
Chiropractic Examiners	Special Revenue	4460	State Treasurer	380,728
Dental Health Care	Special Revenue	4470	State Treasurer	471,291
Nutrition and Dietetics	Special Revenue	4480	State Treasurer	103,725
Nursing Home Administration	Special Revenue	4490	State Treasurer	78,968
Occupational Therapy	Special Revenue	4500	State Treasurer	275,810
Optometry	Special Revenue	4510	State Treasurer	244,383
Osteopathic Medical Examiners	Special Revenue	4520	State Treasurer	403,110
Podiatry	Special Revenue	4530	State Treasurer	90,036
Psychologist Examiners	Special Revenue	4540	State Treasurer	354,009
Physical Therapist	Special Revenue	4550	State Treasurer	374,490
Thanatopractice	Special Revenue	4560	State Treasurer	304,820
Interior Design	Special Revenue	4570	State Treasurer	52,012
Private Investigations Advisory	Special Revenue	4590	State Treasurer	191,192
Landscape Architects	Special Revenue	4600	State Treasurer	113,100
Pharmacy	Special Revenue	4640	State Treasurer	1,993,369
Pharmacy	Imprest			-
Real Estate Appraisers	Special Revenue	4650	State Treasurer	285,998
Accountancy	Special Revenue	4660	State Treasurer	561,832
Accountancy	Imprest			-
Real Estate Commission	Special Revenue	4670	State Treasurer	1,408,693
Real Estate Commission	Imprest			-
Social Workers	Special Revenue	4690	State Treasurer	695,073

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Supplemental Schedule of Cash Accounts - continued

AS OF JUNE 30, 2010

Name of Fund	Fund Type	SHARE System Fund No.	Type of Account	Balance at June 30, 2010
Special Revenue Fund - continued:				
Acupuncture	Special Revenue	4710	State Treasurer	\$ 308,023
HUD Manufactured Housing	Special Revenue	4720	State Treasurer	61,077
Speech Language Pathology, Audiology, and Hearing Aid Dispensing Practice	Special Revenue	4730	State Treasurer	290,001
Respiratory Care Practitioners	Special Revenue	4740	State Treasurer	179,352
Athletic Trainers Practice	Special Revenue	4750	State Treasurer	59,283
Naprapathy	Special Revenue	5350	State Treasurer	36,289
Carnival Ride Insurance	Special Revenue	6430	State Treasurer	68,550
Impaired Dentists	Special Revenue	8760	State Treasurer	63,452
ARRA	Special Revenue	8900	State Treasurer	<u>(35,305)</u>
Total Special Revenue Funds				<u>15,963,956</u>
Fiduciary Fund:				
MHD Receipts Fund	Fiduciary	2960	State Treasurer	8,658
CID Receipts Fund	Fiduciary	2970	State Treasurer	46,486
SEC Receipts Fund	Fiduciary	3720	State Treasurer	104,415
Alcohol and Gaming Receipts Fund	Fiduciary	4390	State Treasurer	66,258
FID Receipts Fund	Fiduciary	4400	State Treasurer	<u>4,220</u>
Total Fiduciary Funds				<u>230,037</u>
Total all funds				18,931,469
State Treasurer - overdraft liability	Special Revenue	8900		<u>35,305</u>
Total cash, net of reconciling items				\$ <u>18,966,774</u>

OTHER INFORMATION

**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

We have audited the financial statements of the governmental activities, and each major fund, the aggregate remaining fund information, the budgetary comparisons for the General Fund and the major special revenue fund and the combining and individual funds and related budgetary comparisons presented as supplemental information of the Department as of and for the year ended June 30, 2010, and have issued our report thereon dated November 24, 2010. We have also audited the budgetary comparisons for each nonmajor fund as of and for the year ended June 30, 2010, and have issued our report thereon dated November 24, 2010. 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 audit procedures for the purpose of expressing our opinions 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.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies,



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

Internal Control Over Financial Reporting - continued

significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses as items 06-6 and 06-8, which we consider to be significant deficiencies in internal control over financial reporting. A **significant deficiency** is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We did not note any other matters that are required to be reported pursuant to *Government Auditing Standards*, paragraphs 5.14 and 5.16, and pursuant to Section 12-6-5, NMSA 1978.

