

Accounting & Consulting Group, LLP

Certified Public Accountants

STATE OF NEW MEXICO
ALAMOGORDO MUNICIPAL SCHOOL DISTRICT NO. 1
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2011



STATE OF NEW MEXICO
ALAMOGORDO MUNICIPAL SCHOOL DISTRICT NO. 1
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2011

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INTRODUCTORY SECTION

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 Alamogordo Municipal School District No. 1
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STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Official Roster
June 30, 2011

<u>Name</u>	<u>Board of Education</u>	<u>Title</u>
David Ceballes		Board President
Dr. Allan Rickman		Board Vice President
David Weaver		Board Member
Mike Jones		Board Member
David Borunda		Board Member

Administrative Officials

Dr. George Straface		Superintendent
Dave Flood		Director of Operations
Carmen Spann		Budget Specialist

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FINANCIAL SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Alamogordo Municipal School District No. 1
Alamogordo, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, the budgetary comparisons for the General Fund and major special revenue fund and the aggregate remaining fund information of Alamogordo Municipal School District No. 1 (the District), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds, the budgetary comparisons for the major capital projects fund, the major debt service fund, and the remaining nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2011 as listed in the table of contents. These financial statements are the responsibility of the District'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 and the requirements of the New Mexico State Audit Rule 2.2.2 NMAC. 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 District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the 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.

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 Alamogordo Municipal School District No. 1, as of June 30, 2011, and the respective changes in financial position thereof, for the year then ended in conformity with accounting principles generally accepted in the United State of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2011, and the respective changes in financial position thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the budget comparisons referred to above present fairly, in all material respects, the respective budgetary comparisons for the year then ended in conformity with the budgetary basis of accounting as prescribed in the New Mexico Administrative Code, as more fully described in Note 2 to the financial statements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2012 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The District has not presented the *Management's Discussion and Analysis* that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The accompanying financial information listed as supporting Schedules I through IV in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the District. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and each of the nonmajor governmental funds financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements and the nonmajor governmental funds financial statements, taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
February 2, 2012

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**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Statement of Net Assets
 June 30, 2011

	Primary Government Governmental Activities
Assets	
Current assets	
Cash and cash equivalents	\$ 12,508,028
Receivables:	
Property taxes	467,239
Due from other governments	1,805,761
Inventory	34,924
Total current assets	14,815,952
Noncurrent assets	
Restricted assets:	
Cash and cash equivalents	4,112,407
Bond issuance costs, net of accumulated amortization of \$81,683	285,352
Capital assets	122,367,706
Less: accumulated depreciation	(60,458,081)
Total noncurrent assets	66,307,384
Total assets	\$ 81,123,336

The accompanying notes are an integral part of these financial statements

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
Liabilities	
Current liabilities	
Accounts payable	\$ 916,045
Due to other governments	142,190
Claims payable	12,500
Accrued interest	363,546
Accrued payroll	643,984
Accrued compensated absences	186,742
Current portion of loans and capital leases payable	155,132
Current portion of bonds payable	<u>3,225,000</u>
Total current liabilities	<u>5,645,139</u>
Noncurrent liabilities	
Accrued compensated absences	41,029
Loans and capital leases payable	460,847
Bonds payable	23,080,000
Bond premium, net of accumulated amortization of \$49,111	<u>279,046</u>
Total noncurrent liabilities	<u>23,860,922</u>
Total liabilities	<u>29,506,061</u>
Net assets	
Invested in capital assets, net of related debt	41,963,283
Restricted for:	
Debt service	3,884,790
Capital projects	855,776
Other purposes - special revenue	1,548,363
Unrestricted	<u>3,365,063</u>
Total net assets	<u>51,617,275</u>
Total liabilities and net assets	<u><u>\$ 81,123,336</u></u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Statement of Activities
 For the Year Ended June 30, 2011

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Primary government:			
Governmental Activities:			
Instruction	\$ 30,735,546	\$ 113,106	\$ 6,038,440
Support services - students	5,468,531	20,124	1,074,372
Support services - instruction	1,479,331	5,444	290,636
Support services - general administration	1,029,199	3,787	202,201
Support services - school administration	2,470,988	9,093	485,461
Central services	2,136,622	7,863	419,770
Operation and maintenance of plant	7,292,807	26,837	1,432,777
Student transportation	1,374,147	-	1,167,660
Other support services	73,544	-	-
Food services operations	2,715,029	742,151	1,937,465
Amortization	38,730	-	-
Depreciation - unallocated	2,820,914	-	-
Interest and other charges	687,290	-	-
<i>Total governmental activities</i>	<u>\$ 58,322,678</u>	<u>\$ 928,405</u>	<u>\$ 13,048,781</u>

General Revenues and Special Item:

Taxes:

Property taxes, levied for operating programs

Property taxes, levied for debt services

Property taxes, levied for capital projects

State equalization guarantee

Local sources

Investment income

Miscellaneous income

Transfers in from agency fund

Loss on disposition of assets

Special item - donated assets

Total General Revenues and Special Item

Change in net assets

Net assets - as originally stated

Net assets - restatement (note 16)

Net assets - as restated

Net assets - ending

The accompanying notes are an integral part of these financial statements

<u>Program Revenues</u> <u>Capital Grants and</u> <u>Contributions</u>	<u>Net (Expense)</u> <u>Revenue and</u> <u>Changes in Net</u> <u>Assets</u> <u>Government</u> <u>Activities</u>
\$ 395,747	\$ (24,188,254)
70,412	(4,303,623)
19,048	(1,164,204)
13,252	(809,959)
31,816	(1,944,618)
27,511	(1,681,478)
93,901	(5,739,292)
-	(206,487)
-	(73,544)
-	(35,413)
-	(38,730)
-	(2,820,914)
-	(687,290)
<u>\$ 651,687</u>	<u>(43,693,805)</u>

243,557
3,968,109
1,237,042
40,300,564
6,120
65,624
9,113
2,500
(58,432)
15,661
<u>45,789,858</u>
2,096,053
29,287,241
<u>20,233,981</u>
<u>49,521,222</u>
<u>\$ 51,617,275</u>

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Balance Sheet
Governmental Funds
June 30, 2011

	General Fund	Title I IASA Special Revenue Fund	Bond Building Capital Projects Fund
<i>Assets</i>			
Cash and cash equivalents	\$ 3,333,076	\$ -	\$ 6,974,637
Receivables			
Property taxes	22,194	-	-
Due from other governments	-	299,328	-
Inventory	-	-	-
Due from other funds	863,195	-	-
<i>Total assets</i>	\$ 4,218,465	\$ 299,328	\$ 6,974,637
<i>Liabilities</i>			
Accounts payable	\$ 113,625	\$ -	\$ 780,040
Due to other governments	-	128,521	-
Accrued payroll	527,609	38,875	-
Deferred revenue			
Property taxes	16,469	-	-
Other	-	-	-
Due to other funds	-	131,932	-
<i>Total liabilities</i>	657,703	299,328	780,040
<i>Fund balances</i>			
Nonspendable:			
Inventory	-	-	-
Spendable:			
Restricted for:			
Instructional materials	175,072	-	-
Food services	-	-	-
Extracurricular activities	-	-	-
Education	-	-	-
Capital acquisitions and improvements	-	-	1,347,501
Debt service	-	-	-
Committed for:			
Subsequent year's expenditures	2,177,340	-	4,847,096
Unassigned	1,208,350	-	-
<i>Total fund balances</i>	3,560,762	-	6,194,597
<i>Total liabilities and fund balances</i>	\$ 4,218,465	\$ 299,328	\$ 6,974,637

The accompanying notes are an integral part of these financial statements

<u>Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
\$ 3,012,629	\$ 3,300,093	\$ 16,620,435
243,860	201,185	467,239
-	1,506,433	1,805,761
-	34,924	34,924
-	-	863,195
<u>\$ 3,256,489</u>	<u>\$ 5,042,635</u>	<u>\$ 19,791,554</u>
\$ -	\$ 22,380	\$ 916,045
-	13,669	142,190
-	77,500	643,984
181,249	148,254	345,972
-	13,343	13,343
-	731,263	863,195
<u>181,249</u>	<u>1,006,409</u>	<u>2,924,729</u>
-	34,924	34,924
-	-	175,072
-	106,084	106,084
-	62,949	62,949
-	427,436	427,436
-	446,202	1,793,703
232,002	41,162	273,164
2,843,238	2,930,812	12,798,486
-	(13,343)	1,195,007
<u>3,075,240</u>	<u>4,036,226</u>	<u>16,866,825</u>
<u>\$ 3,256,489</u>	<u>\$ 5,042,635</u>	<u>\$ 19,791,554</u>

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STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Governmental Funds
 Reconciliation of the Balance Sheet to the Statement of Net Assets
 June 30, 2011

Exhibit B-1
 (Page 2 of 2)

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

Fund balances - total governmental funds	\$	16,866,825
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds		61,909,625
Other noncurrent assets are not available to pay for current period expenditures and therefore, are deferred in the funds:		
Bond issuance costs		285,352
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities		345,972
Delinquent grant revenues not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities		13,343
Other liabilities are not due and payable in the current period and therefore, not reported in the funds:		
Claims payable		(12,500)
Bond premiums		(279,046)
Liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued compensated absences		(227,771)
Accrued interest payable		(363,546)
Bonds, loans and capital leases payable		(26,920,979)
		(27,512,286)
Total net assets - governmental funds	\$	51,617,275

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Statements of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Year Ended June 30, 2011

	General Fund	Title I IASA Special Revenue Fund	Bond Building Capital Projects Fund
<i>Revenues</i>			
Property taxes	\$ 244,400	\$ -	\$ -
Intergovernmental revenue			
Federal flowthrough	229,217	1,789,730	-
Federal direct	1,136,891	-	-
Local sources	-	-	-
State flowthrough	352,515	-	-
State direct	40,300,564	-	-
Transportation distribution	1,167,660	-	-
Charges for services	100,405	-	-
Investment income	46,094	-	8,608
Miscellaneous	9,037	-	-
<i>Total revenues</i>	<u>43,586,783</u>	<u>1,789,730</u>	<u>8,608</u>
<i>Expenditures</i>			
Current			
Instruction	26,335,785	1,127,035	-
Support services - students	3,614,654	178,674	-
Support services - instruction	832,595	339,763	-
Support services - general administration	662,542	91,032	-
Support services - school administration	2,108,327	214	-
Central services	2,006,084	53,012	-
Operation and maintenance of plant	5,636,101	-	105,694
Student transportation	1,173,274	-	-
Other support services	73,544	-	-
Food services operations	24,639	-	-
Capital Outlay	-	-	5,977,572
Debt service			
Principal	-	-	-
Interest	-	-	-
Bond issuance costs	-	-	177,504
<i>Total expenditures</i>	<u>42,467,545</u>	<u>1,789,730</u>	<u>6,260,770</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,119,238</u>	<u>-</u>	<u>(6,252,162)</u>
<i>Other financing sources (uses)</i>			
Remittal of prior year fund balance	-	-	-
Transfers in	102,534	-	-
Transfers (out)	-	-	-
Bond premium	-	-	-
Bond proceeds	-	-	10,000,000
<i>Total other financing sources (uses)</i>	<u>102,534</u>	<u>-</u>	<u>10,000,000</u>
<i>Net change in fund balances</i>	1,221,772	-	3,747,838
<i>Fund balances - as originally stated</i>	2,338,990	-	2,446,759
<i>Fund balances - restatement (note 16)</i>	-	-	-
<i>Fund balances - as restated</i>	<u>2,338,990</u>	<u>-</u>	<u>2,446,759</u>
<i>Fund balances - end of year</i>	<u>\$ 3,560,762</u>	<u>\$ -</u>	<u>\$ 6,194,597</u>

The accompanying notes are an integral part of these financial statements

Debt Service Fund	Other Governmental Funds	Total
\$ 2,850,575	\$ 2,336,990	\$ 5,431,965
-	7,397,762	9,416,709
-	704,817	1,841,708
-	6,120	6,120
-	765,149	1,117,664
-	143,384	40,443,948
-	-	1,167,660
-	828,000	928,405
6,251	4,671	65,624
-	76	9,113
<u>2,856,826</u>	<u>12,186,969</u>	<u>60,428,916</u>
-	3,251,424	30,714,244
-	1,671,098	5,464,426
-	299,640	1,471,998
28,537	226,106	1,008,217
-	349,309	2,457,850
-	20,449	2,079,545
-	1,703,198	7,444,993
-	200,285	1,373,559
-	-	73,544
-	2,673,613	2,698,252
-	1,386,344	7,363,916
2,175,000	1,145,236	3,320,236
508,973	111,861	620,834
-	-	177,504
<u>2,712,510</u>	<u>13,038,563</u>	<u>66,269,118</u>
<u>144,316</u>	<u>(851,594)</u>	<u>(5,840,202)</u>
-	(1,395)	(1,395)
-	7,449	109,983
-	(107,483)	(107,483)
152,060	-	152,060
-	-	10,000,000
<u>152,060</u>	<u>(101,429)</u>	<u>10,153,165</u>
296,376	(953,023)	4,312,963
2,778,864	4,664,858	12,229,471
-	324,391	324,391
<u>2,778,864</u>	<u>4,989,249</u>	<u>12,553,862</u>
<u>\$ 3,075,240</u>	<u>\$ 4,036,226</u>	<u>\$ 16,866,825</u>

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STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2011

Exhibit B-2
 Page 2 of 2

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

Net change in fund balances - total governmental funds	\$	4,312,963
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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:

Capital expenditures		7,363,916
Depreciation expense		(2,820,914)
Loss on disposal of capital assets		(58,432)
Proceeds from donated assets		15,661

Revenues in the Statement of Activities that do not provide current financial
 resources are not reported as revenue in the funds:

Change in deferred revenue related to property taxes receivables		16,743
Change in deferred revenue related to grant receivables		13,343

Expenses in the Statement of Activities that are not paid from current financial
 resources are not reported as expenditures in the funds:

Change in payable related to claims payable		(12,500)
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The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial
 resources to governmental funds, while the repayment of the principal of long-term
 debt consumes the current financial resources of governmental funds. Neither
 transaction, however, has any effect on net assets. Also, governmental funds
 report the effect of issuance costs, premiums, discounts, and similar items when
 debt is first issued, whereas these amounts are deferred and amortized in the
 Statement of Activities:

Current year amortization of bond premium		30,787
Original bond issuance cost		177,504
Current year amortization of bond issuance cost		(38,730)
Bond proceeds		(10,000,000)
Original bond premiums		(152,060)
Decrease in accrued compensated absences		24,779
Increase in accrued interest payable		(97,243)
Principal payments on bonds		3,175,000
Principal payments on capital leases		145,236

Change in net assets of governmental activities	\$	<u>2,096,053</u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 General Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 240,093	\$ 240,093	\$ 243,067	\$ 2,974
Intergovernmental revenue				
Federal flowthrough	95,277	95,277	229,217	133,940
Federal direct	1,181,784	1,181,784	1,136,891	(44,893)
Local sources	-	-	-	-
State flowthrough	221,077	254,972	352,515	97,543
State direct	40,547,180	40,266,766	40,300,564	33,798
Transportation distribution	1,165,481	1,167,660	1,167,660	-
Charges for services	61,460	63,960	105,586	41,626
Investment Income	35,000	35,000	46,094	11,094
Miscellaneous	-	-	9,037	9,037
<i>Total revenues</i>	<u>43,547,352</u>	<u>43,305,512</u>	<u>43,590,631</u>	<u>285,119</u>
<i>Expenditures</i>				
Current				
Instruction	26,816,151	26,850,261	26,357,335	492,926
Support services - students	4,040,219	3,803,368	3,614,143	189,225
Support services - instruction	933,023	918,003	832,680	85,323
Support services - general administration	678,045	755,100	663,504	91,596
Support services - school administration	2,150,092	2,198,538	2,108,388	90,150
Central services	2,243,542	2,140,448	2,006,242	134,206
Operation and maintenance of plant	5,252,704	6,283,986	5,618,244	665,742
Student transportation	1,170,781	1,213,712	1,173,276	40,436
Other support services	472,203	1,542,203	1,333,558	208,645
Food services operations	-	25,000	24,639	361
Capital Outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>43,756,760</u>	<u>45,730,619</u>	<u>43,732,009</u>	<u>1,998,610</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(209,408)</u>	<u>(2,425,107)</u>	<u>(141,378)</u>	<u>2,283,729</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	209,408	2,425,107	-	(2,425,107)
Transfers in	-	-	102,534	(102,534)
Transfers (out)	-	-	-	-
Bond Proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>209,408</u>	<u>2,425,107</u>	<u>102,534</u>	<u>(2,527,641)</u>
<i>Net change in fund balances</i>	-	-	(38,844)	(243,912)
<i>Fund balances - beginning of year</i>	-	-	4,235,115	4,235,115
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,196,271</u>	<u>\$ 3,991,203</u>
Net change in fund balances (Non-GAAP budgetary basis)				\$ (38,844)
Adjustments to revenues for taxes and state flowthrough grants				(3,848)
Adjustments to expenditures for supplies and payroll expenditures				1,264,464
Net change in fund balances (GAAP Basis)				<u>\$ 1,221,772</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Title I IASA Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	1,942,776	2,282,760	1,664,009	(618,751)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,942,776</u>	<u>2,282,760</u>	<u>1,664,009</u>	<u>(618,751)</u>
<i>Expenditures</i>				
Current				
Instruction	1,215,769	1,550,368	1,088,160	462,208
Support services	669,469	678,001	610,267	67,734
Central services	57,538	54,391	53,023	1,368
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,942,776</u>	<u>2,282,760</u>	<u>1,751,450</u>	<u>531,310</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(87,441)	(87,441)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	-	-	(87,441)	(87,441)
<i>Fund balance - beginning of year</i>	-	-	(44,491)	(44,491)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (131,932)</u>	<u>\$ (131,932)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (87,441)
Adjustments to revenues for federal grants				125,721
Adjustments to expenditures for payroll expenditures				<u>(38,280)</u>
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2011

Exhibit D-1

<i>Current Assets</i>	
Cash and cash equivalents	\$ <u>897,771</u>
<i>Total assets</i>	<u>\$ 897,771</u>
 <i>Current Liabilities</i>	
Accounts payable	\$ 939
Due to student organizations	<u>896,832</u>
<i>Total liabilities</i>	<u>\$ 897,771</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies

Alamogordo Municipal School District No. 1 “the District” is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education of the City of Alamogordo. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The School Board is authorized to establish policies and regulations for its own government consistent with the laws of the State of New Mexico and the regulations of the Legislative Finance Committee. The School Board is comprised of five members who are elected for terms of four years. The District operates sixteen schools within the District with a total enrollment of approximately 6,000 pupils. In conjunction with the regular educational programs, some of these schools offer special education. In addition, the School Board provides transportation and school food services for the students.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District’s financial statements. The financial statements and notes are the representation of the District’s management that is responsible for the financial statements. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their government-wide financial statements, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

A. Financial Reporting Entity

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14 and No. 39. Blended component units, although legally separate entities, are in substance part of the government’s operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

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. 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. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies (continued)

A. Financial Reporting Entity (continued)

Based upon the application of these criteria, the District has no component units, and is not a component unit of another governmental agency.

B. Government-wide and fund financial statements

The government-wide financial statements (the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The District does not have any *business-type activities*.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, state equalization, and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the fiduciary fund financial statement. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, subject to the availability criterion. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met, subject to the availability criterion.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided by School tax levy, state equalization and transportation funds, state instructional material allocations, and earnings from investments. Expenditures include all costs associated with the daily operations of the District except for those items included in other funds. The General Fund includes the *Transportation Fund*, which is used to account for the State Equalization received from the New Mexico Department of Education which is used to pay for the costs associated with transporting school age children. It also includes the *Instructional Materials Fund*, which is used to account for the monies received from the New Mexico Department of Education for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

The *Title I IASA Special Revenue Fund* is used to account for the major objectives of the Title I program which is to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Public Education Department. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

The *Bond Building Capital Projects Fund* is used to account for bond proceeds plus any income earned thereon. The proceeds are restricted for the purpose of making additions to any furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District. Authority for the creation of this fund is the New Mexico Public Education Department.

The *Debt Service Fund* is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs. Authority for the creation of this fund is the New Mexico Public Education Department.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Additionally, the District reports the following agency fund:

The *Fiduciary Funds* account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Assets or Equity

Deposits and Investments: The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the District to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Local Government Investment Pool (LGIP). The LGIP operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Restricted Assets: The Debt Service Fund is used to report resources set aside for the payment of long-term debt principal and interest.

Receivables and Payables: Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

The District receives monthly income from a tax levy in Otero County. The funds are collected by the County Treasurer and are remitted to the District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurer in July and August 2011 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2011. Period of availability is deemed to be sixty days subsequent to year end.

Certain Special Revenue funds are administered on a reimbursement method of funding; other funds are operated on a cash advance method of funding. The funds incurred the cost and submitted the necessary request for reimbursement or advance, respectively.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Assets or Equity (continued)

Inventory: The District’s method of accounting for inventory is the consumption method. Under the consumption approach, governments report inventories they purchase as an asset and defer the recognition of the expenditures until the period in which the inventories actually are consumed. Inventory is valued at cost and consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed.

Inventory in the Special Revenue Funds consists of U.S.D.A. commodities and other purchased food and non-food supplies. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). The District was a phase I government for purposes of implementing GASB 34 however, the District does not have any infrastructure assets to report.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Construction projects paid for by the Public School Capital Outlay Council are included in the District’s capital assets. No interest was included as part of the cost of capital assets under construction.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	20-50
Buildings and improvements	20-50
Furniture, fixtures and equipment	5-10

Deferred Revenues: There are two sets of circumstances in which the District accrues deferred revenue.

- *Unearned revenue* - Under both the accrual and the modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for *deferred revenue*.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Assets or Equity (continued)

- *Unavailable revenue* – Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. Revenue must also be susceptible to accrual (it must be both measurable and available to finance expenditures of the current fiscal period). If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred revenue. The District has recorded \$345,972 in deferred revenue related to property taxes considered “unavailable.” The District has also recorded \$13,343 in deferred revenue related to grant revenue considered “unavailable.”

Compensated Absences: It is the District’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Twelve-month employees may accumulate up to 20 days of vacation leave; any leave beyond these limits must be used by June 30th of the current contract year unless carryover approval is obtained from the Superintendent.

Qualified employees are entitled to accumulate sick leave. There is no limit to the amount of sick leave which an employee may accumulate; however, upon termination, sick leave is not paid out to the employee.

All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In the past, the liability has been paid from the general fund.

Accrued Payroll: In the fund financial statements, governmental fund types recognize the accrual of unpaid wages and benefits that employees have earned at the close of each fiscal year. The amount recognized in the fund financial statements represents checks that were held at year end in relation to employee’s summer payroll.

Long-term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method or the straight-line method if the difference from the effective interest method is minimal. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Balance Classification Policies and Procedures: The District has implemented GASB Statement No. 54 and has defined the various categories reported in fund balance. For committed fund balance, the District’s highest level of decision-making authority is the Board of Education. The formal action that is required to be taken to establish a fund balance commitment is the Board of Education.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Assets or Equity (continued)

For assigned fund balance, the Board of Education or an official or body to which the School Board of Education delegates the authority is authorized to assign amounts to a specific purpose. The authorization policy is in governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

For the classification of fund balances, the District considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Also for the classification of fund balances, the District considers committed, assigned, or unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Nonspendable Fund Balance: At June 30, 2011, the nonspendable fund balance in the food service fund is made up of inventory in the amount of \$34,924 that is not in spendable form.

Restricted and Committed Fund Balance: At June 30, 2011, the restricted fund balance on the governmental funds balance sheet is made up of \$771,541 for providing instructional materials, food services, extracurricular activities and education to the students of the District, \$1,793,703 for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public schools, providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act [22-24-1 NMSA 1978], or any combination of these purposes, and \$273,164 for the payment of principal and interest of the future debt service requirements. The District has also committed fund balance in the amount of \$12,798,486 for expenditures in the subsequent year.

Net Assets: Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt: Net assets invested in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Assets: Consists of net assets with constraints placed on the use either by: (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net assets restricted for “special revenue, capital projects, and debt service” are described on pages 61-65.
- c. Unrestricted Net assets: All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates for the District are management’s estimate of depreciation on assets over their estimated useful lives and the current portion of accrued compensated absences.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies (continued)

E. Revenues

State Equalization Guarantee: School districts in the State of New Mexico receive a 'state equalization guarantee distribution' which is defined as "that amount of money distributed to each school district to insure that the school district's operating revenue, including its local and federal revenues as defined (in Chapter 22, Section 825, NMSA 1978) is at least equal to the school district's program costs.

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$40,300,564 in state equalization guarantee distributions during the year ended June 30, 2011.

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. The District recognizes tax revenues in the period for which they are levied in the government-wide financial statements. The District records only the portion of the taxes considered 'measurable' and 'available' in the governmental fund financial statements. The District recognized \$5,448,708 in tax revenues in the government-wide financial statements during the year ended June 30, 2011. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through 12 attending public school within the school district. The District received \$1,167,660 in transportation distributions during the year ended June 30, 2011.

Instructional Materials: The Public Education Department (Department) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, seventy percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while thirty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2011 totaled \$251,972.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2011

NOTE 1. Summary of Significant Accounting Policies (continued)

E. Revenues (continued)

SB-9 State Match: The Director shall distribute to any school district that has imposed a tax under the Public School Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of Section 22-25-3 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1 of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. However, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

The District received \$452,703 in state SB-9 matching during the year ended June 30, 2011.

Public School Capital Outlay: The public school capital outlay fund was created under the provisions of Chapter 22, Article 24, NMSA 1978. The money in the fund may be used for: capital expenditures deemed by the public school capital outlay council to be necessary for an adequate educational program per Section 22-24-4(B); core administrative functions of the public school facilities authority and for project management expenses upon approval of the council per Section 22-24-4(G); and for the purpose of demolishing abandoned school district facilities, upon application by a school district to the council, per Section 22-24-4(L).

Money in the fund shall be disbursed by warrant of the Department of Finance and Administration on vouchers signed by the Secretary of Finance and Administration following certification by the council that the application has been approved.

During the year ended June 30, 2011, the District did not receive any special capital outlay funds.

Federal Grants: The District receives revenues from various Federal departments (both direct and indirect), which are legally restricted to expenditures for specific purposes. These programs are reported as Special Revenue Funds. Each program operates under its own budget, which has been approved by the Federal Department or the flow-through agency (usually the New Mexico Public Education Department). The various budgets are approved by the local School Board and the New Mexico Public Education Department.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2011

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are prepared by management and are approved by the local Board of Education and the School Budget and Planning Unit of the Public Education Department. Auxiliary student activity accounts are not budgeted.

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year. Because the budget process in the State of New Mexico requires that the beginning cash balance be appropriated in the budget of the subsequent fiscal year, such appropriated balance is legally restricted and is therefore presented as restricted fund balance.

Actual expenditures may not exceed the budget at the function (or “series”) level. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a ‘series’ this may be accomplished with only local Board of Education approval. If a transfer between ‘series’ or a budget increase is required, approval must also be obtained from Public School Finance Division.

The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department (PED) a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets are submitted to the State of New Mexico Public Education Department.
2. In May or June of each year, the proposed “operating” budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting is open for the general public unless a closed meeting has been called.
4. The “operating” budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.
5. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
6. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2011

NOTE 2. Stewardship, Compliance and Accountability (continued)

Budgetary Information (continued)

7. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
8. Legal budget control for expenditures is by function.
9. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget schedules included in the accompanying financial statements reflect the original budget and the final budget.
10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

The School Board may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico Administrative Code 6.20.2.9 prohibits the District from exceeding budgetary control at the function level.

The appropriated budget for the year ended June 30, 2011, was properly amended by the District's Board of Education throughout the year. These amendments resulted in the following changes:

	Excess (deficiency) of revenues over expenditures	
	Original Budget	Final Budget
Budgeted Funds:		
General Fund	\$ (209,408)	\$ (2,425,107)
Title I IASA Special Revenue Fund	\$ -	\$ -
Bond Building Capital Projects Fund	\$ (2,075,000)	\$ (9,904,533)
Debt Service Fund	\$ (2,221,224)	\$ (2,713,118)
Other Governmental Funds	\$ (2,484,621)	\$ (4,536,018)

The District is required to balance its budgets each year. Accordingly, amounts that are excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures.

The reconciliation between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis for each governmental fund are included in each individual budgetary comparison.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Notes to Financial Statements
June 30, 2011

NOTE 3. Deposits and Investments

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2011.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the District. Deposits may be made to the extent that they are insured by an agency of the United States or collateralized as required by statute. The financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit.

Excess of funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

According to the Federal Deposit Insurance Corporation (FDIC), public unit deposits are funds owned by the public unit. Under the Transaction Account Guarantee Program (TAGP) in effect from July 1, 2010 to December 31, 2010, time deposits, savings deposits and interest bearing negotiable order of withdrawal (NOW) accounts of a public unit in an institution in the same state were insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution. The TAGP program expired on December 31, 2010. On November 9, 2010, the FDIC Board of Directors issued a final rule to implement the section of the Dodd-Frank Wall Street Reform and Consumer Protection Act that provides temporary unlimited coverage for noninterest-bearing transaction accounts at the all FDIC-insured depository institutions. The separate coverage on non-interest bearing transaction accounts became effective on December 31, 2010 and will terminate on December 31, 2012. From December 31, 2010 to July 20, 2011 accounts held by an official custodian for a government unit are insured as follows:

- Up to \$250,000 for the combined total of all time and savings deposits (including NOW accounts), and
- Unlimited coverage for noninterest-bearing transaction (demand deposit) accounts

Through July 20, 2011, there is no difference in deposit insurance coverage when an official custodian deposits money in-state or out-of-state.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2011, none of the District's bank balances were exposed to custodial credit risk as they are all 100% insured.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2011

NOTE 3. Deposits and Investments (continued)

	<u>First American Bank</u>	<u>First National Bank</u>	<u>Wells Fargo Bank</u>	<u>Total</u>
Amount of deposits	\$ 11,986,058	\$ 4,176,145	\$ 3,943,496	\$ 20,105,699
Transaction Deposit Accounts covered by the "Dodd-Frank Deposit Insurance Program"	(11,736,058)	(3,926,145)	(3,693,496)	(19,355,699)
FDIC coverage	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>(750,000)</u>
Total uninsured public funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the District's name	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Uninsured and uncollateralized	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Collateral requirement (50%)	\$ -	\$ -	\$ -	\$ -
Pledged securities	<u>462,391</u>	<u>4,259,183</u>	<u>-</u>	<u>4,721,574</u>
Over (under) collateralized	<u>\$ 462,391</u>	<u>\$ 4,259,183</u>	<u>\$ -</u>	<u>\$ 4,721,574</u>

The collateral pledged is listed on Schedule III of this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, District or political subdivision of the State of New Mexico.

The District utilizes internal pooled accounts for some of their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts were reclassified as due to/from accounts in the combining balance sheet as of June 30, 2011. Funds 24000 through 25255 are federal funds and 26000 through 31900 are nonfederal funds. The following individual funds had negative cash balances as of June 30, 2011:

24101	Title I IASA	\$ (131,932)
24106	Entitlement IDEA-B	(178,498)
24107	Discretionary IDEA-B	(11,693)
24109	Preschool IDEA-B	(12,299)
24112	IDEA-B Early Intervention Services	(54,867)
24120	IDEA-B "Risk Pool"	(256)
24154	Teacher/Principal Training/Recruiting	(36,687)
24157	Safe & Drug Free Schools & Community	(6,628)
24174	Carl D. Perkins Secondary Current	(30,150)
24201	Title I Federal Stimulus	(250,338)
24206	Entitlement IDEA-B Federal Stimulus	(71,783)
24209	Preschool IDEA-B Federal Stimulus	(1,644)
24213	Education of Homeless Federal Stimulus	(25)
24249	Enhancing Ed Thru Technology Federal Stimulus	(14,771)
25254	DOD Education Activity	(58,237)
27105	Library GO Bonds 2009-2010	<u>(3,387)</u>
	Total	<u>\$ (863,195)</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2011

NOTE 3. Deposits and Investments (continued)

Investments

As of June 30, 2011, the District did not have any investment balances.

Reconciliation to the Statements of Net Assets

The carrying amount of deposits and investments shown above are included in the District's statement of net assets as follows:

Primary Government

Reconciliation to the Statement of Net Assets

Cash and cash equivalents per Exhibit A-1	\$ 12,508,028
Restricted cash per Exhibit A-1	4,112,407
Cash - Statement of Fiduciary Assets and Liabilities per Exhibit D-1	897,771
 Total cash, cash equivalents, and investments	 17,518,206
 Add: outstanding checks	 3,231,827
Less: deposits in transit	(643,984)
Less: petty cash	(350)
 Bank balance of deposits	 \$ 20,105,699

NOTE 4. Accounts Receivable

Accounts receivable as of June 30, 2011, are as follows:

	General Fund	Title I IASA Special Revenue Fund	Debt Service Fund	Other Governmental Funds	Total
Property taxes receivable	\$ 22,194	\$ -	\$ 243,860	\$ 201,185	\$ 467,239
Due from other governments:					
Federal sources	-	299,328	-	1,050,343	1,349,671
State sources	-	-	-	456,090	456,090
	\$ 22,194	\$ 299,328	\$ 243,860	\$ 1,707,618	\$ 2,273,000

In accordance with GASB No. 33, property tax revenues in the amount of \$345,972 that were not collected within the period of availability have been reclassified as deferred revenue in the governmental fund financial statements. All of the above receivables are deemed to be fully collectible.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2011

NOTE 5. Interfund Receivables, Payables, and Transfers

The District records temporary interfund receivables and payables to enable the funds to operate until grant monies are received. The composition of interfund balances during the year ended June 30, 2011 is as follows:

<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Amount</u>
General Fund	Title I IASA	\$ 131,932
General Fund	Entitlement IDEA-B	178,498
General Fund	Discretionary IDEA-B	11,693
General Fund	Preschool IDEA-B	12,299
General Fund	IDEA-B Early Intervention Services	54,867
General Fund	IDEA-B "Risk Pool"	256
General Fund	Teacher/Principal Training/Recruiting	36,687
General Fund	Safe & Drug Free Schools & Community	6,628
General Fund	Carl D. Perkins Secondary Current	30,150
General Fund	Title I Federal Stimulus	250,338
General Fund	Entitlement IDEA-B Federal Stimulus	71,783
General Fund	Preschool IDEA-B Federal Stimulus	1,644
General Fund	Education of Homeless Federal Stimulus	25
General Fund	Enhancing Ed Thru Technology Federal Stimulus	14,771
General Fund	DOD Education Activity	58,237
General Fund	Library GO Bonds 2009-2010	3,387
	Total	<u>\$ 863,195</u>

Net operating transfers, made to close out funds and to supplement other funding sources in the normal course of operations during the year ended June 30, 2011 is as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
Food services	General Fund	\$ 100,000
TANF/GRADS HSD	GRADS - Instruction	7,449
Coordinated Approach to Child Health	General Fund	34
	Total	<u>\$ 107,483</u>

The District's Agency Funds made a permanent cash transfer to the District's General Fund in the amount of \$2,500 during the year ended June 30, 2011.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2011

NOTE 6. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2011, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land and construction in progress are not subject to depreciation.

Capital assets, net of accumulated depreciation, at June 30, 2011 appear in the Statement of Net Assets as follows:

	Balance June 30, 2010	Adjustments to Net Assets	Additions	Deletions	Balance June 30, 2011
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 5,024,258	\$ (1,132,676)	\$ -	\$ -	\$ 3,891,582
Construction in progress	-	-	3,555,666	-	3,555,666
	<u>5,024,258</u>	<u>(1,132,676)</u>	<u>3,555,666</u>	<u>-</u>	<u>7,447,248</u>
Total capital assets not being depreciated					
Capital assets being depreciated:					
Buildings and improvements	80,661,861	22,114,409	3,368,028	-	106,144,298
Land improvements	-	1,054,397	167,553	-	1,221,950
Furniture, fixtures, and equipment	8,390,740	(848,576)	288,330	276,284	7,554,210
	<u>89,052,601</u>	<u>22,320,230</u>	<u>3,823,911</u>	<u>276,284</u>	<u>114,920,458</u>
Total capital assets being depreciated					
Less accumulated depreciation:					
Buildings and improvements	49,988,175	2,021,536	2,481,905	-	54,491,616
Land improvements	-	76,618	59,015	-	135,633
Furniture, fixtures, and equipment	6,588,880	(820,190)	279,994	217,852	5,830,832
	<u>56,577,055</u>	<u>1,277,964</u>	<u>2,820,914</u>	<u>217,852</u>	<u>60,458,081</u>
Total accumulated depreciation					
Total capital assets, net of depreciation	<u>\$ 37,499,804</u>	<u>\$ 19,909,590</u>	<u>\$ 4,558,663</u>	<u>\$ 58,432</u>	<u>\$ 61,909,625</u>

The District received donated assets in the amount of \$15,661 during the year ended June 30, 2011.

For the year ended June 30, 2011, depreciation expense in the amount of \$2,820,914 was unallocated to the functions of the governmental activities.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2011

NOTE 7. Long-term Debt

During the year ended June 30, 2011, the following changes occurred in the liabilities reported in the government-wide Statement of Net Assets:

	Balance June 30, 2010	Additions	Retirements	Balance June 30, 2011	Due Within One Year
General Obligation Bonds Series 1998	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ -
General Obligation Bonds Series 1999	1,150,000	-	675,000	475,000	475,000
General Obligation Bonds Series 2006	4,675,000	-	500,000	4,175,000	500,000
Ed Tech Note Series 2008	2,655,000	-	1,000,000	1,655,000	1,000,000
General Obligation Bonds Series 2009	6,000,000	-	-	6,000,000	500,000
General Obligation Bonds Series 2010	4,000,000	-	-	4,000,000	750,000
General Obligation Bonds Series 2011	-	10,000,000	-	10,000,000	-
Total Bonds	19,480,000	10,000,000	3,175,000	26,305,000	3,225,000
Capital Lease Energy Efficient	761,215	-	145,236	615,979	155,132
Compensated Absences	252,550	161,963	186,742	227,771	186,742
Total Long-Term Debt	\$ 20,493,765	\$ 10,161,963	\$ 3,506,978	\$ 27,148,750	\$ 3,566,874

General obligation bonds and the Capital Lease are secured by and payable solely from the Debt Service Fund and the Ed Tech Debt Service Fund.

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2011 are for governmental activities.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2011

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the general obligation bonds and the capital lease outstanding as of June 30, 2011, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	\$ 3,380,132	\$ 501,531	\$ 3,881,663
2013	3,341,612	716,676	4,058,288
2014	2,868,363	620,794	3,489,157
2015	2,505,872	545,291	3,051,163
2016	2,600,000	477,912	3,077,912
2017-2021	11,225,000	1,344,250	12,569,250
2022-2026	1,000,000	77,812	1,077,812
	<u>\$ 26,920,979</u>	<u>\$ 4,284,266</u>	<u>\$ 31,205,245</u>

The annual requirements to amortize the 1999 Series general obligation bonds outstanding as of June 30, 2011, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	\$ 475,000	\$ 9,856	\$ 484,856
	<u>\$ 475,000</u>	<u>\$ 9,856</u>	<u>\$ 484,856</u>

The annual requirements to amortize the 2006 Series general obligation bonds outstanding as of June 30, 2011, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	\$ 500,000	\$ 153,975	\$ 653,975
2013	850,000	125,912	975,912
2014	500,000	97,850	597,850
2015	500,000	77,850	577,850
2016	500,000	58,725	558,725
2017-2021	1,325,000	68,250	1,393,250
	<u>\$ 4,175,000</u>	<u>\$ 582,562</u>	<u>\$ 4,757,562</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2011

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the 2008 Series Ed Tech Notes outstanding as of June 30, 2011, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	\$ 1,000,000	\$ 46,200	\$ 1,046,200
2013	655,000	13,100	668,100
	<u>\$ 1,655,000</u>	<u>\$ 59,300</u>	<u>\$ 1,714,300</u>

The annual requirements to amortize the 2009 Series general obligation bonds outstanding as of June 30, 2011, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	\$ 500,000	\$ 195,500	\$ 695,500
2013	500,000	180,500	680,500
2014	500,000	165,500	665,500
2015	650,000	148,250	798,250
2016	750,000	127,250	877,250
2017-2021	3,100,000	266,000	3,366,000
	<u>\$ 6,000,000</u>	<u>\$ 1,083,000</u>	<u>\$ 7,083,000</u>

The annual requirements to amortize the 2010 Series general obligation bonds outstanding as of June 30, 2011, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	\$ 750,000	\$ 73,126	\$ 823,126
2013	750,000	58,125	808,125
2014	1,000,000	40,624	1,040,624
2015	1,000,000	20,626	1,020,626
2016	500,000	5,312	505,312
	<u>\$ 4,000,000</u>	<u>\$ 197,813</u>	<u>\$ 4,197,813</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2011

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the 2011 Series general obligation bonds outstanding as of June 30, 2011, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	\$ -	\$ -	\$ -
2013	425,000	322,620	747,620
2014	700,000	307,125	1,007,125
2015	225,000	295,875	520,875
2016	850,000	286,625	1,136,625
2017-2021	6,800,000	1,010,000	7,810,000
2022-2026	1,000,000	77,812	1,077,812
	<u>\$ 10,000,000</u>	<u>\$ 2,300,057</u>	<u>\$ 12,300,057</u>

General Obligation School Building Bonds Series 1999 – The District issued General Obligation School Building Bonds in the amount of \$6,000,000 on December 15, 1998 with staggered maturity dates. The last maturity date is August 1, 2011. The principal payment ranges from \$475,000 to \$725,000 with annual payments due August 1. The interest rate ranges from 3.65% to 5.00%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

General Obligation School Building Bonds Series 2006 – The District issued General Obligation School Building Bonds in the amount of \$6,000,000 on November 7, 2006 with staggered maturity dates. The last maturity date is August 1, 2018. The principal payment ranges from \$325,000 to \$850,000 with annual payments due August 1. The interest rate ranges from 3.65% to 4.25%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

Education Technology Notes Series 2008 – The District issued Education Technology Notes in the amount of \$3,680,000 on July 22, 2008 with staggered maturity dates. The last maturity date is August 1, 2012. The principal payment ranges from \$655,000 to \$1,250,000 with annual payments due August 1. The interest rate ranges from 2.65% to 4.00%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

General Obligation School Building Bonds Series 2009 – The District issued General Obligation School Building Bonds in the amount of \$6,000,000 on April 21, 2009 with staggered maturity dates. The last maturity date is August 1, 2020. The principal payment ranges from \$500,000 to \$800,000 with annual payments due August 1. The interest rate ranges from 3.00% to 4.00%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Notes to Financial Statements
 June 30, 2011

NOTE 7. Long-term Debt (continued)

General Obligation School Building Bonds Series 2010 – The District issued General Obligation School Building Bonds in the amount of \$4,000,000 on February 23, 2010 with staggered maturity dates. The last maturity date is August 1, 2015. The principal payment ranges from \$500,000 to \$1,000,000 with annual payments due August 1. The interest rate ranges from 2.00% to 2.125%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

General Obligation School Building Bonds Series 2011 – The District issued General Obligation School Building Bonds in the amount of \$10,000,000 on December 14, 2010 with staggered maturity dates. The last maturity date is August 1, 2021. The principal payment ranges from \$225,000 to \$1,500,000 with annual payments due August 1. The interest rate ranges from 2.00% to 4.00%, with semi-annual payments due on February 1 and August 1. The District was authorized to issue the bonds for the purpose of erecting, remodeling, making additions to and furnishing school buildings and purchasing or improving school grounds and purchasing computer software and hardware for student use in public school classrooms or any combination of these purposes.