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, the Office of the State Auditor, the New Mexico Legislature, the New Mexico Department of Finance and Administration, and applicable federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Meynors + Company, LLC

November 24, 2010

B. FINDINGS - FINANCIAL STATEMENT AUDIT

06-6 DISASTER RECOVERY PLAN (Significant Deficiency)

Condition: The Department does not have a formalized disaster recovery plan (DRP). The Department does have formalized backup and recovery procedures that are tested at least annually but do not have any procedures in place in case of a disaster.

Criteria: New Mexico Statewide Policy S-STD003.001, "IT Risk Management Standard" and S-STD010.001, "Backups Standard", require agencies to have disaster recovery plans and formal backup procedures in place.

Cause: Lack of resources and management oversight.

Effect: The Department's daily operations could be interrupted for an extended period of time in case of a disaster or other system failure.

Recommendation: We recommend that a formal disaster recovery plan be a priority during the next fiscal year.

Management's Response: In July 2010, IT staff developed Application Support Plans, which will provide the roadmaps for installation, configuration and support of the supported core Department applications in the event these systems have to be relocated to an alternate data center. The Department also has maintenance and support contracts in place for its License 2000 suite, Column Case Management System and Prescription Monitoring Program (PMP) software and will have vendor assistance in installation and configuration of their products in the event of a disaster.

In FY10, the IT bureau experienced high turnover and high vacancy rates and therefore did not have the human resources necessary to complete a full disaster recovery plan. However, the progress outlined above will provide crucial components of that plan. In addition, the IT director attended a business continuity training session sponsored by the New Mexico Department of Information Technology and, based on that training, has compiled a blueprint for the next steps for development of the full plan. IT has requested the filling of key vacancies in its budget request for FY12 to help expedite the completion of a disaster recover plan for the Department's core applications.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT

Schedule of Findings and Responses - continued

B. FINDINGS - FINANCIAL STATEMENT AUDIT - continued

06-8 ACTUAL EXPENDITURES EXCEEDED BUDGETED AMOUNTS (Significant Deficiency)

Condition: The Department exceeded their budgeted expenditures for the Advisory Board Respiratory Care Practitioners Fund (4740) by \$21.

Criteria: Per State Audit Rule, Section 2.2.2.10 P, "If actual expenditures exceed budgeted expenditures within a category that fact must be reported as 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

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

Management's Response: The Department has developed and implemented processes for regular review of expenditures in order to ensure that the budget is not over-expended in any fund. Additional efforts will be made to ensure timely responses to monthly usage reports so that sufficient purchase orders are established.

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

Summary Schedule of Prior Year Audit Findings

- 06-6 Disaster Recovery Plan (Significant Deficiency) – Repeated and Updated
- 06-8 Actual Expenditures Exceeded Budgeted Amounts (Significant Deficiency) – Repeated and Updated
- 08-3 Capital Assets – Administrative Services Division – Resolved
- 08-5 Untimely Reversion – Resolved
- 09-1 Personnel – Resolved
- 09-2 Receivables (Significant Deficiency) – Resolved
- 09-3 Expenditures (Significant Deficiency) – Resolved
- 09-4 Reconciliation of Other Liabilities (Significant Deficiency) – Resolved

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

Exit Conference

An exit conference was held with the Department on November 18, 2010. The conference was held at the Department's offices in Santa Fe, New Mexico. In attendance were:

STATE OF NEW MEXICO REGULATION AND LICENSING DEPARTMENT

Kelly O'Donnell, Ph.D. Superintendent
Cynthia Marietta, CFO and Administrative Services Division Director
Phillip Gonzales, Financial Manager
Patrick Sandoval, Budget Analyst
Qi Liu, Business Operations Specialist

MEYNER + COMPANY, LLC

Georgie Ortiz, CPA, CGFM, Audit Principal
Krik Mielke, CPA, CFE, Audit Manager
Matthew Walker, CPA, Senior Accountant

PREPARATION OF FINANCIAL STATEMENTS

The financial statements presented in this report have been prepared by the Independent Auditor. However, they are the responsibility of management, as addressed in the Independent Auditors' Report. Management of the Department reviewed and approved the financial statements.