The District has entered into a capital lease agreement with LaSalle Bank National Association for energy efficient equipment in the amount of \$1,445,876 on May 8, 2004 with quarterly payments due, including interest with a rate of 4.11%. The last maturity date is February 26, 2015.

The annual requirements to amortize the Energy Efficient Capital Lease outstanding as of June 30, 2011, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	\$ 155,132	\$ 22,874	\$ 178,006
2013	161,612	16,419	178,031
2014	168,363	9,695	178,058
2015	130,872	2,690	133,562
	<u>\$ 615,979</u>	<u>\$ 51,678</u>	<u>\$ 667,657</u>

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2011, compensated absences decreased \$24,779 from the prior year accrual. In prior years, the general fund was typically used to liquidate such long-term liabilities. See Note 1 for more details.

NOTE 8. Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error omissions; and natural disasters, for which the District is a member of the New Mexico Public School Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. Also included under the risk management program are Boiler, Machinery and Student Accident Insurance.

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NOTE 8. Risk Management (continued)

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$15,000 deductible per occurrence with a maximum annual deductible of \$60,000. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor's Forgery, Credit Card Forgery, and Money Orders. A limit of \$100,000 applies to Money and Securities, which include a \$750 deductible.

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2011, there have been no claims that have exceeded insurance coverage.

NOTE 9. Pension Plan – Educational Retirement Board

Plan Description. Substantially all of the District's full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11 NMSA 1978). The Educational Retirement Board (ERB) 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 (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. ERB 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 ERB, P. O. Box 26129, Santa Fe, NM 87502. The report is also available on ERB's website at www.nmerb.org.

Funding Policy. Effective July 1, 2009 through June 30, 2011, plan members were required by statute to contribute 7.90% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually were required to contribute 9.40% of their gross salary. The District was required to contribute 12.40% of the gross covered salary for employees earning \$20,000 or less, and 10.90% of the gross salary of employees earning more than \$20,000 annually. Effective July 1, 2011 plan members are required by statute to contribute 7.90% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually are required to contribute 11.15% of their gross salary. The District is required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, and 9.15% of the gross covered salary of employees earning more than \$20,000 annually. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the years ended June 30, 2011, 2010, and 2009 were \$3,580,231, \$3,583,758, and \$3,784,390, respectively.

NOTE 10. Post-Employment Benefits – State Retiree Health Care Plan

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

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NOTE 10. Post-Employment Benefits – State Retiree Health Care Plan (continued)

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 event the time period required for employee and employer contributions shall become the period of time between the employer’s effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

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

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

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, 2011, the statute required each participating employer to contribute 1.666% of each participating employee’s annual salary; each participating employee was required to contribute .8333% of their salary. In the fiscal years ending June 30, 2012 through June 30, 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>
FY12	1.834%	.917%
FY13	2.000%	1.000%

Also, employers joining the program after 1/1/98 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 District’s contribution to the RHCA for the years ended June 30, 2011, 2010, and 2009 were \$530,099, \$414,922, and \$422,313, respectively, which equal the required contribution for each year.

NOTE 11. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amount, if any, to be immaterial.

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 Notes to Financial Statements
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NOTE 11. Contingent Liabilities (continued)

The District is involved in various claims and lawsuits arising in the normal course of business. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the District.

NOTE 12. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

A. Deficit Fund Balance of individual funds. The following fund reflected a deficit fund balance as of June 30, 2011:

Nonmajor Funds

DOD Education Activity Special Revenue Fund	\$ (13,343)
Total Governmental Funds	<u>\$ (13,343)</u>

B. Excess of expenditures over appropriations. The following funds had line item expenditures in excess of the budget for the year ended June 30, 2011

Major Funds

Debt Service Fund	\$ (1,697)
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Nonmajor Funds

Ed Tech Debt Service Fund	<u>(158)</u>
Total Governmental Funds	<u>\$ (1,855)</u>

C. Designated cash appropriations in excess of available balance. The following funds' budgets exceeded approved budgetary authority for the year ended June 30, 2011:

	Designated Cash	Beginning Year Cash & AR Available	Cash Appropriation in excess of available
Instructional Materials Fund	\$ 245,724	\$ 241,724	\$ (4,000)
GRADS - Instruction Special Revenue Fund	7,449	-	(7,449)

NOTE 13. Concentrations

The District depends on financial resources flowing from, or associated with, both the Federal Government and the State of New Mexico. Because of this dependency, the District is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State Appropriations.

The District depends of financial resources flowing from, or associated with, oil and gas tax revenues. Because of this dependency, the District is subject to changes in specific flows of revenues based on the production of oil and gas which is can be volatile.

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NOTE 14. Commitments

The District had multiple construction projects ongoing as of the year ended June 30, 2011 that are to continue into the following fiscal year. These projects are as follows:

<u>Project</u>	<u>Year Ending</u>	<u>Amount</u>
Alamogordo High School	2012	\$ 1,251,793
Chaparral Middle School	2012	1,859,449
District Wide Repairs and Maintenance	2012	299,508
Grady Fields	2012	13,391
Sacramento Elementary	2012	19,526
Sierra Elementary	2012	<u>650,609</u>
Total commitments		<u>\$ 4,094,276</u>

NOTE 15. Joint Powers Agreements

The New Mexico State University at Alamogordo (NMSU-A) and the District are in agreement to sponsor the APS-NMSU-A Joint Community Education Program to meet the needs for life-long learning and personal enrichment within the Alamogordo community. The responsible party is the NM State University at Alamogordo. The beginning and ending dates of this agreement are 07-01-2010, to 06-30-2011. The District's budget for the fiscal year 2011 was \$20,000. The audit responsibility is with NMSU-A.

NOTE 16. Fund Balance and Net Assets Restatement

The District has restated the prior year modified accrual basis fund balance of the Alamo DOD Special Revenue Fund in the amount of \$324,391 in order to fairly present the beginning balance for accounts receivable in the Alamo DOD Special Revenue Fund.

In addition, the District has restated the prior year government-wide net assets in the amount of \$19,909,590 in order to correct the prior year balance of Capital Assets and the revenue on the Alamo DOD Special Revenue Fund for a total amount of \$20,233,981.

NOTE 17. Restricted Net Assets

The government-wide statement of net assets reports \$6,288,929 of restricted net assets, all of which is restricted by enabling legislation. For descriptions of the related restrictions for net assets restricted for special revenue, debt service and capital projects, see pages 33 and 61-65.

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NOTE 18. Subsequent Events

The District closed on a General Obligation School Bond Series on July 20, 2011 for \$1,330,000. The interest rate on this bond is 1.40%-2.50%, maturing August 2016. The purpose of the bond shall be used for erecting, remodeling, making additions to and furnishing school buildings, purchasing or improving school grounds, and providing matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act.

The District was brought into a due process hearing subsequent to June 30, 2011 and settled the due process hearing in the amount of \$12,500 on November 10, 2011.

The date to which events occurring after June 30, 2011, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statement or disclosures is February 2, 2012, which is the date on which the financial statements were issued.

NOTE 19. Subsequent Pronouncements

In November 2010, Statement No. 60 *Accounting and Financial Reporting for Service Concession Arrangements*, Effective Date: For financial statements for periods beginning after December 15, 2011. The provisions of this Statement generally are required to be applied retroactively for all periods presented. The standard is expected to have no effect on the District in upcoming years.

In November 2010, Statement No. 61 *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2012. Earlier application is encouraged. The standard is expected to have no effect on the District in upcoming years.

In December 2010, Statement No. 62 *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, Effective Date: The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011. Earlier application is encouraged. The provisions of this Statement generally are required to be applied retroactively for all periods presented. The District will implement this standard during fiscal year June 30, 2013.

In June 2011, Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* Effective Date: The provisions of Statement 63 are effective for financial statements for periods beginning after December 15, 2011, with earlier application encouraged. The standard is expected to have no effect on the District in upcoming years.

In June 2011, Statement No. 64 *Derivative Instruments: Application of Hedge Accounting Termination Provisions—an amendment of GASB Statement No. 53* Effective Date: The provisions of Statement 64 are effective for financial statements for periods beginning after June 15, 2011, with earlier application encouraged. The standard is expected to have no effect on the District in upcoming years.

SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

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STATE OF NEW MEXICO
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Nonmajor Governmental Fund Descriptions
June 30, 2011

Special Revenue Funds

ALL FEDERAL FUNDS – The Special Revenue Funds are used to account for grant funds received from the U.S. Department of Education through the New Mexico Public Education Department. These funds are to be used for purposes specified in the grant awards and may not be used for any other purpose.

Food Services (21000) – This fund is used to account for all financial transactions related to the food service operation. Authority for the creation of this fund is the National School Lunch Act, as amended, 42 U.S.C. 1751 1760, 1779.

Athletics (22000) – This fund is used to account for fees generated at athletic activities throughout the School District. The gate receipts are obtained from the general public and are expended in this fund. The authority for creation of this fund is 6.20.2 NMAC.

Entitlement IDEA-B (24106) – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99457, 100,639, and 101-476, 20 U.S.C. 1411-1420.

Discretionary IDEA-B (24107) – The purpose of this program is to provide administrators and program directors with information and strategies that will support licensed and waived teachers in the areas of special education with day-to-day functions of the classroom. Authority for creation of this fund is Individuals with Disabilities Education Act (IDEA), Part B, Sections 611-617, and Part D, Section 674 as amended, 20 U.S.C. 1411-1417 and 1420, Public Law 105-17.

Preschool IDEA-B (24109) – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the Schools through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is the Individuals with Disabilities Education Act (IDEA), Part B, Section 619, as amended, 20 U.S.C. 1419.

IDEA-B Early Intervention Services (24112) – To account for a sub-award from IDEA-B Basic grant (24106) to develop and implement coordinated early intervening educational services. The services are designed to directly benefit nondisabled children who need additional academic and behavioral support to succeed in the general education environment.

IDEA-B Private School Share (24115) – Under 34 CFR § 300.132-300.133, an LEA must spend a proportionate amount of their IDEA-B Basic Entitlement and, if applicable, Preschool sub-grant funds for special education and related services (“equitable participation services”) to students with disabilities who are parentally placed in private elementary and secondary schools (“equitable participation services”) located in the school district served by the LEA. The private schools must be nonprofit institutions. Children aged three through five are considered to be parentally-placed private school children with disabilities, only if they are enrolled in a private school that meets the definition of elementary school in 34 CFR §300.13. New Mexico State law defines an elementary school as “a public school providing instruction for grades kindergarten through eight, unless there is a junior high school program approved by the state board [department], in which case it means a public school providing instruction for grades kindergarten through six” 22-1-3(A) NMSA 1978.

Fresh Fruits & Vegetables (24118) – To assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2005. Authorized by National School Lunch Act, as amended, 42 U.S.C. 1769.

IDEA-B “Risk Pool” (24120) – Reallocation by PED based upon available amounts from Fund 24106 Entitlement IDEA-B. This fund accounts for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99457, 100-639, and 101-476, 20 U.S.C. 1411-1420.

Enhancing Ed Thru Tech (24149) – To account for a federal grant designed to strengthen teacher learning in the field of technology. HAFH/H2,3,4,5,6 and 10a (PL 103-382)

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Special Revenue Funds

Teacher/Principal Training/Recruiting (24154) – To improve the skills of teachers and the quality of instruction in mathematics and science and also to increase the accessibility of such instruction to all students. Authority for creation of this fund is the Rehabilitation Act of 1973, as amended, Title III, Section 303(b)-(d). 20 U.S.C. 777a and 797a.

Safe & Drug Free Schools & Communities (24157) – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources. The authority for creation of this fund is the Elementary and Secondary Education Act, Title IV, Part A, Subpart 1, as amended. 20 U.S.C. 7111-7118.

Reading First (24167) – To provide the cost of teachers and direct teaching expenses for reading initiative. Funding is by the Elementary and Secondary Education Act of 1965, as amended, Title I, Part B, Subpart 1.

Carl D. Perkins (24174 – Carl D. Perkins Secondary Current) (24175 – Carl D. Perkins Secondary – PY Unliq. Obligations) (24176 – Carl D. Perkins Secondary - Redistribution) (24183 – Carl D. Perkins Secondary – Redistribution 2) – The objective of this grant is to provide secondary and post-secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Public Education Department. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

Title I - IASA Federal Stimulus (24201) – Funded through the American Recovery and Reinvestment Act of 2009 (ARRA), the purpose of this fund is to provide assistance to local education agencies for schools that have high concentrations of students from families that live in poverty in order to help improve teaching and learning for students most at risk of failing to meet State standards. Federal revenues accounted for in this fund are allocated to the schools through the New Mexico Public Education Department. Local education agencies may use these Title I Stimulus funds consistent with Title I, Part A statutory and regulatory requirements. Authority for creation of this fund Title I of the Elementary and Secondary Education Act and the General Education Provisions Act (P.L. 103-382), Title I regulations in 34 CFR Part 200, EDGAR in 34 CFR Parts 76 (except for 76.650 - 76.662), 77,80,81,82 and 85.

Entitlement IDEA-B Federal Stimulus (24206) – Funded through the American Recovery and Reinvestment Act of 2009 (ARRA), for programs under Parts B and C of the Individuals with Disabilities Education Act (IDEA). Part B of the IDEA provides funds to state educational agencies and local educational agencies to help them ensure that children with disabilities, including children aged three through five, have access to a free appropriate public education to meet each child's unique needs and prepare him or her for further education, employment, and independent living. Authority for creation of the fund is Part B of the Individuals with Disabilities Education Act (IDEA).

Preschool IDEA-B Federal Stimulus (24209) – Funded through the American Recovery and Reinvestment Act of 2009 (ARRA) the objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the Schools through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is the Individuals with Disabilities Education Act (IDEA), Part B, Section 619, as amended, 20 U.S.C. 1419

Education for Homeless Federal Stimulus (24213) – The Funding under this award must be used as specified by the American Recovery and Reinvestment Act of 2009 to assist homeless children and youth in enrolling, attending, and succeeding in school. In particular, the funds may support any of the activities under section 723(d) of the McKinney-Vento Act (42 U.S.C. 11433(d)).

Enhancing Ed Thru Technology Federal Stimulus (24249) – Funded through the American Recovery and Reinvestment Act of 2009 (ARRA), the objective is to account for a federal grant designed to strengthen teacher learning in the field of technology. Authority for creation of this fund is the Elementary and Secondary Education Act of 1965, Title II, Part D, Subparts 1 and 2, as amended.

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Nonmajor Governmental Fund Descriptions
June 30, 2011

Special Revenue Funds (continued)

Impact Aid Special Education (25145) – To account for funding of a Federal program to provide financial assistance to local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), or where there are a significant number of children who reside on Federal (including Indian) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b): where there is a significant decrease (Section 3(c) or a sudden and substantial increase (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

Title XIX Medicaid (25153) – To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. Authority for the creation of this fund is the Social Security Act, Title XIX, as amended; Public Laws 89-97, 90-248, and 91-56; 42 U.S.C. 1396 et seq., as amended; Public Law 92-223; Public Law 92-603; Public Law 93-66; Public Law 93-233; Public Law 96-499; Public Law 97-35; Public Law 97-248; Public Law 98-369; Public Law 99-272; Public Law 99-509; Public Law 100-93; Public Law 100-202; Public Law 100-203; Public Law 100-360; Public Law 100-436; Public Law 100-485; Public Law 100-647; Public Law 101-166; Public Law 101-234; Public Law 101-239; Public Law 101-508; Public Law 101-517; Public Law 102-234; Public Law 102-170; Public Law 102-394; Public Law 103-66; Public Law 103-112; Public Law 103-333; Public Law 104-91; Public Law 104-191; Public Law 104-193; Public Law 104-208, 104-134; Balanced Budget Act of 1997, Public Law 105-33; Public Law 106-113; Public Law 106-554; Public Law 108-27; Public Law 108-173; Public Law 109-91; Public Law 109-171; Public Law 109-432; Public Law 110-28.

TANF/GRADS HSD (25162) – To provide grants to States, Territories, or Tribes to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Social Security Act, Title IV, Part A, as amended; Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193.

ALAMO DOD (25179) – To provide assistance to schools with significant numbers of military dependent students. Required by the New Mexico State Department of Education Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund. Funding authorized by Public Law 111-84.

State Equalization Guarantee Federal Stimulus (25250) – Under the American Recovery and Reinvestment Act of 2009 (ARRA), these federal funds help stabilize the District's budget in order to minimize and avoid reduction in education services.

DOD Education Activity (25254) – To provide *Power Up* – 21st Century technology Skills for Grades 5, 6, and 9. Mathematics and Reading Achievement for Grades 5, 6, and 9 and easing the challenges of military students for all grades. Required by the New Mexico State Department of Education Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund. Funding authorized by Section 574 (d) of Public Law 109-364, as amended.

Education Jobs Fund Federal Stimulus (25255) – Created under the American Recovery and Reinvestment Act of 2009 (ARRA), these federal funds are to provide assistance to States to save or create education jobs for the 2010-2011 school year. Jobs funding under this program include those that provide educational and related services for early childhood, elementary, and secondary education.

Reading is Fundamental (26137) – Funding received through the Reading is Fundamental Nonprofit to motivate children to read. Authority for the creation of this fund is the New Mexico Public Education Department.

Dual Credit Instructional Materials (27103) – SB943 (2007) and SB31 (2008) create a dual credit program that allows public high school students in school districts, charter schools and state-supported schools in the state to earn both high school and college credit for qualifying dual credit courses. Authority for the creation of this fund is the New Mexico Public Education Department.

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June 30, 2011

Special Revenue Funds (continued)

Library GO Bonds 2009-2010 (27105) – The purpose of this fund is to be used to fund each library facility for improvement or acquisition and to acquire library books and library resources to support the library program.

Technology for Education PED (27117) – The purpose of this grant is to assist the Schools to develop and implement a strategic, long-term plan for utilizing educational technology in the school system. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is NMSA 22-15A-1 to 22-15A-10.

Incentives for School Improvement Act (27138) – The objective of this fund is to account for monies received from the Award for High Improving Schools provided by the State of New Mexico for the purpose of identifying special needs at awarded locations and to purchase items to improve those schools. Authority for the creation of this fund is the New Mexico Public Education Department.

Truancy Prevention/Intervention (27139) – Continue implementation of programs and strategies for the purpose of identifying best practices for truancy prevention that are unique to New Mexico populations and cultures that will assist students to stay in school and succeed. NMSA 22-2-8-10.

Family & Youth Resource Program PED (27140) – The purpose of this fund is to provide additional resources for at-risk children and their parents to improve school attendance and academics. Authority for creation of this fund is the Legislative Appropriations Laws of New Mexico 2005.

Truancy Initiative PED (27141) – Schools will implement programs and strategies for the purpose of identifying best practices for truancy prevention that are unique to New Mexico populations and cultures that will assist students to stay in school and succeed. NMSA 22-2-8-10

Beginning Teacher Mentoring Program (27154) – The objective of this program is to provide beginning teachers an effective transition into the teaching profession, retain capable teachers, improve the achievement of students and improve the overall success of the school. Funding is provided by the New Mexico Board of Education. Authority for creation of this fund is NMSA 22-2-8-10.

Breakfast for Elementary Students (27155) – To account for Legislative Appropriation to implement Breakfast in the Classroom for elementary schools in need of improvement based on AYP designation. Authority for the creation of this fund is the New Mexico Public Education Department.

School in Need of Improvement (27163) – Implement an extended school day program to focus on student needs and monitor student progress. Results are reported to New Mexico Public Education Department.

Libraries – SM 301 GO Bonds – Laws of 2006 (27170) – Funds are used for the improvement or acquisition of all public school libraries and expand library collections in order to circulate and provide access of materials to students and teachers. Authority for the creation of this fund is the New Mexico Public Education Department.

2008 Library Book Fund (27549) – To support the acquisition of library books as specified in the legislative language of the 2008 Senate Bill 471 whereas funds were distributed to public and charter schools through the Instructional Materials Bureau.

Coordinated Approach to Child Health (28140) – The purpose of this grant is to fund a research-based physical activity and nutrition diabetes prevention program for elementary school children in the Rio Rancho Public Schools. Authority for creation of this fund is Federal Law Section 204 of the Child Nutrition and WIC Reauthorization Act of 2004.

GRADS – Instruction (28190) – To assist in the cost for caps and gowns for students who are graduating.

Private Direct Grants (Categorical) (29102) – To account for local grants awarded to provide additional funding for specific projects.

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Nonmajor Governmental Fund Descriptions
June 30, 2011

Capital Projects Funds

Special Capital Outlay Local (31300) – To account for resources received from revenue generated by local sources for the purpose of remodeling and improvements on existing structures. Authority for the creation of this fund is the New Mexico Public Education Department.

Capital Improvements SB-9 (31700) – To account for resources received through Senate Bill 9 and local tax levies obtained for the purpose of building, remodeling, and equipping classroom facilities. Authority for the creation of this fund is the New Mexico Public Education Department.

Energy Efficiency Act (31800) – To account for school projects designed to increase the efficiency of the District’s buildings. The legislation allows the District to incur long-term contracts to complete these projects. Savings from the modifications made are used to fund the projects. This was approved by the Public Building Energy Efficiency Act (6-21-1 to 6-23-10, NMSA 1978)

Education Technology Equipment Act (31900) – To ensure that American children have skills they need to succeed in the information-intensive 21st century, the federal government is committed to working with the private sector to promote four major developments in American education: making modern computer technology an integral part of every classroom; providing information infrastructure; and encouraging the creation of excellent educational software. The authority for the creation of this fund is the Federal Property and Administrative Services Act of 1949, Ch. 288, 63 Stat 377, and the National Defense Authorization Act for the fiscal year 1996, Public Law 104-106.

Debt Service Funds

Ed Tech Debt Service (43000) – To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2011

	Special Revenue			
	Food Services	Athletics	Entitlement IDEA-B	Discretionary IDEA-B
<i>Assets</i>				
Cash and cash equivalents	\$ 335,981	\$ 63,218	\$ -	\$ -
Receivables:				
Property taxes	-	-	-	-
Due from other governments	-	-	215,769	11,693
Inventory	34,924	-	-	-
<i>Total assets</i>	\$ 370,905	\$ 63,218	\$ 215,769	\$ 11,693
<i>Liabilities</i>				
Accounts payable	\$ 954	\$ 269	\$ -	\$ -
Due to other governments	-	-	13,669	-
Accrued payroll	41,943	-	23,602	-
Deferred revenue:				
Property taxes	-	-	-	-
Other	-	-	-	-
Due to other funds	-	-	178,498	11,693
<i>Total liabilities</i>	42,897	269	215,769	11,693
<i>Fund balances</i>				
Nonspendable:				
Inventory	34,924	-	-	-
Spendable:				
Restricted for:				
Food services	106,084	-	-	-
Extracurricular activities	-	62,949	-	-
Education	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Debt service	-	-	-	-
Committed for:				
Subsequent year's expenditures	187,000	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	328,008	62,949	-	-
<i>Total liabilities and fund balances</i>	\$ 370,905	\$ 63,218	\$ 215,769	\$ 11,693

The accompanying notes are an integral part of these financial statements

Special Revenue

Preschool IDEA-B	IDEA-B Early Intervention Services	IDEA-B Private School Share	Fresh Fruits & Vegetables	IDEA-B "Risk Pool"
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
13,196	59,431	-	-	256
-	-	-	-	-
<u>\$ 13,196</u>	<u>\$ 59,431</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 256</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
897	4,564	-	-	-
-	-	-	-	-
-	-	-	-	-
12,299	54,867	-	-	256
<u>13,196</u>	<u>59,431</u>	<u>-</u>	<u>-</u>	<u>256</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 13,196</u>	<u>\$ 59,431</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 256</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2011

	Special Revenue			
	Enhancing Ed Thru Tech	Teacher/ Principal Training /Recruiting	Safe & Drug Free Schools & Community	Reading First
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables:				
Property taxes	-	-	-	-
Due from other governments	-	38,892	6,628	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>\$ 38,892</u>	<u>\$ 6,628</u>	<u>\$ -</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-
Accrued payroll	-	2,205	-	-
Deferred revenue:				
Property taxes	-	-	-	-
Other	-	-	-	-
Due to other funds	-	36,687	6,628	-
<i>Total liabilities</i>	<u>-</u>	<u>38,892</u>	<u>6,628</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	-	-	-	-
Education	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Debt service	-	-	-	-
Committed for:				
Subsequent year's expenditures	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ -</u>	<u>\$ 38,892</u>	<u>\$ 6,628</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				
Carl D. Perkins Secondary Current	Carl D. Perkins Secondary - PY Unliq. Obligations	Carl D. Perkins Secondary Redistribution	Carl D. Perkins Secondary Redistribution 2	Title I IASA Federal Stimulus
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
30,150	-	-	-	250,422
-	-	-	-	-
<u>\$ 30,150</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 250,422</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	84
-	-	-	-	-
-	-	-	-	-
30,150	-	-	-	250,338
<u>30,150</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,422</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 30,150</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 250,422</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2011

	Special Revenue			
	Entitlement IDEA- B Federal Stimulus	Preschool IDEA- B Federal Stimulus	Education of Homeless Federal Stimulus	Enhancing Ed Thru Technology Federal Stimulus
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables:				
Property taxes	-	-	-	-
Due from other governments	71,856	1,644	25	14,771
Inventory	-	-	-	-
<i>Total assets</i>	\$ 71,856	\$ 1,644	\$ 25	\$ 14,771
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-
Accrued payroll	73	-	-	-
Deferred revenue:				
Property taxes	-	-	-	-
Other	-	-	-	-
Due to other funds	71,783	1,644	25	14,771
<i>Total liabilities</i>	71,856	1,644	25	14,771
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	-	-	-	-
Education	-	-	-	-
Capital acquisitions and improvements	-	-	-	-
Debt service	-	-	-	-
Committed for:				
Subsequent year's expenditures	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	-	-	-	-
<i>Total liabilities and fund balances</i>	\$ 71,856	\$ 1,644	\$ 25	\$ 14,771

The accompanying notes are an integral part of these financial statements

Special Revenue				
Impact Aid Special Education	Title XIX Medicaid	TANF/GRADS HSD	ALAMO DOD	State Equalization Guarantee Federal Stimulus
\$ 119,495	\$ 636,059	\$ -	\$ 110,297	\$ -
-	-	-	-	-
-	62,128	-	215,179	-
-	-	-	-	-
<u>\$ 119,495</u>	<u>\$ 698,187</u>	<u>\$ -</u>	<u>\$ 325,476</u>	<u>\$ -</u>
\$ -	\$ 2,553	\$ -	\$ -	\$ -
-	-	-	-	-
-	2,870	-	1,196	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	5,423	-	1,196	-
-	-	-	-	-
-	-	-	-	-
63,067	153,657	-	204,667	-
-	-	-	-	-
-	-	-	-	-
56,428	539,107	-	119,613	-
-	-	-	-	-
<u>119,495</u>	<u>692,764</u>	<u>-</u>	<u>324,280</u>	<u>-</u>
<u>\$ 119,495</u>	<u>\$ 698,187</u>	<u>\$ -</u>	<u>\$ 325,476</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2011

	Special Revenue			
	DOD Education Activity	Education Jobs Fund Federal Stimulus	Reading is Fundamental	Dual Credit Instructional Materials
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ 600	\$ -
Receivables:				
Property taxes	-	-	-	-
Due from other governments	58,303	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 58,303</u>	<u>\$ -</u>	<u>\$ 600</u>	<u>\$ -</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-
Accrued payroll	66	-	-	-
Deferred revenue:				
Property taxes	-	-	-	-
Other	13,343	-	-	-
Due to other funds	58,237	-	-	-
<i>Total liabilities</i>	<u>71,646</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	-	-	-	-
Education	-	-	600	-
Capital acquisitions and improvements	-	-	-	-
Debt service	-	-	-	-
Committed for:				
Subsequent year's expenditures	-	-	-	-
Unassigned	(13,343)	-	-	-
<i>Total fund balances</i>	<u>(13,343)</u>	<u>-</u>	<u>600</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 58,303</u>	<u>\$ -</u>	<u>\$ 600</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				
Library GO Bonds 2009-2010	Technology for Education PED	Incentives for School Improvement Act	Truancy Prevention/ Intervention	Family & Youth Resource Program PED
\$ -	\$ 42,497	\$ 1,727	\$ -	\$ -
-	-	-	-	-
3,387	-	-	-	-
-	-	-	-	-
<u>\$ 3,387</u>	<u>\$ 42,497</u>	<u>\$ 1,727</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
3,387	-	-	-	-
<u>3,387</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	2,297	1,727	-	-
-	-	-	-	-
-	-	-	-	-
-	40,200	-	-	-
-	-	-	-	-
<u>-</u>	<u>42,497</u>	<u>1,727</u>	<u>-</u>	<u>-</u>
<u>\$ 3,387</u>	<u>\$ 42,497</u>	<u>\$ 1,727</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2011

	Special Revenue			
	Truancy Initiative PED	Beginning Teacher Mentoring Program	Breakfast for Elementary Students	School in Need of Improvement
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ 102	\$ 67	\$ -
Receivables:				
Property taxes	-	-	-	-
Due from other governments	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>\$ 102</u>	<u>\$ 67</u>	<u>\$ -</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-
Accrued payroll	-	-	-	-
Deferred revenue:				
Property taxes	-	-	-	-
Other	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	-	-	-	-
Education	-	102	67	-
Capital acquisitions and improvements	-	-	-	-
Debt service	-	-	-	-
Committed for:				
Subsequent year's expenditures	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>102</u>	<u>67</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ -</u>	<u>\$ 102</u>	<u>\$ 67</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				
Libraries - SB 301 GO Bonds- Laws of 2006	2008 Library Book Fund	Coordinated Approach to Child Health	GRADS - Instruction	Private Direct Grants (Categorical)
\$ -	\$ -	\$ -	\$ -	\$ 3,977
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,977</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	1,252
-	-	-	-	-
-	-	-	-	-
-	-	-	-	2,725
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,977</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,977</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2011

	Capital Project			
	Special Capital Outlay - Local	Capital Improvements SB- 9	Energy Efficiency Act	Education Technology Equipment Act
<i>Assets</i>				
Cash and cash equivalents	\$ 116,527	\$ 644,266	\$ 10	\$ 125,492
Receivables:				
Property taxes	-	107,131	-	-
Due from other governments	-	452,703	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 116,527</u>	<u>\$ 1,204,100</u>	<u>\$ 10</u>	<u>\$ 125,492</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ 18,604	\$ -	\$ -
Due to other governments	-	-	-	-
Accrued payroll	-	-	-	-
Deferred revenue:				
Property taxes	-	79,389	-	-
Other	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>97,993</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable:				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Food services	-	-	-	-
Extracurricular activities	-	-	-	-
Education	-	-	-	-
Capital acquisitions and improvements	-	442,439	10	3,753
Debt service	-	-	-	-
Committed for:				
Subsequent year's expenditures	116,527	663,668	-	121,739
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>116,527</u>	<u>1,106,107</u>	<u>10</u>	<u>125,492</u>
<i>Total liabilities and fund balances</i>	<u>\$ 116,527</u>	<u>\$ 1,204,100</u>	<u>\$ 10</u>	<u>\$ 125,492</u>

The accompanying notes are an integral part of these financial statements

<u>Debt Service</u>	
<u>Ed Tech Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 1,099,778	\$ 3,300,093
94,054	201,185
-	1,506,433
-	34,924
<u>\$ 1,193,832</u>	<u>\$ 5,042,635</u>
\$ -	\$ 22,380
-	13,669
-	77,500
68,865	148,254
-	13,343
-	731,263
<u>68,865</u>	<u>1,006,409</u>
-	34,924
-	106,084
-	62,949
-	427,436
-	446,202
41,162	41,162
1,083,805	2,930,812
-	(13,343)
<u>1,124,967</u>	<u>4,036,226</u>
<u>\$ 1,193,832</u>	<u>\$ 5,042,635</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2011

Special Revenue

	<u>Food Services</u>	<u>Athletics</u>	<u>Entitlement IDEA-B</u>	<u>Discretionary IDEA-B</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	1,816,581	-	1,160,632	35,713
Federal direct	-	-	-	-
Local sources	-	6,120	-	-
State flowthrough	-	-	-	-
State direct	120,884	-	-	-
Charges for services	742,151	85,849	-	-
Investment income	137	52	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	<u>2,679,753</u>	<u>92,021</u>	<u>1,160,632</u>	<u>35,713</u>
<i>Expenditures</i>				
Current:				
Instruction	-	127,471	497,742	33,983
Support services - students	-	-	600,629	-
Support services - instruction	-	-	30,051	-
Support services - general administration	-	-	32,210	1,730
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	2,623,335	-	-	-
Capital outlay	6,659	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,629,994</u>	<u>127,471</u>	<u>1,160,632</u>	<u>35,713</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>49,759</u>	<u>(35,450)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Remittal of prior year fund balance	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(100,000)	-	-	-
<i>Total other financing sources (uses)</i>	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(50,241)	(35,450)	-	-
<i>Fund balances - as originally stated</i>	378,249	98,399	-	-
<i>Fund balances - restatement (note 16)</i>	-	-	-	-
<i>Fund balances - as restated</i>	<u>378,249</u>	<u>98,399</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 328,008</u>	<u>\$ 62,949</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Preschool IDEA-B	IDEA-B Early Intervention Services	IDEA-B Private School Share	Fresh Fruits & Vegetables	IDEA-B "Risk Pool"
\$ -	\$ -	\$ -	\$ -	\$ -
65,802	228,225	-	39,585	5,218
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>65,802</u>	<u>228,225</u>	<u>-</u>	<u>39,585</u>	<u>5,218</u>
55,730	34,027	-	-	2,410
6,791	194,198	-	-	2,552
-	-	-	-	-
3,251	-	-	670	256
-	-	-	-	-
-	-	-	-	-
30	-	-	-	-
-	-	-	-	-
-	-	-	38,915	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>65,802</u>	<u>228,225</u>	<u>-</u>	<u>39,585</u>	<u>5,218</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2011

Special Revenue

	<u>Enhancing Ed Thru Tech</u>	<u>Teacher/ Principal Training /Recruiting</u>	<u>Safe & Drug Free Schools & Community</u>	<u>Reading First</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	425,702	8,113	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>425,702</u>	<u>8,113</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
Instruction	-	233,775	7,722	-
Support services - students	-	1,406	-	-
Support services - instruction	-	161,870	-	-
Support services - general administration	-	24,743	391	-
Support services - school administration	-	3,798	-	-
Central services	-	110	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>425,702</u>	<u>8,113</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Remittal of prior year fund balance	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - as originally stated</i>	-	-	-	-
<i>Fund balances - restatement (note 16)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - as restated</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Carl D. Perkins Secondary Current	Carl D. Perkins Secondary - PY Unliq. Obligations	Carl D. Perkins Secondary Redistribution	Carl D. Perkins Secondary Redistribution 2	Title I IASA Federal Stimulus
\$ -	\$ -	\$ -	\$ -	\$ -
67,164	24,695	11,486	5,137	500,040
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>67,164</u>	<u>24,695</u>	<u>11,486</u>	<u>5,137</u>	<u>500,040</u>
39,391	24,695	10,374	-	366,572
-	-	330	-	11,812
-	-	-	-	26,432
3,623	-	348	-	74,965
-	-	434	-	2,006
-	-	-	-	18,253
-	-	-	-	-
-	-	-	-	-
-	-	-	5,137	-
24,150	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>67,164</u>	<u>24,695</u>	<u>11,486</u>	<u>5,137</u>	<u>500,040</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2011

Special Revenue

	Entitlement IDEA- B Federal Stimulus	Preschool IDEA- B Federal Stimulus	Education of Homeless Federal Stimulus	Enhancing Ed Thru Technology Federal Stimulus
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	630,126	18,734	4,488	266,351
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	<u>630,126</u>	<u>18,734</u>	<u>4,488</u>	<u>266,351</u>
<i>Expenditures</i>				
Current:				
Instruction	169,540	10,398	2,688	124,387
Support services - students	230,063	8,336	-	-
Support services - instruction	-	-	-	18,550
Support services - general administration	32,038	-	-	13,612
Support services - school administration	-	-	-	109,802
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	198,485	-	1,800	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>630,126</u>	<u>18,734</u>	<u>4,488</u>	<u>266,351</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Remittal of prior year fund balance	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - as originally stated</i>	-	-	-	-
<i>Fund balances - restatement (note 16)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - as restated</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Impact Aid Special Education	Title XIX Medicaid	TANF/GRADS HSD	ALAMO DOD	State Equalization Guarantee Federal Stimulus
\$ -	\$ -	\$ -	\$ -	\$ -
108,291	-	-	-	439,990
-	482,189	7,449	215,179	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>108,291</u>	<u>482,189</u>	<u>7,449</u>	<u>215,179</u>	<u>439,990</u>
1,356	6,957	-	39,076	-
68,516	472,662	-	-	-
-	-	-	-	-
3,533	-	-	10,619	-
-	396	-	165,595	-
-	-	-	-	-
497	-	-	-	439,990
-	-	-	-	-
-	-	-	-	-
-	5,184	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>73,902</u>	<u>485,199</u>	<u>-</u>	<u>215,290</u>	<u>439,990</u>
<u>34,389</u>	<u>(3,010)</u>	<u>7,449</u>	<u>(111)</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	(7,449)	-	-
-	-	(7,449)	-	-
34,389	(3,010)	-	(111)	-
85,106	695,774	-	-	-
-	-	-	324,391	-
<u>85,106</u>	<u>695,774</u>	<u>-</u>	<u>324,391</u>	<u>-</u>
<u>\$ 119,495</u>	<u>\$ 692,764</u>	<u>\$ -</u>	<u>\$ 324,280</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2011

	Special Revenue			
	DOD Education Activity	Education Jobs Fund Federal Stimulus	Reading is Fundamental	Dual Credit Instructional Materials
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	350,216	1,185,473	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	600	38,403
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	<u>350,216</u>	<u>1,185,473</u>	<u>600</u>	<u>38,403</u>
<i>Expenditures</i>				
Current:				
Instruction	233,676	1,155,781	-	38,403
Support services - students	59,520	-	-	-
Support services - instruction	32,777	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	37,586	29,692	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>363,559</u>	<u>1,185,473</u>	<u>-</u>	<u>38,403</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(13,343)</u>	<u>-</u>	<u>600</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Remittal of prior year fund balance	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(13,343)	-	600	-
<i>Fund balances - as originally stated</i>	-	-	-	-
<i>Fund balances - restatement (note 16)</i>	-	-	-	-
<i>Fund balances - as restated</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ (13,343)</u>	<u>\$ -</u>	<u>\$ 600</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue				
Library GO Bonds 2009-2010	Technology for Education PED	Incentives for School Improvement Act	Truancy Prevention/ Intervention	Family & Youth Resource Program PED
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
44,215	-	-	15,000	3,597
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>44,215</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>3,597</u>
-	-	800	-	-
-	-	-	14,283	-
29,960	-	-	-	-
-	105	-	717	-
-	-	-	-	-
-	2,086	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>29,960</u>	<u>2,191</u>	<u>800</u>	<u>15,000</u>	<u>-</u>
<u>14,255</u>	<u>(2,191)</u>	<u>(800)</u>	<u>-</u>	<u>3,597</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>14,255</u>	<u>(2,191)</u>	<u>(800)</u>	<u>-</u>	<u>3,597</u>
(14,255)	44,688	2,527	-	(3,597)
-	-	-	-	-
<u>(14,255)</u>	<u>44,688</u>	<u>2,527</u>	<u>-</u>	<u>(3,597)</u>
\$ -	\$ 42,497	\$ 1,727	\$ -	\$ -

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2011

	Special Revenue			
	Truancy Initiative PED	Beginning Teacher Mentoring Program	Breakfast for Elementary Students	School in Need of Improvement
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	1,386	-	6,252	507
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous income	-	-	-	-
<i>Total revenues</i>	<u>1,386</u>	<u>-</u>	<u>6,252</u>	<u>507</u>
<i>Expenditures</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	6,226	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>6,226</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,386</u>	<u>-</u>	<u>26</u>	<u>507</u>
<i>Other financing sources (uses)</i>				
Remittal of prior year fund balance	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	1,386	-	26	507
<i>Fund balances - as originally stated</i>	(1,386)	102	41	(507)
<i>Fund balances - restatement (note 16)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - as restated</i>	<u>(1,386)</u>	<u>102</u>	<u>41</u>	<u>(507)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ 102</u>	<u>\$ 67</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Libraries - SB 301 GO Bonds-Laws of 2006	2008 Library Book Fund	Coordinated Approach to Child Health	GRADS - Instruction	Private Direct Grants (Categorical)
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
3,502	-	-	-	-
-	-	-	20,000	2,500
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>3,502</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>2,500</u>
-	-	-	27,449	7,021
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>27,449</u>	<u>7,021</u>
<u>3,502</u>	<u>-</u>	<u>-</u>	<u>(7,449)</u>	<u>(4,521)</u>
-	(1,395)	-	-	-
-	-	-	7,449	-
-	-	(34)	-	-
<u>-</u>	<u>(1,395)</u>	<u>(34)</u>	<u>7,449</u>	<u>-</u>
3,502	(1,395)	(34)	-	(4,521)
(3,502)	1,395	34	-	8,498
-	-	-	-	-
<u>(3,502)</u>	<u>1,395</u>	<u>34</u>	<u>-</u>	<u>8,498</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,977</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2011

Capital Projects

	Special Capital Outlay - Local	Capital Improvements SB- 9	Energy Efficiency Act	Education Technology Equipment Act
<i>Revenues</i>				
Property taxes	\$ -	\$ 1,232,526	\$ -	\$ -
Intergovernmental revenue:				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	452,703	198,984	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	3,247	-	999
Miscellaneous income	-	76	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,688,552</u>	<u>198,984</u>	<u>999</u>
<i>Expenditures</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	12,340	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	845,500	21,577	395,604
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	1,350,351	-	-
Debt Service:				
Principal	-	-	145,236	-
Interest	-	-	32,161	-
<i>Total expenditures</i>	<u>-</u>	<u>2,208,191</u>	<u>198,974</u>	<u>395,604</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(519,639)</u>	<u>10</u>	<u>(394,605)</u>
<i>Other financing sources (uses)</i>				
Remittal of prior year fund balance	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	(519,639)	10	(394,605)
<i>Fund balances - as originally stated</i>	116,527	1,625,746	-	520,097
<i>Fund balances - restatement (note 16)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - as restated</i>	<u>116,527</u>	<u>1,625,746</u>	<u>-</u>	<u>520,097</u>
<i>Fund balances - end of year</i>	<u>\$ 116,527</u>	<u>\$ 1,106,107</u>	<u>\$ 10</u>	<u>\$ 125,492</u>

The accompanying notes are an integral part of these financial statements

<u>Debt Service</u>	
<u>Ed Tech Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 1,104,464	\$ 2,336,990
-	7,397,762
-	704,817
-	6,120
-	765,149
-	143,384
-	828,000
236	4,671
-	76
<u>1,104,700</u>	<u>12,186,969</u>
-	3,251,424
-	1,671,098
-	299,640
10,955	226,106
-	349,309
-	20,449
-	1,703,198
-	200,285
-	2,673,613
-	1,386,344
1,000,000	1,145,236
79,700	111,861
<u>1,090,655</u>	<u>13,038,563</u>
<u>14,045</u>	<u>(851,594)</u>
-	(1,395)
-	7,449
-	(107,483)
<u>-</u>	<u>(101,429)</u>
14,045	(953,023)
1,110,922	4,664,858
-	324,391
<u>1,110,922</u>	<u>4,989,249</u>
<u>\$ 1,124,967</u>	<u>\$ 4,036,226</u>

STATE OF NEW MEXICO

Statement B-1

Alamogordo Municipal School District No. 1
 Food Services Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	1,280,939	1,427,869	1,659,357	231,488
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	113,785	113,785	120,884	7,099
Charges for services	639,464	639,464	742,151	102,687
Investment income	-	100	137	37
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,034,188</u>	<u>2,181,218</u>	<u>2,522,529</u>	<u>341,311</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	2,234,188	2,545,291	2,450,621	94,670
Capital outlay	-	6,659	6,659	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,234,188</u>	<u>2,551,950</u>	<u>2,457,280</u>	<u>94,670</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(200,000)</u>	<u>(370,732)</u>	<u>65,249</u>	<u>435,981</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	200,000	370,732	-	(370,732)
Transfers in	-	-	-	-
Transfers (out)	-	-	(100,000)	100,000
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>200,000</u>	<u>370,732</u>	<u>(100,000)</u>	<u>(270,732)</u>
<i>Net change in fund balance</i>	-	-	(34,751)	165,249
<i>Fund balance - beginning of year</i>	-	-	370,732	370,732
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 335,981</u>	<u>\$ 535,981</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (34,751)
Adjustments to revenues for commodities received				157,224
Adjustments to expenditures for food service operations				<u>(172,714)</u>
Net change in fund balance (GAAP Basis)				<u>\$ (50,241)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-2

Alamogordo Municipal School District No. 1

Athletics Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	6,120	6,120
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	75,000	75,000	85,849	10,849
Investment income	50	50	52	2
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>75,050</u>	<u>75,050</u>	<u>92,021</u>	<u>16,971</u>
<i>Expenditures</i>				
Current				
Instruction	165,050	173,449	127,202	46,247
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>165,050</u>	<u>173,449</u>	<u>127,202</u>	<u>46,247</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(90,000)</u>	<u>(98,399)</u>	<u>(35,181)</u>	<u>63,218</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	90,000	98,399	-	(98,399)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>90,000</u>	<u>98,399</u>	<u>-</u>	<u>(98,399)</u>
<i>Net change in fund balance</i>	-	-	(35,181)	(35,181)
<i>Fund balance - beginning of year</i>	-	-	98,399	98,399
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,218</u>	<u>\$ 63,218</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (35,181)
No adjustments to revenues				-
Adjustments to expenditures for travel expenses				(269)
Net change in fund balance (GAAP Basis)				<u>\$ (35,450)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-3

Alamogordo Municipal School District No. 1
 Entitlement IDEA-B Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	1,360,051	1,703,313	1,221,737	(481,576)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	1,360,051	1,703,313	1,221,737	(481,576)
<i>Expenditures</i>				
Current				
Instruction	605,310	932,164	474,140	458,024
Support services	754,741	771,149	662,890	108,259
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,360,051	1,703,313	1,137,030	566,283
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	84,707	84,707
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
<i>Net change in fund balance</i>	-	-	84,707	84,707
<i>Fund balance - beginning of year</i>	-	-	(263,205)	(263,205)
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ (178,498)	\$ (178,498)
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 84,707
Adjustments to revenues for federal grants				(61,105)
Adjustments to expenditures for payroll expenditures				(23,602)
Net change in fund balance (GAAP Basis)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-4

Alamogordo Municipal School District No. 1
 Discretionary IDEA-B Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	50,998	24,020	(26,978)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>50,998</u>	<u>24,020</u>	<u>(26,978)</u>
<i>Expenditures</i>				
Current				
Instruction	-	48,570	33,983	14,587
Support services	-	2,428	1,730	698
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>50,998</u>	<u>35,713</u>	<u>15,285</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(11,693)</u>	<u>(11,693)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(11,693)	(11,693)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,693)</u>	<u>\$ (11,693)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (11,693)
Adjustments to revenues for federal grants				11,693
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-5

Alamogordo Municipal School District No. 1
 Preschool IDEA-B Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	73,813	111,297	57,600	(53,697)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	73,813	111,297	57,600	(53,697)
<i>Expenditures</i>				
Current				
Instruction	64,451	99,062	54,833	44,229
Support services	6,362	12,205	10,042	2,163
Central services	-	-	-	-
Operation and maintenance of plant	-	30	30	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	70,813	111,297	64,905	46,392
<i>Excess (deficiency) of revenues over expenditures</i>	3,000	-	(7,305)	(7,305)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(3,000)	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Total other financing sources (uses)	(3,000)	-	-	-
<i>Net change in fund balance</i>	-	-	(7,305)	(7,305)
<i>Fund balance - beginning of year</i>	-	-	(4,994)	(4,994)
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ (12,299)	\$ (12,299)
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (7,305)
Adjustments to revenues for federal grants				8,202
Adjustments to expenditures for payroll expenditures				(897)
Net change in fund balance (GAAP Basis)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-6

Alamogordo Municipal School District No. 1
 IDEA-B Early Intervention Services Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	240,000	240,000	173,814	(66,186)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>240,000</u>	<u>240,000</u>	<u>173,814</u>	<u>(66,186)</u>
<i>Expenditures</i>				
Current				
Instruction	-	44,608	29,463	15,145
Support services	240,000	195,392	194,198	1,194
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>240,000</u>	<u>240,000</u>	<u>223,661</u>	<u>16,339</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(49,847)</u>	<u>(49,847)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(49,847)</u>	<u>(49,847)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(5,020)</u>	<u>(5,020)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (54,867)</u>	<u>\$ (54,867)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (49,847)
Adjustments to revenues for federal grants				54,411
Adjustments to expenditures for payroll expenditures				<u>(4,564)</u>
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-7

Alamogordo Municipal School District No. 1
 IDEA-B Private School Share Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	4,493	4,493	-	(4,493)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>4,493</u>	<u>4,493</u>	<u>-</u>	<u>(4,493)</u>
<i>Expenditures</i>				
Current				
Instruction	4,493	4,493	-	4,493
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,493</u>	<u>4,493</u>	<u>-</u>	<u>4,493</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-8

Alamogordo Municipal School District No. 1
 Fresh Fruits & Vegetables Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	43,450	39,585	(3,865)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>43,450</u>	<u>39,585</u>	<u>(3,865)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	2,070	670	1,400
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	41,380	38,915	2,465
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>43,450</u>	<u>39,585</u>	<u>3,865</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-9

Alamogordo Municipal School District No. 1
 IDEA-B "Risk Pool" Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	13,885	4,962	(8,923)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>13,885</u>	<u>4,962</u>	<u>(8,923)</u>
<i>Expenditures</i>				
Current				
Instruction	-	9,222	2,410	6,812
Support services	-	4,663	2,808	1,855
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>13,885</u>	<u>5,218</u>	<u>8,667</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(256)</u>	<u>(256)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(256)	(256)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (256)</u>	<u>\$ (256)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (256)
Adjustments to revenues for federal grants				256
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-10

Alamogordo Municipal School District No. 1
 Enhancing Ed Thru Tech Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variations
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Remittal of prior year fund balance	-	-	(41)	41
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(41)</u>	<u>41</u>
<i>Net change in fund balance</i>	-	-	(41)	41
<i>Fund balance - beginning of year</i>	-	-	41	41
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (41)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (41)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-11

Alamogordo Municipal School District No. 1
 Teacher/Principal Training/Recruiting Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	428,757	607,466	425,448	(182,018)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>428,757</u>	<u>607,466</u>	<u>425,448</u>	<u>(182,018)</u>
<i>Expenditures</i>				
Current				
Instruction	234,325	389,592	231,730	157,862
Support services	193,832	215,674	191,817	23,857
Central services	600	2,200	110	2,090
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>428,757</u>	<u>607,466</u>	<u>423,657</u>	<u>183,809</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1,791</u>	<u>1,791</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>1,791</u>	<u>1,791</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(38,478)</u>	<u>(38,478)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (36,687)</u>	<u>\$ (36,687)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 1,791
Adjustments to revenues for federal grants				254
Adjustments to expenditures for payroll expenditures				<u>(2,045)</u>
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-12

Alamogordo Municipal School District No. 1
 Safe & Drug Free Schools & Community Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	8,952	5,736	(3,216)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	8,952	5,736	(3,216)
<i>Expenditures</i>				
Current				
Instruction	-	8,524	7,722	802
Support services	-	428	391	37
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	8,952	8,113	839
Excess (deficiency) of revenues over expenditures	-	-	(2,377)	(2,377)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	(2,377)	(2,377)
Fund balance - beginning of year	-	-	(4,251)	(4,251)
Fund balance - end of year	\$ -	\$ -	\$ (6,628)	\$ (6,628)
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (2,377)
Adjustments to revenues for federal grants				2,377
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-13

Alamogordo Municipal School District No. 1
 Reading First Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	5,992	5,992
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>5,992</u>	<u>5,992</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>5,992</u>	<u>5,992</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	5,992	5,992
<i>Fund balance - beginning of year</i>	-	-	(5,992)	(5,992)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 5,992
Adjustments to revenues for federal grants recognized in the prior year				(5,992)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-14

Alamogordo Municipal School District No. 1
 Carl D. Perkins Secondary Current Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	68,193	76,091	50,674	(25,417)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>68,193</u>	<u>76,091</u>	<u>50,674</u>	<u>(25,417)</u>
<i>Expenditures</i>				
Current				
Instruction	64,988	48,318	39,391	8,927
Support services	3,205	3,623	3,623	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	24,150	24,150	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>68,193</u>	<u>76,091</u>	<u>67,164</u>	<u>8,927</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(16,490)</u>	<u>(16,490)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(16,490)</u>	<u>(16,490)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(13,660)</u>	<u>(13,660)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (30,150)</u>	<u>\$ (30,150)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (16,490)
Adjustments to revenues for federal flowthrough grants				16,490
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-15

Alamogordo Municipal School District No. 1
 Carl D. Perkins Secondary - PY Unliq. Obligations Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	25,345	24,695	(650)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	25,345	24,695	(650)
<i>Expenditures</i>				
Current				
Instruction	-	25,345	24,695	650
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	25,345	24,695	650
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-16

Alamogordo Municipal School District No. 1
 Carl D. Perkins Secondary Redistribution Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	11,486	11,486	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	11,486	11,486	-
<i>Expenditures</i>				
Current				
Instruction	-	10,374	10,374	-
Support services	-	1,112	1,112	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	11,486	11,486	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-17

Alamogordo Municipal School District No. 1
 Carl D. Perkins Secondary Redistribution 2 Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	5,206	5,137	(69)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>5,206</u>	<u>5,137</u>	<u>(69)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	5,206	5,137	69
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>5,206</u>	<u>5,137</u>	<u>69</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-18

Alamogordo Municipal School District No. 1
 Title I IASA Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	500,000	521,578	305,179	(216,399)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>500,000</u>	<u>521,578</u>	<u>305,179</u>	<u>(216,399)</u>
<i>Expenditures</i>				
Current				
Instruction	374,416	388,003	387,919	84
Support services	107,781	115,322	115,322	-
Central services	16,717	18,253	18,253	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>498,914</u>	<u>521,578</u>	<u>521,494</u>	<u>84</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,086</u>	<u>-</u>	<u>(216,315)</u>	<u>(216,315)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(1,086)	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(1,086)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(216,315)	(216,315)
<i>Fund balance - beginning of year</i>	-	-	(34,023)	(34,023)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (250,338)</u>	<u>\$ (250,338)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (216,315)
Adjustments to revenues for federal grants				194,861
Adjustments to expenditures for payroll expenditures				<u>21,454</u>
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-19

Alamogordo Municipal School District No. 1
Entitlement IDEA-B Federal Stimulus Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	672,791	684,379	11,588
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>672,791</u>	<u>684,379</u>	<u>11,588</u>
<i>Expenditures</i>				
Current				
Instruction	-	212,205	212,205	-
Support services	-	262,101	262,028	73
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	198,485	198,485	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>672,791</u>	<u>672,718</u>	<u>73</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>11,661</u>	<u>11,661</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	11,661	11,661
<i>Fund balance - beginning of year</i>	-	-	(83,444)	(83,444)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (71,783)</u>	<u>\$ (71,783)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 11,661
Adjustments to revenues for federal grants				(54,253)
Adjustments to expenditures for payroll expenditures				42,592
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-20

Alamogordo Municipal School District No. 1
 Preschool IDEA-B Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	18,085	18,734	17,515	(1,219)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>18,085</u>	<u>18,734</u>	<u>17,515</u>	<u>(1,219)</u>
<i>Expenditures</i>				
Current				
Instruction	7,500	10,398	10,398	-
Support services	10,585	8,336	8,336	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>18,085</u>	<u>18,734</u>	<u>18,734</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,219)</u>	<u>(1,219)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(1,219)	(1,219)
<i>Fund balance - beginning of year</i>	-	-	(425)	(425)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,644)</u>	<u>\$ (1,644)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (1,219)
Adjustments to revenues for federal grants				1,219
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-21

Alamogordo Municipal School District No. 1
 Education of Homeless Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	4,488	4,463	(25)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>4,488</u>	<u>4,463</u>	<u>(25)</u>
<i>Expenditures</i>				
Current				
Instruction	-	2,688	2,688	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	1,800	1,800	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>4,488</u>	<u>4,488</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(25)</u>	<u>(25)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(25)	(25)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (25)</u>	<u>\$ (25)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (25)
Adjustments to revenues for federal grants				25
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-22

Alamogordo Municipal School District No. 1
 Enhancing Ed Thru Technology Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	284,777	255,787	(28,990)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>284,777</u>	<u>255,787</u>	<u>(28,990)</u>
<i>Expenditures</i>				
Current				
Instruction	-	135,725	124,387	11,338
Support services	-	149,052	141,964	7,088
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>284,777</u>	<u>266,351</u>	<u>18,426</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(10,564)</u>	<u>(10,564)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(10,564)	(10,564)
<i>Fund balance - beginning of year</i>	-	-	(4,207)	(4,207)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,771)</u>	<u>\$ (14,771)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (10,564)
Adjustments to revenues for federal grants				10,564
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-23

Alamogordo Municipal School District No. 1
Impact Aid Special Education Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	85,455	108,291	22,836
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>85,455</u>	<u>108,291</u>	<u>22,836</u>
<i>Expenditures</i>				
Current				
Instruction	14,390	26,699	1,356	25,343
Support services	21,000	143,362	72,049	71,313
Central services	-	-	-	-
Operation and maintenance of plant	-	500	497	3
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>35,390</u>	<u>170,561</u>	<u>73,902</u>	<u>96,659</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(35,390)</u>	<u>(85,106)</u>	<u>34,389</u>	<u>119,495</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	35,390	85,106	-	(85,106)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>35,390</u>	<u>85,106</u>	<u>-</u>	<u>(85,106)</u>
<i>Net change in fund balance</i>	-	-	34,389	34,389
<i>Fund balance - beginning of year</i>	-	-	85,106	85,106
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,495</u>	<u>\$ 119,495</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 34,389
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 34,389</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-24

Alamogordo Municipal School District No. 1
 Title XIX Medicaid Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	360,000	-	461,714	461,714
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	360,000	-	461,714	461,714
<i>Expenditures</i>				
Current				
Instruction	-	10,000	6,957	3,043
Support services	580,000	638,221	467,635	170,586
Central services	-	300	-	300
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	5,600	5,184	416
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	580,000	654,121	479,776	174,345
<i>Excess (deficiency) of revenues over expenditures</i>	(220,000)	(654,121)	(18,062)	636,059
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	220,000	654,121	-	(654,121)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Total other financing sources (uses)	220,000	654,121	-	(654,121)
<i>Net change in fund balance</i>	-	-	(18,062)	(18,062)
<i>Fund balance - beginning of year</i>	-	-	654,121	654,121
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 636,059	\$ 636,059
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (18,062)
Adjustments to revenues for federal grants				20,475
Adjustments to expenditures for supplies and payroll expenditures				(5,423)
Net change in fund balance (GAAP Basis)				\$ (3,010)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-25

Alamogordo Municipal School District No. 1
TANF/GRADS HSD Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	(7,449)	7,449
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(7,449)</u>	<u>7,449</u>
<i>Net change in fund balance</i>	-	-	(7,449)	7,449
<i>Fund balance - beginning of year</i>	-	-	7,449	7,449
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,898</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (7,449)
Adjustments to revenues for federal grants				7,449
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-26

Alamogordo Municipal School District No. 1
ALAMO DOD Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	238,833	186,462	186,462	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>238,833</u>	<u>186,462</u>	<u>186,462</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	139,754	127,684	39,076	88,608
Support services	249,079	196,707	175,018	21,689
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>388,833</u>	<u>324,391</u>	<u>214,094</u>	<u>110,297</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(150,000)</u>	<u>(137,929)</u>	<u>(27,632)</u>	<u>110,297</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	150,000	137,929	-	(137,929)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>150,000</u>	<u>137,929</u>	<u>-</u>	<u>(137,929)</u>
<i>Net change in fund balance</i>	-	-	(27,632)	(27,632)
<i>Fund balance - beginning of year</i>	-	-	137,929	137,929
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 110,297</u>	<u>\$ 110,297</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (27,632)
Adjustments to revenues for federal grants				28,717
Adjustments to expenditures for payroll expenditures				(1,196)
Net change in fund balance (GAAP Basis)				<u>\$ (111)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-27

Alamogordo Municipal School District No. 1
 State Equalization Guarantee Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	428,910	439,990	439,990	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>428,910</u>	<u>439,990</u>	<u>439,990</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	428,910	439,990	439,990	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>428,910</u>	<u>439,990</u>	<u>439,990</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-28

Alamogordo Municipal School District No. 1
DOD Education Activity Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	520,424	305,256	(215,168)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>520,424</u>	<u>305,256</u>	<u>(215,168)</u>
<i>Expenditures</i>				
Current				
Instruction	-	338,982	233,610	105,372
Support services	-	181,442	129,883	51,559
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>520,424</u>	<u>363,493</u>	<u>156,931</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(58,237)</u>	<u>(58,237)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(58,237)	(58,237)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (58,237)</u>	<u>\$ (58,237)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (58,237)
Adjustments to revenues for federal grants				44,960
Adjustments to expenditures for payroll expenditures				(66)
Net change in fund balance (GAAP Basis)				<u>\$ (13,343)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-29

Alamogordo Municipal School District No. 1
 Education Jobs Fund Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	1,185,474	1,185,473	(1)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,185,474</u>	<u>1,185,473</u>	<u>(1)</u>
<i>Expenditures</i>				
Current				
Instruction	-	1,155,781	1,155,781	-
Support services	-	29,693	29,692	1
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,185,474</u>	<u>1,185,473</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-30

Alamogordo Municipal School District No. 1
Reading is Fundamental Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	600	600	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	600	600	-
<i>Expenditures</i>				
Current				
Instruction	-	600	-	600
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	600	-	600
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	600	600
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	-	-	600	600
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 600	\$ 600
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 600
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ 600

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-31

Alamogordo Municipal School District No. 1
Dual Credit Instructional Materials Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	40,516	51,314	10,798
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>40,516</u>	<u>51,314</u>	<u>10,798</u>
<i>Expenditures</i>				
Current				
Instruction	-	40,516	38,403	2,113
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>40,516</u>	<u>38,403</u>	<u>2,113</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>12,911</u>	<u>12,911</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	12,911	12,911
<i>Fund balance - beginning of year</i>	-	-	(12,911)	(12,911)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 12,911
Adjustments to revenues for state grants				(12,911)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-32

Alamogordo Municipal School District No. 1
 Library GO Bonds 2009-2010 Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	33,021	40,828	7,807
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	33,021	40,828	7,807
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	33,021	29,960	3,061
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	33,021	29,960	3,061
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	10,868	10,868
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	-	-	10,868	10,868
<i>Fund balance - beginning of year</i>	-	-	(14,255)	(14,255)
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ (3,387)	\$ (3,387)
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 10,868
Adjustments to revenues for state grants				3,387
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				\$ 14,255

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-33

Alamogordo Municipal School District No. 1
 Technology for Education PED Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	2,101	2,128	105	2,023
Central services	42,019	42,560	2,086	40,474
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>44,120</u>	<u>44,688</u>	<u>2,191</u>	<u>42,497</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(44,120)</u>	<u>(44,688)</u>	<u>(2,191)</u>	<u>42,497</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	44,120	44,688	-	(44,688)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>44,120</u>	<u>44,688</u>	<u>-</u>	<u>(44,688)</u>
<i>Net change in fund balance</i>	-	-	(2,191)	(2,191)
<i>Fund balance - beginning of year</i>	-	-	44,688	44,688
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,497</u>	<u>\$ 42,497</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (2,191)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (2,191)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-34

Alamogordo Municipal School District No. 1
 Incentives for School Improvement Act Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	2,527	800	1,727
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>2,527</u>	<u>800</u>	<u>1,727</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(2,527)</u>	<u>(800)</u>	<u>1,727</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	2,527	-	(2,527)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>2,527</u>	<u>-</u>	<u>(2,527)</u>
<i>Net change in fund balance</i>	-	-	(800)	(800)
<i>Fund balance - beginning of year</i>	-	-	2,527	2,527
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,727</u>	<u>\$ 1,727</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (800)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (800)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-35

Alamogordo Municipal School District No. 1
 Truancy Prevention/Intervention Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	15,000	15,000	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	15,000	15,000	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-36

Alamogordo Municipal School District No. 1
 Family & Youth Resource Program PED Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	3,597	3,597
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>3,597</u>	<u>3,597</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>3,597</u>	<u>3,597</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	3,597	3,597
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(3,597)</u>	<u>(3,597)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 3,597
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 3,597</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-37

Alamogordo Municipal School District No. 1
 Truancy Initiative PED Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	1,386	1,386
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1,386</u>	<u>1,386</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1,386</u>	<u>1,386</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	1,386	1,386
<i>Fund balance - beginning of year</i>	-	-	(1,386)	(1,386)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 1,386
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 1,386</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-38

Alamogordo Municipal School District No. 1
 Beginning Teacher Mentoring Program Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	102	102
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102</u>	<u>\$ 102</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-39

Alamogordo Municipal School District No. 1
 Breakfast for Elementary Students Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	6,252	6,252	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>6,252</u>	<u>6,252</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	6,252	6,226	26
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>6,252</u>	<u>6,226</u>	<u>26</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>26</u>	<u>26</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	26	26
<i>Fund balance - beginning of year</i>	-	-	41	41
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67</u>	<u>\$ 67</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 26
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 26</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-40

Alamogordo Municipal School District No. 1
 School in Need of Improvement Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	6,621	6,621
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>6,621</u>	<u>6,621</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>6,621</u>	<u>6,621</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	6,621	6,621
<i>Fund balance - beginning of year</i>	-	-	(6,621)	(6,621)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 6,621
Adjustments to revenues for state grants recognized in the prior year				(6,114)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 507</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-41

Alamogordo Municipal School District No. 1
 Libraries - SB 301 GO Bonds - Laws of 2006 Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	3,502	3,502
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>3,502</u>	<u>3,502</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>3,502</u>	<u>3,502</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	3,502	3,502
<i>Fund balance - beginning of year</i>	-	-	(3,502)	(3,502)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 3,502
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 3,502</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-42

Alamogordo Municipal School District No. 1
 2008 Library Book Fund Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Remittal of prior year fund balance	-	-	(1,395)	1,395
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(1,395)</u>	<u>1,395</u>
<i>Net change in fund balance</i>	-	-	(1,395)	1,395
<i>Fund balance - beginning of year</i>	-	-	1,395	1,395
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,790</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (1,395)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (1,395)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-43

Alamogordo Municipal School District No. 1
 Coordinated Approach to Child Health Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	(34)	34
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(34)</u>	<u>34</u>
<i>Net change in fund balance</i>	-	-	(34)	34
<i>Fund balance - beginning of year</i>	-	-	34	34
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (34)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (34)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-44

Alamogordo Municipal School District No. 1
 GRADS - Instruction Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	20,000	20,000	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	27,449	27,449	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>27,449</u>	<u>27,449</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(7,449)</u>	<u>(7,449)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	7,449	-	(7,449)
Transfers in	-	-	7,449	(7,449)
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>7,449</u>	<u>7,449</u>	<u>(14,898)</u>
<i>Net change in fund balance</i>	-	-	-	(14,898)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,898)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-45

Alamogordo Municipal School District No. 1
Private Direct Grants (Categorical) Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	2,500	2,500	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>2,500</u>	<u>2,500</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	13,498	12,021	1,477
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	2,500	-	2,500
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>15,998</u>	<u>12,021</u>	<u>3,977</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(13,498)</u>	<u>(9,521)</u>	<u>3,977</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	13,498	-	(13,498)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>13,498</u>	<u>-</u>	<u>(13,498)</u>
<i>Net change in fund balance</i>	-	-	(9,521)	(9,521)
<i>Fund balance - beginning of year</i>	-	-	13,498	13,498
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,977</u>	<u>\$ 3,977</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (9,521)
No adjustments to revenues				-
Adjustments to expenditures for payroll expenditures recognized in the prior year				<u>5,000</u>
Net change in fund balance (GAAP Basis)				<u>\$ (4,521)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-46

Alamogordo Municipal School District No. 1
 Bond Building Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	8,608	8,608
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>8,608</u>	<u>8,608</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	325,000	877,620	449,282	428,338
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	1,750,000	9,026,913	5,879,222	3,147,691
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,075,000</u>	<u>9,904,533</u>	<u>6,328,504</u>	<u>3,576,029</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,075,000)</u>	<u>(9,904,533)</u>	<u>(6,319,896)</u>	<u>3,584,637</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	2,075,000	3,294,533	-	(3,294,533)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	6,610,000	10,000,000	3,390,000
<i>Total other financing sources (uses)</i>	<u>2,075,000</u>	<u>9,904,533</u>	<u>10,000,000</u>	<u>95,467</u>
<i>Net change in fund balance</i>	-	-	3,680,104	3,680,104
<i>Fund balance - beginning of year</i>	-	-	3,294,533	3,294,533
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,974,637</u>	<u>\$ 6,974,637</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 3,680,104
No adjustments to revenues				-
Adjustments to expenditures for capital outlay expenditures				<u>67,734</u>
Net change in fund balance (GAAP Basis)				<u>\$ 3,747,838</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-47

Alamogordo Municipal School District No. 1
 Special Capital Outlay - Local Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	116,527	116,527
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,527</u>	<u>\$ 116,527</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-48

Alamogordo Municipal School District No. 1
 Capital Improvements SB-9 Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 1,221,118	\$ 1,221,118	\$ 1,234,011	\$ 12,893
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	452,703	-	(452,703)
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	3,247	3,247
Miscellaneous	-	-	89,726	89,726
<i>Total revenues</i>	<u>1,221,118</u>	<u>1,673,821</u>	<u>1,326,984</u>	<u>(346,837)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	8,144	12,244	12,340	(96)
Central services	-	-	-	-
Operation and maintenance of plant	569,369	1,042,862	827,282	215,580
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	1,021,118	2,125,583	1,349,965	775,618
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,598,631</u>	<u>3,180,689</u>	<u>2,189,587</u>	<u>991,102</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(377,513)</u>	<u>(1,506,868)</u>	<u>(862,603)</u>	<u>644,265</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	377,513	1,506,868	-	(1,506,868)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>377,513</u>	<u>1,506,868</u>	<u>-</u>	<u>(1,506,868)</u>
<i>Net change in fund balance</i>	-	-	(862,603)	(862,603)
<i>Fund balance - beginning of year</i>	-	-	1,506,869	1,506,869
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 644,266</u>	<u>\$ 644,266</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (862,603)
Adjustments to revenues for property taxes and state grants				361,568
Adjustments to expenditures for capital outlay expenditures				<u>(18,604)</u>
Net change in fund balance (GAAP Basis)				<u>\$ (519,639)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-49

Alamogordo Municipal School District No. 1
 Energy Efficiency Act Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	198,984	198,984	198,984	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>198,984</u>	<u>198,984</u>	<u>198,984</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	198,984	198,984	198,974	10
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>198,984</u>	<u>198,984</u>	<u>198,974</u>	<u>10</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>10</u>	<u>10</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	10	10
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 10</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 10
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 10</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-50

Alamogordo Municipal School District No. 1
 Education Technology Equipment Act Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	999	999
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>999</u>	<u>999</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	489,523	520,097	395,604	124,493
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>489,523</u>	<u>520,097</u>	<u>395,604</u>	<u>124,493</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(489,523)</u>	<u>(520,097)</u>	<u>(394,605)</u>	<u>125,492</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	489,523	520,097	-	(520,097)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>489,523</u>	<u>520,097</u>	<u>-</u>	<u>(520,097)</u>
<i>Net change in fund balance</i>	-	-	(394,605)	(394,605)
<i>Fund balance - beginning of year</i>	-	-	520,097	520,097
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,492</u>	<u>\$ 125,492</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (394,605)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (394,605)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-51

Alamogordo Municipal School District No. 1

Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 2,683,973	\$ 2,683,973	\$ 2,853,710	\$ 169,737
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	5,000	5,000	6,251	1,251
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,688,973</u>	<u>2,688,973</u>	<u>2,859,961</u>	<u>170,988</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	26,840	26,840	28,537	(1,697)
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	4,374,384	4,866,278	2,175,000	2,691,278
Interest	508,973	508,973	508,973	-
<i>Total expenditures</i>	<u>4,910,197</u>	<u>5,402,091</u>	<u>2,712,510</u>	<u>2,689,581</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,221,224)</u>	<u>(2,713,118)</u>	<u>147,451</u>	<u>2,860,569</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	2,221,224	2,713,118	-	(2,713,118)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond premium	-	-	152,060	152,060
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,221,224</u>	<u>2,713,118</u>	<u>152,060</u>	<u>(2,561,058)</u>
<i>Net change in fund balance</i>	-	-	299,511	299,511
<i>Fund balance - beginning of year</i>	-	-	2,713,118	2,713,118
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,012,629</u>	<u>\$ 3,012,629</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 299,511
Adjustments to revenues for property taxes				(3,135)
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 296,376</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-52

Alamogordo Municipal School District No. 1

Ed Tech Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 1,079,700	\$ 1,079,700	\$ 1,095,595	\$ 15,895
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	236	236
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,079,700</u>	<u>1,079,700</u>	<u>1,095,831</u>	<u>16,131</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services	10,797	10,797	10,955	(158)
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	1,871,364	2,083,805	1,000,000	1,083,805
Interest	79,700	79,700	79,700	-
<i>Total expenditures</i>	<u>1,961,861</u>	<u>2,174,302</u>	<u>1,090,655</u>	<u>1,083,647</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(882,161)</u>	<u>(1,094,602)</u>	<u>5,176</u>	<u>1,099,778</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	882,161	1,094,602	-	(1,094,602)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond premium	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>882,161</u>	<u>1,094,602</u>	<u>-</u>	<u>(1,094,602)</u>
<i>Net change in fund balance</i>	-	-	5,176	5,176
<i>Fund balance - beginning of year</i>	-	-	1,094,602	1,094,602
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,099,778</u>	<u>\$ 1,099,778</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 5,176
Adjustments to revenues for property taxes				8,869
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ 14,045</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Balance Sheet
 General Fund
 June 30, 2011

Statement C-1

	Operating	Pupil Transportation	Instructional Materials	Total
ASSETS				
<i>Current Assets</i>				
Cash and cash equivalents	\$ 3,158,004	\$ -	\$ 175,072	\$ 3,333,076
Receivables:				
Property taxes	22,194	-	-	22,194
Due from other funds	863,195	-	-	863,195
 <i>Total assets</i>	 \$ 4,043,393	 \$ -	 \$ 175,072	 \$ 4,218,465
 LIABILITIES AND FUND BALANCES				
<i>Current Liabilities</i>				
Accounts payable	\$ 113,625	\$ -	\$ -	\$ 113,625
Accrued payroll	527,609	-	-	527,609
Deferred revenue:				
Property taxes	16,469	-	-	16,469
 <i>Total liabilities</i>	 657,703	 -	 -	 657,703
 <i>Fund Balances</i>				
Spendable:				
Restricted for:				
Instructional materials	-	-	175,072	175,072
Committed for:				
Subsequent year's expenditures	2,177,340	-	-	2,177,340
Unassigned	1,208,350	-	-	1,208,350
 <i>Total fund balances</i>	 3,385,690	 -	 175,072	 3,560,762
 <i>Total liabilities and fund balances</i>	 \$ 4,043,393	 \$ -	 \$ 175,072	 \$ 4,218,465

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 General Fund
 For the Year Ended June 30, 2011

Statement C-2

	Operating	Pupil Transportation	Instructional Materials	Total
<i>Revenues:</i>				
Property taxes	\$ 244,400	\$ -	\$ -	\$ 244,400
Intergovernmental revenue:				
Federal flowthrough	229,217	-	-	229,217
Federal direct	1,136,891	-	-	1,136,891
State flowthrough	100,543	-	251,972	352,515
State direct	40,300,564	-	-	40,300,564
Transportation distribution	-	1,167,660	-	1,167,660
Charges for services	100,405	-	-	100,405
Investment income	46,094	-	-	46,094
Miscellaneous	9,037	-	-	9,037
<i>Total revenues</i>	<u>42,167,151</u>	<u>1,167,660</u>	<u>251,972</u>	<u>43,586,783</u>
<i>Expenditures:</i>				
Current:				
Instruction	26,035,859	-	299,926	26,335,785
Support services - students	3,614,654	-	-	3,614,654
Support services - instruction	813,897	-	18,698	832,595
Support services - general administration	662,542	-	-	662,542
Support services - school administration	2,108,327	-	-	2,108,327
Central services	2,006,084	-	-	2,006,084
Operation and maintenance plant	5,636,101	-	-	5,636,101
Student transportation	5,260	1,168,014	-	1,173,274
Other support services	73,544	-	-	73,544
Food services operations	24,639	-	-	24,639
<i>Total expenditures</i>	<u>40,980,907</u>	<u>1,168,014</u>	<u>318,624</u>	<u>42,467,545</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,186,244</u>	<u>(354)</u>	<u>(66,652)</u>	<u>1,119,238</u>
<i>Other financing sources (uses):</i>				
Transfers in	102,534	-	-	102,534
<i>Total other financing sources (uses)</i>	<u>102,534</u>	<u>-</u>	<u>-</u>	<u>102,534</u>
<i>Net change in fund balances</i>	1,288,778	(354)	(66,652)	1,221,772
<i>Fund balances - beginning of year</i>	<u>2,096,912</u>	<u>354</u>	<u>241,724</u>	<u>2,338,990</u>
<i>Fund balances - end of year</i>	<u>\$ 3,385,690</u>	<u>\$ -</u>	<u>\$ 175,072</u>	<u>\$ 3,560,762</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-3

Alamogordo Municipal School District No. 1

Operating Fund

Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ 240,093	\$ 240,093	\$ 243,067	\$ 2,974
Intergovernmental revenue:				
Federal flowthrough	95,277	95,277	229,217	133,940
Federal direct	1,181,784	1,181,784	1,136,891	(44,893)
Local sources	-	-	-	-
State flowthrough	3,000	3,000	100,543	97,543
State direct	40,547,180	40,266,766	40,300,564	33,798
Transportation distribution	-	-	-	-
Charges for services	61,460	63,960	105,586	41,626
Investment income	35,000	35,000	46,094	11,094
Miscellaneous	-	-	9,037	9,037
<i>Total revenues</i>	<u>42,163,794</u>	<u>41,885,880</u>	<u>42,170,999</u>	<u>285,119</u>
<i>Expenditures:</i>				
Current:				
Instruction	26,463,171	26,390,977	26,057,409	333,568
Support services - students	4,040,219	3,803,368	3,614,143	189,225
Support services - instruction	894,611	879,591	813,982	65,609
Support services - general administration	678,045	755,100	663,504	91,596
Support services - school administration	2,150,092	2,198,538	2,108,388	90,150
Central services	2,243,542	2,140,448	2,006,242	134,206
Operation and maintenance of plant	5,252,704	6,283,986	5,618,244	665,742
Student transportation	5,300	45,696	5,260	40,436
Other support services	472,203	1,542,203	1,333,558	208,645
Food services operations	-	25,000	24,639	361
Capital Outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>42,199,887</u>	<u>44,064,907</u>	<u>42,245,369</u>	<u>1,819,538</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(36,093)</u>	<u>(2,179,027)</u>	<u>(74,370)</u>	<u>2,104,657</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	36,093	2,179,027	-	(2,179,027)
Transfers in	-	-	102,534	102,534
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>36,093</u>	<u>2,179,027</u>	<u>102,534</u>	<u>(2,076,493)</u>
<i>Net change in fund balance</i>	-	-	28,164	28,164
<i>Fund balance - beginning of year</i>	-	-	3,993,035	3,993,035
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,021,199</u>	<u>\$ 4,021,199</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ 28,164
Adjustments to revenues for taxes and state flowthrough grants				(3,848)
Adjustments to expenditures for supplies and payroll expenditures				1,264,462
Net change in fund balance (GAAP Basis)				<u>\$ 1,288,778</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Pupil Transportation Fund
 Statement of Revenues, Expenditures, and Changes in
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

Statement C-4

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Transportation distribution	1,165,481	1,167,660	1,167,660	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,165,481</u>	<u>1,167,660</u>	<u>1,167,660</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	1,165,481	1,168,016	1,168,016	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital Outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,165,481</u>	<u>1,168,016</u>	<u>1,168,016</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(356)</u>	<u>(356)</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	356	-	(356)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>356</u>	<u>-</u>	<u>(356)</u>
<i>Net change in fund balance</i>	-	-	(356)	(356)
<i>Fund balance - beginning of year</i>	-	-	356	356
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (356)
No adjustments to revenues				-
Adjustments to expenditures for payroll expenditures recognized in the prior year				<u>2</u>
Net change in fund balance (GAAP Basis)				<u>\$ (354)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Instructional Materials Fund
 Statement of Revenues, Expenditures, and Changes in
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2011

Statement C-5

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	218,077	251,972	251,972	-
State direct	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>218,077</u>	<u>251,972</u>	<u>251,972</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	352,980	459,284	299,926	159,358
Support services - students	-	-	-	-
Support services - instruction	38,412	38,412	18,698	19,714
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital Outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>391,392</u>	<u>497,696</u>	<u>318,624</u>	<u>179,072</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(173,315)</u>	<u>(245,724)</u>	<u>(66,652)</u>	<u>179,072</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	173,315	245,724	-	(245,724)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>173,315</u>	<u>245,724</u>	<u>-</u>	<u>(245,724)</u>
<i>Net change in fund balance</i>	-	-	(66,652)	(66,652)
<i>Fund balance - beginning of year</i>	-	-	241,724	241,724
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 175,072</u>	<u>\$ 175,072</u>
Net change in fund balance (Non-GAAP Budgetary Basis)				\$ (66,652)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP Basis)				<u>\$ (66,652)</u>

The accompanying notes are an integral part of these financial statements

SUPPORTING SCHEDULES

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STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Deposit and Investment Accounts
 June 30, 2011

Schedule I

<u>Bank Account Type/Name</u>	<u>First American Bank</u>	<u>First National Bank</u>	<u>Wells Fargo Bank</u>	<u>Total</u>
Capital Projects	\$ 1,105,002	\$ -	\$ -	\$ 1,105,002
Capital Projects	6,768,649	-	-	6,768,649
Debt Service	4,112,407	-	-	4,112,407
Nutrition Services	-	308,458	-	308,458
Athletics	-	64,320	-	64,320
Activity	-	916,605	-	916,605
Payroll	-	2,886,762	-	2,886,762
Operational	-	-	3,943,496	3,943,496
Total	11,986,058	4,176,145	3,943,496	20,105,699
Reconciling items	<u>(12,719)</u>	<u>(2,879,855)</u>	<u>304,731</u>	<u>(2,587,843)</u>
Reconciled balance June 30, 2011	<u><u>\$ 11,973,339</u></u>	<u><u>\$ 1,296,290</u></u>	<u><u>\$ 4,248,227</u></u>	<u>17,517,856</u>
Plus: Petty Cash				350
Less: restricted cash per Exhibit A-1				(4,112,407)
Less: agency cash per Exhibit D-1				<u>(897,771)</u>
Cash and cash equivalents per Exhibit A-1				<u><u>\$ 12,508,028</u></u>

See accompanying independent auditors' report

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Cash Reconciliation
 For the Year Ended June 30, 2011

	<u>Operational</u>	<u>Transportation</u>	<u>Instructional Materials</u>	<u>Food Services</u>
Audited Cash				
June 30, 2010	\$ 3,448,573	\$ 356	\$ 241,724	\$ 370,732
Total cash June 30, 2010	<u>3,448,573</u>	<u>356</u>	<u>241,724</u>	<u>370,732</u>
Add:				
Current year receipts	42,273,533	1,167,660	251,972	2,522,529
Repayment of prior year loans	544,462	-	-	-
Loans from other funds	-	-	-	-
Bond proceeds	-	-	-	-
Total cash available	<u>46,266,568</u>	<u>1,168,016</u>	<u>493,696</u>	<u>2,893,261</u>
Less:				
Current year expenditures	42,245,369	1,168,016	318,624	2,557,280
Repayment of prior year loans	-	-	-	-
Loans to other funds	<u>863,195</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash	<u>3,158,004</u>	<u>-</u>	<u>175,072</u>	<u>335,981</u>
Total cash balance, June 30, 2011	<u><u>\$ 3,158,004</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 175,072</u></u>	<u><u>\$ 335,981</u></u>

See accompanying independent auditor's report

<u>Athletics</u>	<u>Non- Instructional</u>	<u>Federal Flowthrough</u>	<u>Federal Direct</u>	<u>Local/State Grants</u>	<u>State Flowthrough</u>
\$ 98,399	\$ 826,630	\$ 41	\$ 884,605	\$ -	\$ 48,753
<u>98,399</u>	<u>826,630</u>	<u>41</u>	<u>884,605</u>	<u>-</u>	<u>48,753</u>
92,021	885,967	4,982,218	2,687,186	600	128,500
-	-	-	-	-	-
-	-	801,571	58,237	-	3,387
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>190,420</u>	<u>1,712,597</u>	<u>5,783,830</u>	<u>3,630,028</u>	<u>600</u>	<u>180,640</u>
127,202	814,826	5,281,640	2,764,177	-	93,975
-	-	502,190	-	-	42,272
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>63,218</u>	<u>897,771</u>	<u>-</u>	<u>865,851</u>	<u>600</u>	<u>44,393</u>
<u>\$ 63,218</u>	<u>\$ 897,771</u>	<u>\$ -</u>	<u>\$ 865,851</u>	<u>\$ 600</u>	<u>\$ 44,393</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Cash Reconciliation
 For the Year Ended June 30, 2011

	<u>State Direct</u>	<u>Local/State Fund</u>	<u>Bond Building</u>	<u>Special Capital Outlay-Local</u>
Audited Cash				
June 30, 2010	\$ 34	\$ 13,498	\$ 3,294,533	\$ 116,527
Total cash June 30, 2010	<u>34</u>	<u>13,498</u>	<u>3,294,533</u>	<u>116,527</u>
Add:				
Current year receipts	27,449	2,500	8,608	-
Repayment of prior year loans	-	-	-	-
Loans from other funds	-	-	-	-
Bond proceeds	<u>-</u>	<u>-</u>	<u>10,000,000</u>	<u>-</u>
Total cash available	<u>27,483</u>	<u>15,998</u>	<u>13,303,141</u>	<u>116,527</u>
Less:				
Current year expenditures	27,483	12,021	6,328,504	-
Repayment of prior year loans	-	-	-	-
Loans to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash	<u>-</u>	<u>3,977</u>	<u>6,974,637</u>	<u>116,527</u>
Total cash balance, June 30, 2011	<u><u>\$ -</u></u>	<u><u>\$ 3,977</u></u>	<u><u>\$ 6,974,637</u></u>	<u><u>\$ 116,527</u></u>

See accompanying independent auditor's report

Capital Improvements SB9	Energy Efficient Act	Educational Technology Equipment Act	Debt Service	Ed. Tech. Debt Service	Total
\$ 1,506,869	\$ -	\$ 520,097	\$ 2,713,118	\$ 1,094,602	\$ 15,179,091
<u>1,506,869</u>	<u>-</u>	<u>520,097</u>	<u>2,713,118</u>	<u>1,094,602</u>	<u>15,179,091</u>
1,326,984	198,984	999	3,012,021	1,095,831	60,665,562
-	-	-	-	-	544,462
-	-	-	-	-	863,195
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000,000</u>
<u>2,833,853</u>	<u>198,984</u>	<u>521,096</u>	<u>5,725,139</u>	<u>2,190,433</u>	<u>87,252,310</u>
2,189,587	198,974	395,604	2,712,510	1,090,655	68,326,447
-	-	-	-	-	544,462
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>863,195</u>
<u>644,266</u>	<u>10</u>	<u>125,492</u>	<u>3,012,629</u>	<u>1,099,778</u>	<u>17,518,206</u>
<u>\$ 644,266</u>	<u>\$ 10</u>	<u>\$ 125,492</u>	<u>\$ 3,012,629</u>	<u>\$ 1,099,778</u>	<u>\$ 17,518,206</u>

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2011

Schedule III

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2011</u>
First American Bank				
	Los Lunas NM School District**	7/15/2019	545562NG1	\$ 250,000
	MBS GNMA I 20 Yr SF-61574	8/15/2023	36290SBP5	42,561
	MBS GNMA I Platinum	2/15/2024	36241KZU5	<u>169,830</u>
	Total First American Bank			<u>462,391</u>
Name and location of safekeeper for above pledged collateral: Federal Home Loan Bank, Dallas, TX				
First National Bank				
	FNMA Pool #MAD023	4/1/2029	31417YAZ0	1,078,753
	FNMA Pool #909295	1/1/2037	31411JGC4	2,380,671
	FNMA Pool #872827	6/1/2036	31409JVU1	<u>799,759</u>
	Total First National Bank			<u>4,259,183</u>
Name and location of safekeeper for above pledged collateral: Federal Home Loan Bank, Dallas, TX				
	Total Pledged Collateral			<u>\$ 4,721,574</u>

** As per NMSA 2.2.2.10 (N) (4), the value of collateral consisting of obligations of the State of New Mexico, its agencies, institutions, counties, municipalities or other subdivisions shall be par value.

See accompanying independent auditor's report

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Changes in Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2011

Schedule IV

	<u>July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	<u>Transfers</u>	<u>June 30, 2011</u>
Alamogordo High School	\$ 318,268	\$ 353,038	\$ 314,865	\$ 75	\$ -	\$ 356,516
Academy Del Sol	17,267	5,485	7,288	-	-	15,464
Chaparral Middle School	74,820	84,561	93,424	-	(2,500)	63,457
Mountain View Middle School	24,454	72,314	64,500	-	-	32,268
Holloman Middle School	14,047	23,594	27,537	-	-	10,104
Buena Vista	9,119	23,829	22,424	-	-	10,524
Heights	5,010	8,362	10,041	-	-	3,331
High Rolls	1,594	1,150	1,142	-	-	1,602
La Luz	3,074	3,102	3,415	-	-	2,761
North	2,742	4,547	5,270	-	-	2,019
Oregon	10,028	32,173	28,789	-	-	13,412
Sacramento	6,135	10,362	14,739	-	-	1,758
Sierra	26,979	14,491	26,144	-	-	15,326
Yucca	7,824	17,607	21,608	-	-	3,823
Holloman Primary	13,432	12,263	10,717	-	-	14,978
Holloman Intermediate	1,971	3,075	7,305	-	-	(2,259)
Elementary Music	46	-	-	-	-	46
DSE	7,953	3,639	4,553	-	-	7,039
Learning Resource Center	7,652	2,278	13	-	-	9,917
Nurses	1,048	1,709	1,649	333	-	1,441
Superintendents Office	8,260	66	3,819	164	-	4,671
Human Resources	5,313	5,749	6,105	-	-	4,957
Curriculum & Instruction	1,091	59	-	-	-	1,150
Athletics	68,645	109,630	114,398	-	-	63,877
Finance	168,020	78,532	8,147	(333)	-	238,072
Print Shop	20,137	13,753	14,237	-	-	19,653
Cafeteria	260	330	197	-	-	393
Operations	164	159	-	-	-	323
Technology Support Services	169	59	-	-	-	228
CTE/Student Personnel	239	-	-	(239)	-	-
Warehouse	869	51	-	-	-	920
Totals	<u>\$ 826,630</u>	<u>\$ 885,967</u>	<u>\$ 812,326</u>	<u>\$ -</u>	<u>\$ (2,500)</u>	<u>\$ 897,771</u>

See accompanying independent auditor's report

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COMPLIANCE SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

**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***

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Alamogordo Municipal School District No. 1
Alamogordo, New Mexico

We have audited the financial statements of the governmental activities, each major fund, the budgetary comparisons for the General Fund and major special revenue fund and the aggregate remaining fund information of Alamogordo Municipal School District No. 1 (the District), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents and have issued our report thereon dated February 2, 2012. We also have audited the financial statements of each of the District's nonmajor governmental funds, and the budgetary comparisons for the major capital projects fund, the major debt service fund, and the remaining nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2011 as listed in the table of contents. 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 District's internal control over financial reporting as a basis for designing our auditing 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 District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questions costs as items FS 11-01, FS 11-02, FS 11-03, FS 11-04, FS 11-06 and FA 11-04 to be material weaknesses.

A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item FS 11-07 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 did not disclose any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that are required to be reported pursuant to *Government Auditing Standards* paragraphs 5.14 and 5.16, and Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as items FS 10-01, FS 11-05, FS 11-08, and FS 11-09.

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

This report is intended solely for the information and use of management, others within the organization, the Board of Education, the Office of the State Auditor, the New Mexico Public Education Department, the New Mexico Legislature and its committees, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
February 2, 2012

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FEDERAL FINANCIAL ASSISTANCE



Accounting & Consulting Group, LLP
Certified Public Accountants

**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT
AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
The Board of Education
Alamogordo Municipal School District No. 1
Alamogordo, New Mexico

Compliance

We have audited Alamogordo Municipal School District No. 1 (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular *A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2011. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, Alamogordo Municipal School District No. 1 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items FA 11-02 and FA 11-03.

Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We identified an deficiency in internal control over compliance that we consider to be a *material weaknesses*, as defined in the accompanying schedule of findings and questioned costs as item FA 11-04.

A *significant deficiency in internal control over compliance* is a deficiency or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We identified certain deficiencies in internal control over compliance that we consider to be *significant deficiencies*, as defined in the accompanying schedule of findings and questioned costs as items FA 11-01, FA 11-02, and FA 11-03.

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

This report is intended solely for the information and use of management, others within the organization, Board of Education, the Office of the State Auditor, the New Mexico Public Education Department, the New Mexico Legislature and its committees, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
February 2, 2012

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2011

Federal Grantor/Pass Through Grantor/Program Title	Pass Thru Number	Federal C.F.D.A. Number	Expenditures
U.S. Department of Agriculture			
<i>Passthrough - State of NM Public Education Department</i>			
Forest Reserve	11000	10.672	\$ 588,687
Fresh Fruits and Vegetables	24118	10.582	39,585
Nutrition Program			
Food Distribution	21000	10.550	157,224
National School Lunch Act	21000	10.555	<u>1,659,357</u>
Total U.S. Department of Agriculture Passthrough			<u>2,444,853</u>
U.S. Department of Defense			
<i>Passthrough - State of NM Public Education Department</i>			
Alamo DOD	25179	12.558	215,290 (1)
ARRA - DOD Education Activity	25254	12.557	<u>363,559 (1)</u>
Total U.S. Department of Agriculture Passthrough			<u>578,849</u>
U.S. Department of Education			
<i>Passthrough - State of NM Public Education Department</i>			
Impact Aid - General Fund	11000	84.041	770,138
Title I IASA	24101	84.010	1,789,730 (1)
IDEA-B Entitlement	24106	84.027	1,160,632 (1)
IDEA-B Discretionary	24107	84.027	35,713 (1)
IDEA-B Preschool	24109	84.173	65,802 (1)
IDEA-B Early Intervention Services	24112	84.027	228,225 (1)
IDEA-B "Risk Pool"	24120	84.027	5,218 (1)
Improving Teacher Quality	24154	84.367A	425,702 (1)
Safe and Drug Free Schools	24157	84.186A	8,113
Carl D Perkins Secondary	24174	84.048O	67,164
Carl D Perkins Secondary PY	24175	84.048O	24,695
Carl D Perkins - Redistribution	24176	84.048O	11,486
Carl D Perkins - Redistribution 2	24183	84.048O	5,137
ARRA - Title I IASA	24201	84.389	500,040 (1)
ARRA - Entitlement IDEA-B	24206	84.391	630,126 (1)
ARRA - Preschool IDEA-B	24209	84.392	18,734 (1)
ARRA - Education of Homeless	24213	84.387	4,488
ARRA - Enhancing Education Through Technology	24249	84.318X	266,351 (1)
Impact Aid Special Education	25145	84.041	73,902
ARRA - State Equalization Guarantee	25250	84.394	439,990 (1)
ARRA - Education Jobs	25255	84.410	<u>1,185,473 (1)</u>
Total U.S. Department of Education Passthrough			<u>7,716,859</u>
Total Federal Financial Assistance			<u><u>\$ 10,740,561</u></u>

(1) Major program

See accompanying independent auditors' report

Notes to Schedule of Expenditures of Federal AwardsBasis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Alamogordo Municipal School District No. 1, (District) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements.

Subrecipients

The District did not provide any federal awards to subrecipients during the year.

Non-Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2011 was \$157,224 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA number 10.550.

Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 10,740,561
Total expenditures funded by other sources	<u>55,528,557</u>
Total expenditures	<u><u>\$ 66,269,118</u></u>

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STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2011

A. SUMMARY OF AUDIT RESULTS

Financial Statements:

- | | |
|--|-------------|
| 1. Type of auditors' report issued | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material weakness identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to the financial statements noted? | No |

Federal Awards:

- | | |
|---|-------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| 2. Type of auditors' report issued on compliance for major programs | Unqualified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | Yes |
| 4. Identification of major programs: | |

CFDA Number	Federal Program
84.010	Title I IASA
84.389	ARRA – Title I IASA
84.027 & 84.173	IDEA-B Entitlement Cluster
84.391	ARRA – Entitlement IDEA-B
84.392	ARRA – Preschool IDEA-B
84.318X	ARRA – Enhancing Ed Thru Technology
84.367A	Improving Teacher Quality
12.558	Alamo DOD
84.394	ARRA – State Equalization Guarantee
12.557	DOD Education Activity
84.410	ARRA – Education Jobs Fund

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$322,217 |
| 6. Auditee qualified as low-risk auditee? | No |

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2011

B. FINDINGS-FINANCIAL STATEMENT AUDIT

FS 10-01 – Expenditures in Excess of Budget (Repeated/Modified) – Other Matters

Condition: The District over expended its budget at the function level in the following funds:

Major Funds	
Debt Service Fund	\$ (1,697)
 Nonmajor Funds	
Ed Tech Debt Service Fund	<u>(158)</u>
Total Governmental Funds	<u><u>\$ (1,855)</u></u>

Criteria: Sound financial management and state regulation 6.20.2.9 (A), NMAC and state statutes 22-8-5 through 22-8-12.2, NMSA 1978, require that budgets not be exceeded at the legal level of control. For School District's, the expenditure function is the legal level of control.

Effect: As a result, the District is not in compliance with New Mexico law, and the control established by the use of budgets has been compromised. Continued over-expenditure of budgeted balances may result in unnecessary usage of operating funds to absorb over-expenditures.

Cause: The District did not make the appropriate budgetary transfers, at the function level, to make sure that they did not over-expend the budget at the function level.

Auditors' Recommendation: We recommend that the District implement a policy of budgetary review at year end and make the appropriate budgetary adjustments at the function level.

Agency's Response: The Debt Service Funds for \$(1,697) and the Ed Tech Debt Service Funds for \$(158) are a result of the 1% County Tax Collection Costs charged by Otero County for residential tax proceeds. The District is given an estimated revenue amount each year by the Public Education Department. From that estimate, the expenses for the 1% fee are budgeted. The District received more revenue than had been estimated; therefore, the fee was higher than expected and budgeted for.

In the future, Management will budget above the estimated expenses for County Tax Collection Costs.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 11-01 – Lack of Entity-Wide Controls (Repeated/Modified) – Material Weakness

Condition: During our process of understanding the District and its environment, we noted instances where elements of the District's internal control framework were nonexistent or deficient. The District monitoring element was not documented, sufficiently designed, or implemented as we noted the following:

- Inadequate segregation of duties and review over the Bank Reconciliations and PED Cash Reports. The Budget Specialist receives the bank statements, prepares the bank reconciliation, makes journal entries in the accounting software, and prepares the cash reports for PED. There is also not a sufficient and timely review of the Bank Reconciliation once they have been prepared.
- Inadequate review of checks prior to printing and mailing. The Accounts Payable Clerk prepares, prints, and mails checks without management review of printed checks. The District's checks are printed with electronic signatures that are printed on checks when the Accounts Payable Clerk runs checks. Management does not review the checks prior to being prepared or mailed. The only approvals are at the Purchase Order level and then at the monthly Board Meeting.
- Lack of review of vendor master file. The Procurement Specialist and the Director of Finance and Budget are the only employees that have access to the vendor master file to make changes, however the District does not review any changes made and changes could be made without the approval or knowledge of management.
- Lack of review of items purchased on open Purchase Orders. The District will prepare open purchase orders for some companies and will allow staff members to purchase supplies from these companies, however, there is not a review of the necessity of the items and that the items are being properly utilized at the school site.
- Lack of segregation of duties over the Purchase Order process. The Accounts Payable Clerk can re-open purchase orders after the Purchase Orders have been closed.
- Inadequate segregation of duties over receipting process. The Administrative Assistant to the Finance Director receipts checks from the mail, enters the deposit in the accounting software, and takes the deposit to the bank without review or approvals.
- Lack of review of customer master file. Employees outside of the receipting process have access to the customer master file and are able to make changes. The District does not review any changes made and changes could be made without the approval or knowledge of management.
- Lack of proper access restriction over the Employee Database Master File and review of changes made. The Employee Database Master File is accessible by Payroll personnel, Accounts Payable personnel and the Finance Director and no review of changes made are being done to ensure the file is accurate and complete and a change could be made without the approval or knowledge of management.
- Lack of review by management to ensure payroll runs are accurate and valid. The only review of payroll expenditures is performed by the payroll clerk who will also investigate any discrepancies.
- Lack of control over Long-Term Debt and related documents. The District has not properly maintained their debt documents, and has not reviewed to verify any covenants and related compliance with covenants.
- The District has not monitored changes in authoritative guidance and has not implemented a formal policy for the authorization of fund balance classifications as required by GASB Statement No. 54.
- The District has not properly maintained cash balances in their agency funds. The Holloman Intermediate School activity account ended the year with a balance of (\$2,259) and has to borrow money from other agencies.
- The District does not perform any fraud risk or have a policy in place in order to analyze risks to the District in conjunction to new activities or relationships, including but not limited to, new programs or grants and related compliance, computer program and related access, relationships with new vendors, etc.
- The District is not following their policy for obtaining the Superintendent's approval for employees who are taking home District vehicles and are not on call.

Criteria: The COSO Internal Control Integrated Framework consists of five critical elements that must be present in carrying out the achievement objectives of an organization. These elements are known as the control environment, risk assessment, control activities, information and communication and monitoring. With these elements in place, the District can maximize its potential for achieving its performance targets and reduce the risk of loss of resources.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 11-01 – Lack of Entity-Wide Controls (Repeated/Modified) – Material Weakness (continued)

Effect: Without all of the five elements of the COSO Internal Control Integrated Framework present, the District is exposing itself to the risk of misappropriation of assets and does not have set processes in place to maximize the resources of the District to achieve the goals set forth by the District.

Cause: Management was not aware how the internal control framework plays a key role in providing reasonable assurance regarding the achievement of effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations.

Auditors' Recommendation: We recommend that the District incorporate all five elements of the COSO Internal Control Integrated Framework in their organization. In particular, there should be a mechanism in place to document the monitoring of the internal controls in place. We recommend that internal controls be addressed at both the entity level and activity level. We recommend that key management personnel attend a training class on internal control procedures, internal control implementation, and internal control monitoring. We also recommend that the District implement and adhere to internal reporting deadlines in order to properly and timely review and correct any mistakes in reporting whether by error or fraud.

Agency's Response: Management has hired a new Director of Business and Finance that has experience in writing and implementing internal controls. Management will use the COSO Internal Control Integrated Framework model to write an internal control manual for the District. Management will create a draft of the internal control manual and present it to the Board of Education in the 2012-13 fiscal year for formal approval.

Management has already implemented procedures to provide an adequate separation of duties within the District and will continue to monitor those procedures. Management has also approved hiring of a Comptroller with accounting and analytical skills that will assist the Director of Business and Finance in monitoring all transactions and activities to ensure a clear separation of duties.

Management will provide additional training and professional development to the necessary staff members to reiterate the importance of internal control and a separation of duties.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 11-02 – Internal Controls Over Non-Standard Journal Entries – Material Weakness

Condition: The District does not have adequate internal controls or segregation of duties over non-standard journal entries entered into its accounting system. The District does not have internal controls to ensure supporting documentation and documented reasons for the journal entries are included for each non-standard journal entry made. The District does not have a process for ensuring all non-standard journal entries are reviewed by management. The District's accounting software has not been changed to limit access to making non-standard journal entries as well as limit the ability to back date or change the date of the non-standard journal entry. The Budget Specialist will prepare and post the journal entries and prepare the bank reconciliations and there is not an adequate review performed. ACG also noted that the District incorrectly posted an interfund payable in the amount of \$12,469 during the year and incorrectly posted a journal entry in the amount of \$79,983 when posting an abatement for the Retiree Health Care expenditures.

Criteria: State Board of Education Title 6, section 6.20.2.11 states that Policies and Procedures document administrative and accounting controls. Sound business practice recommends review and approval of all non-standard journal entries.

Effect: The lack of proper internal controls over journal entries may result in errors or irregularities going undetected and cause financial statements to be misstated. The District may be at risk for fraudulent activity without a proper review process over journal entries.

Cause: The District did not have a finance director for part of the fiscal year, so did not have the staff that was able to review journal entries. As a result, proper controls over journal entries have not been maintained. Journal entries are processed without an adequate approval process. The District has also not implemented the proper computer software restrictions in relation to the journal entry process.

Auditors' Recommendations: The District should update their policies and procedures manual regarding the review and approval of journal entries and implement a procedure to insure non-standard journal entries are reviewed, approved and supported. The District should also update the accounting software used to ensure limited access of staff as well as limited abilities to change dates of journal entries.

Agency's Response: Management has already implemented a procedure that requires all non-standard journal entries be given to the Director of Business and Finance with all supporting documentation prior to processing. The Director of Business and Finance will approval all non-standard journal entries prior to processing by signing the journal entry request.

Management will also consult with the accounting software provider to see how to prevent electronic journal entries from being processed without the Director of Business and Finance's electronic authorization.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 11-03 – Preparation of Bank Reconciliations – Material Weakness

Condition: During the performance of audit procedures relating to cash and bank reconciliations, we noted that the Payroll Clearing Account had a variance of \$377. The District has carried over a variance for multiple periods in the Payroll Clearing Account Bank Reconciliation.

Criteria: NMAC 6.20.2.14 states that a School District shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the Office of Management and Budget (OMB) Circular 102, and applicable state and federal laws and regulations.

Effect: Reconciling cash accounts accurately and completely is essential to District operation and management decisions. Incorrect postings to the general ledger and any potential irregularities can go undetected as well as misstate the actual cash balances. Such items may be indicative of errors or possible fraudulent activity and result in unnecessary adjustments which are not properly supported.

Cause: The District is not properly preparing their bank reconciliation and investigating and correcting any variances. The District is also not properly reviewing the Bank Reconciliations to ensure that all accounts are properly reconciled and variances are explained and corrected.

Auditors' Recommendations: We recommend that the District review all items received to verify that they are properly recorded in the correct period and all items outstanding are properly recorded on the Bank Reconciliations and any variances are investigated and corrected.

Agency's Response: Management is aware of the Payroll Clearing Account not being reconciled and has implemented procedures to reconcile the account monthly. The account had not been completely reconciled due to differences between the NMPSIA billing and the actual deductions from payroll. There were also a combination of other entries including interest and benefit adjustments that contributed to the variance. Each month, the Benefits Specialist is to give the person reconciling the Payroll Clearing account a complete list that makes up the monthly difference in the bank statement. The person reconciling the account will ensure that all variances are accounted for and corrected. The Director of Business and Finance will verify that all bank accounts have been reconciled monthly.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 11-04 – Preparation of and Maintenance of Capital Assets – Material Weakness

Condition: The District is maintaining a capital assets listing, however, during our testwork, the following items were noted:

- The District had incorrectly recorded Capital Assets and the related Accumulated Depreciation in the prior year and restated the Capital Assets balance in the amount of \$19,909,590.
- The District did not perform a complete capital asset inventory count and reconcile that count to the capital asset listing for obsolete and out of use items at the year ended June 30, 2011.
- The District is incorrectly calculating depreciation expenditures on long term projects. They are beginning the depreciation calculation when the expense occurs, however, some items, such as construction projects, have a significant number of expenses and the depreciation should not be until the project is complete and put into service. The district has also not applied depreciation expense by function.
- The District did not properly capitalize all their Capital Assets and expensed items in the amount of \$168,896 as repairs and maintenance.

Criteria: Per NMAC 6.20.2.22, capital assets shall be acquired and accounted for through the development and implementation of a complete property control system.

Effect: Without proper classification of equipment purchases as capital assets, the District's expenses for the fiscal year will be overstated and the District's assets will be understated. The users of the financial statement may not be provided with accurate capital assets information.

Cause: The District does not have sufficient internal controls over their capital assets. The District has not properly implemented a capital asset policy to ensure all items are properly captured, counted, and accounted for in the accounting system.

Auditors' Recommendation: We recommend that the District conduct a complete annual count and inventory of capital assets and implement a system in which the capital asset listing is maintained in accordance with NMAC 6.20.2.22. We also recommend that the capital asset listing is properly reviewed and updated in order to verify that all assets on the listing are accurate and properly classified.

Agency's Response: The Director of Business and Finance will be responsible for maintaining the capital assets in the accounting software system, including depreciation, in conjunction with the Property Control Manager. An annual inventory will be performed by the Property Control Manager. The Director of Business and Finance will be responsible for reporting the end of year inventory for the final audit.

STATE OF NEW MEXICO
 Alamogordo Municipal School District No. 1
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2011

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 11-05 – Cash Appropriations in Excess of Available Cash Balances – Other Matters

Condition: The District rebudgeted “cash balances” in excess of available balances in the following funds:

	Designated Cash	Beginning Year Cash & AR Available	Cash Appropriation in excess of available
Instructional Materials Fund	\$ 245,724	\$ 241,724	\$ (4,000)
GRADS - Instruction Special Revenue Fund	7,449	-	(7,449)

Criteria: Section 2.2.2.10. (P) (1), NMAC, requires all School District funds, with the exception of agency funds, to be budgeted by the local governing body and submitted to the Public Education Department for approval. Cash balances rebudgeted to make up for deficit budgeted revenues that do not cover the budgeted expenditures, cannot exceed the actual cash balance available at the end of the prior year.

Effect: The effect of a budget with inadequate designated cash available to cover the excess of budgeted expenditures over budgeted revenue could result in the District incurring debt to pay for current year budgeted expenditures, which would result in noncompliance with the Bateman Act.

Cause: Inadequate monitoring of cash available to be budgeted in subsequent year caused this noncompliance.

Auditors' Recommendation: Greater attention should be given throughout the year to the cash balances actually available to cover budgeted expenditures in excess of budgeted revenues, which include proper monitoring of yearend cash balances.

Agency's Response: Management acknowledges that a better system of cash monitoring must be in place to ensure the integrity of all cash balances. Management will implement new procedures to ensure that all cash and cash transfers are accounted for in the general ledger as well through budget adjustments. The new procedures will include dual control of all cash transfers and budgeting.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 11-06 – Preparation of Financial Statements – Material Weakness

Condition: The Body charged with governance does not exercise effective oversight, as defined by Statement on Auditing Standards No. 115, of the internal control and financial reporting processing. The financial statements and related disclosures are not being prepared by the District's management.

Criteria: According to the American Institute of Certified Public Accountants' Statement on Auditing Standards No. 115, a system of internal control over financial reporting does not stop at the general ledger. Well designed systems include controls over financial statement preparation, including footnote disclosures. The Body charged with governance must provide effective oversight of the controls over the financial reporting process.

Effect: When sufficient controls over the preparation of financial statements and related disclosures are not designed, implemented and operating effectively, an entity's ability to prevent or detect a misstatement in its financial statements is limited.

Cause: The Body charged with governance was unaware of the requirements of Statement on Auditing Standards No. 115 to provide effective oversight of control over the financial reporting processing. District personnel do not have the time and have not been adequately trained in understanding the elements of external financial reporting including the preparation of financial statements and related footnote disclosures.

Auditors' Recommendation: We recommend that District management and personnel receive training on understanding the requirements of external financial reporting.

The training should include, but not be limited to:

- Selection of appropriate accounting policies:
 - Governmental Accounting Standards Board (GASB)
 - Generally Accepted Accounting Principles (specifically as applied to governmental units)
 - Financial Accounting Standards Board (FASB)
- Understanding the financial reporting entity
- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements
- Required supplementary information
 - Management's discussion and analysis
- Supplementary information required by the Office of the State Auditor

In addition, we recommend that the District management should periodically present a reporting package to the body charged with governance for review. The governing board's review of the reporting package should be documented in the minutes. The reporting package could include items such as budget variances and analyses, a review of internal control processes over a significant transaction class like payroll or cash receipts, and other reports or processes that management uses for the internal control and financial reporting processes. The Body charged with governance should gain an understanding of internal control processes and the financial reporting process.

Agency's Response: Management agrees that the prior Director of Business and Finance may not have had the knowledge or skills to provide effective oversight of the external financial statements. The District has hired a new Director of Business and Finance who has knowledge of external financial statements and has had training on those statements. The new Director of Business and Finance will continue to seek education on external financial statements and will develop a system of providing relevant information to the governing body. The District will continue to hire the services an Independent Auditor to produce the external financial statements in conjunction with the Director of Business and Finance to ensure that all footnotes and financial information is accurate.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 11-07 – Internal Controls over Disbursements – Significant Deficiency

Condition: During our testwork of cash disbursements we noted the following:

- In 1 out of 16 disbursements tested, the District was unable to provide phone or catalog quotes as required by their policy.
- In 1 out of 16 disbursements tested, the Procurement Specialist overrode the Director of Special Education, Director of Business, and Finance Director's approval to purchase items amounting to \$588.55.
- The District keeps open Purchase Orders of \$5,000 with several vendors for repairs and maintenance items. These open Purchase Orders by pass the District's internal controls over Purchase Orders.

Criteria: NMAC 6.20.2.17 states that each District shall establish and implement written policies and procedures for purchasing which shall be in compliance with the procurement code Section 13-1-21, NMSA 1978.

Effect: The District did not comply with NMSA 1978 Section 13-1-21, NMAC 6.20.2.17, and the District's own written procurement policies. In addition, the proper maintenance of supporting documentation relating to financial transactions is necessary to mitigate possible dual payments of invoices, execution of disputes with vendors, etc.

Cause: The District did not maintain consistency when utilizing purchase orders and did not properly file supporting documentation in the instances noted. The District also does not have a proper segregation of duties or a sufficient review process in order to verify that all items are properly purchased.

Auditors' Recommendations: We recommend the District implement a procurement policy in accordance with NMSA 1978 Section 13-1-21, including submitting all purchases to the same procedures and proper review, and that the District consistently follows the policy.

Agency's Response: Management has already implemented a system to limit the use of open purchase orders. The Supervisor of the open purchase orders must verify that all invoices are related to a work order when appropriate.

Prior to approval by the Purchasing Agent, all purchase requisitions will be reviewed for dollar thresholds to ensure that the purchase complies with the procurement code Section 13-1-21, NMSA 1978 or the purchasing limits set by the governing body as long as the limits are less than or equal to the procurement limits. After approval by the Purchasing Agent, the Director of Finance or his or her designee will approve the purchase requisition in the accounting software once again checking for compliance with procurement procedures.

The Business and Finance Department will take the necessary steps to get the check listing to the Board of Education Secretary prior to the monthly Board Meeting so that all signatures can be obtained at the Board Meeting, thus ensuring that the Director of Business and Finance, the Superintendent, and Board Secretary has reviewed and approved the check listing.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 11-08 – Procurement Code – Bids – Other Matters

Condition: During our testwork over procurement and the Bid Process, we noted the following:

- In 1 out of 5 bids tested, the bid was not properly accompanied by the Campaign Contribution Disclosure Form.
- In 2 out of 5 bids tested, the written notice to the bid winners could not be located by the District.

Criteria: According to 2006 New Mexico Statutes Annotated section 13-1-200, effective May 17, 2006, Chapter 81, Laws of 2006 requires any prospective contractor seeking to enter into a contract with any state agency or local public body to file a “Campaign Contribution Disclosure Form” with that state agency or local public body. Additionally, according to 2006 New Mexico Statutes Annotated section 13-1-108, effective May 17, 2006, Chapter 81, Laws of 2006 written notice shall be provided to the bid winner.

Effect: It is not evident whether or not the bidding contractor contributed to a campaign for the District, nor if the winning bid was awarded properly.

Cause: The District does not have the appropriate controls in place to verify that all necessary information for the bids is properly completed and that the bids are properly awarded.

Auditors’ Recommendations: We recommend the District implement a system of internal controls in order to verify that bid files are complete and are properly awarded.

Agency’s Response: Management will work with the District Purchasing Agent to create a check list to ensure that all the documentation required by New Mexico State Statutes will be included in any request for quotes, requests for proposals, competitive sealed bids, or notice of award. The District will provide additional professional development and training to those staff members involved in all procurement situations requiring quotes, sealed bids, or requests for proposal.

FS 11-09 — Late Filing of Audit Report – Other Matters

Condition: The District did not issue its 2011 audit report by the November 15, 2011 deadline.

Criteria: The District is required to submit their audit reports for the year ended June 30, 2011 on or before November 15, 2011 subsequent to the entities’ fiscal year end in accordance with State Statute (Chapter 12, Section 6: NMSA 1978) and Section 2.2.2.9.A (1) of NMAC.

Effect: The District could be affected by a late submission by not catching problems in a timely fashion to correct findings. The financial statements are not available for use by the District in a timely fashion for purposes such as debt applications. The District could also be affected by the reduction of funding by the New Mexico Public Education Department.

Cause: The District was unable to submit the June 30, 2011 audit report on a timely basis because of significant differences in the Capital Assets detail from the prior year which is evident by the restatement in the current year.

Auditors’ Recommendation: The District must ensure that all future audit reports are filed in a timely manner. The District should ensure this process is timely in the future through communication with the auditor and timely close out of Capital Asset information and to implement effective internal controls to make sure all information is properly recorded.

Agency’s Response: Management discovered that the capital assets of the District were not being completely accounted for in the accounting software. In addition, Management wanted time to research the write off of \$16,192,964 in capital assets from the 2009-2010 fiscal year. In doing so, Management agreed to have a late financial audit to account for all capital assets correctly, this is the reason the financial audit for 2010-11 is late.

C. FEDERAL AWARD FINDINGS

FA 11-01 – Excluded Parties List – Significant Deficiency

Federal program information:

Funding agency: U.S. Department of Education
Title: All major programs
CFDA number: All major programs

Condition: During our review of the procurement process, for all major programs tested, it was noted the District does not reference the Excluded Parties List System contracts of goods or services in which more than \$25,000 is expended.

Criteria: The OMB A-133 stipulates non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. “Covered Transactions” include those procurement contracts for goods and services awarded under a nonprocurement transaction that is expected to equal or exceed \$25,000 or meet other certain specified criteria.

Effect: The District could be contracting with vendors for services or goods that are included on the suspension and debarment listing which potentially decrease federal funding received since this is considered non-compliance.

Cause: The District has not implemented checking the Excluded Parties List System website into their purchasing process.

Questioned Costs: None

Auditors’ Recommendation: We recommend that the District implement procedures to ensure all vendors for services and goods over \$25,000 be verified that they do not exist on the suspension and debarment listing.

Agency’s Response: Management will implement procedures to verify that all vendors for services and goods over \$25,000 do not exist on the suspension and debarment listing. Management will provide training to all employees involved in making purchases and inform them of the Excluded Parties List System contracts of goods or services. Management will ensure that this procedure becomes part of a final check list prior to approving purchases over \$25,000.

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C. FEDERAL AWARD FINDINGS (continued)

FA 11-02 – Indirect Costs – Significant Deficiency

Federal Program Information:

Funding Agency: U.S. Department of Education
 Title: Title I IASA
 CFDA Number: 84.041

Funding Agency: U.S. Department of Education
 Title: IDEA-B Cluster
 CFDA Number: 84.027 & 84.173 & 84.392

Funding Agency: U.S. Department of Education
 Title: Improving Teacher Quality
 CFDA Number: 84.367A

Funding Agency: U.S. Department of Education
 Title: Enhancing Ed Thru Technology Federal Stimulus
 CFDA Number: 84.318X

Condition: During our evaluation we noted that indirect cost rates were not being consistently applied. This resulted in over and under charges to the following programs:

<u>Program</u>	<u>Indirect Cost Rate per PED</u>	<u>Indirect Cost Rate Charged</u>	<u>Amount Over/(Under) Charged</u>
Title I IASA	5.02%	5.18%	\$ 2,651
Entitlement IDEA-B	5.02%	2.85%	(24,437)
Preschool IDEA-B	5.02%	5.20%	111
IDEA-B Early Intervention Services	5.02%	0.00%	(11,457)
IDEA-B "Risk Pool"	5.02%	5.16%	7
Improving Teacher Quality	5.02%	5.22%	801
Title I IASA Federal Stimulus	5.02%	5.02%	-
Entitlement IDEA-B Federal Stimulus	5.02%	5.00%	(128)
Preschool IDEA-B Federal Stimulus	5.02%	0.00%	(940)
Enhancing Ed Thru Technology Federal Stimulus	5.02%	5.39%	925
Total Amount Over (Under) Charged			<u>\$ (32,467)</u>

Criteria: The New Mexico Public Education Department (NMPED) mandates the indirect cost rate for Alamogordo Municipal School District No. 1 each fiscal year. For the fiscal year 2011 the rate to be used by the District was 5.02%. Furthermore, OMB Circular No. A-87, Cost Principles for State, Local, and Indian Tribal Governments, requires that indirect costs be consistent with policies, regulations, and procedures that apply to Federal awards.

Effect: The District has made indirect cost charges that are incorrect. Programs that have made over and under charges could be subject to penalties and remittal of the overcharged indirect cost rates back to the NMPED.

Cause: The employee who was responsible for the determination was incorrectly running reports with indirect costs included. Indirect cost charged to the program is to be excluded when running the expense reports.

Questioned Costs: None

C. FEDERAL AWARD FINDINGS (continued)

FA 11-02 – Indirect Costs – Significant Deficiency (continued)

Auditors' Recommendations: We recommend that the District ensure that the indirect cost rate used corresponds to the rate dictated by the NMPED. Additionally, the District should ensure that the indirect cost rate is applied consistently to all applicable federal programs. Furthermore, the District should follow the following methodology in calculating the indirect cost rate, ensuring that indirect costs and amounts to be charged to indirect cost are in agreement:

Total Expenditures
Less: Indirect Costs
Less: Equipment Purchases
<hr/>
Expenditures subject to Indirect Cost Rate
Multiply by Indirect Cost Rate per PED
<hr/>
<u>Amount to be charged as Indirect Cost</u>

Agency's Response: Management will ensure that the indirect cost rates are charged to Federal funds at the current and correct indirect cost rate as dictated by the NMPED. The Director of Business and Finance will verify and approve all indirect charges prior to processing.

FA 11-03 – Participation of Private School Children – Significant Deficiency

Federal program information:

Funding agency: U.S. Department of Education
Title: Enhancing Ed Thru Technology Federal Stimulus
CFDA number: 84.318X

Condition: During our review of special tests and provisions related to the Enhancing Ed Thru Technology Federal Stimulus, it was noted the District did not notify any private schools in the surrounding area of potential funds available for the Enhancing Ed Thru Technology Federal Stimulus.

Criteria: The OMB A-133 Compliance Supplement Part 3-Compliance Requirements N- Special Tests and Provision, stipulates after timely and meaningful consultation with private school officials, the district must provide equitable services to eligible private school children, their teachers, and their families.

Effect: The lack of notification of possible additional educational assistance available to children of private schools could potentially hurt the growth of childhood development.

Cause: The District was not aware that they were obligated to notify the private schools in the District of the available funding.

Questioned Costs: None

Auditors' Recommendation: We recommend that the District implement a process to review the compliance requirements of the federal grants they receive in order to verify that they are in compliance with any requirements including the notification of all private schools of the surrounding area of federal grants that could be available to them.

Agency's Response: Management has assigned a specific department the duty of reviewing all grants and the requirements of such grants. In the future, all grant applications will be processed through that department to ensure compliance with the grant.

C. FEDERAL AWARD FINDINGS (continued)

FA 11-04 – Internal Controls over Reimbursement Basis Grants/Appropriations – Material Weakness

Federal program information:

Funding agency: U.S. Department of Defense
Title: DOD Education Activity Federal Stimulus
CFDA number: 12.557

Condition: During our field work, we noted that the District has missed a grant reimbursement request in the amount of \$13,343. The amount was eventually requested for reimbursement after June 30, 2011 and not reimbursed until December 29, 2011.

Criteria: Good cash management practices require that the District request reimbursement for federal grants as soon as possible after the grant expenditures are made, and monitor the grantor responses to those requests, to ensure the soonest possible repayment for reimbursement-basis grant expenditures. The District failed to monitor that reimbursement requests were being made timely.

Effect: The District runs the risk of losing funding for amounts already expensed.

Cause: The District has not placed appropriate oversight on the internal controls in place to monitor federal grant reimbursement requests.

Questioned Costs: None

Auditors' Recommendation: We recommend that in the future the District request reimbursements for federal grant expenditures as soon as possible after grant expenditures are made, and monitor and follow up with the grantors to ensure timely payment of the receivables due to the District.

Agency's Response: The expenditure report created by the department was not capturing new payroll line items that had been added through the payroll process. Management will implement a process to track all expenditures in its reporting modules. The District is in the process of hiring a Comptroller with accounting experience that will work closely with the Director of Business and Finance to set up procedures to ensure that all expenditures match cash disbursements and that all cash reimbursements are submitted in a timely and accurate manner.

STATE OF NEW MEXICO
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D. PRIOR YEAR AUDIT FINDINGS

FS 10-01 – Expenditures in Excess of Budget - Repeated/Modified

FS 10-02 – Cash Disbursement – Resolved

STATE OF NEW MEXICO
Alamogordo Municipal School District No. 1
Other Disclosures
For the Year Ended June 30, 2011

OTHER DISCLOSURES

Exit Conference

An exit conference was held on February 7, 2012. In attendance were the following:

Representing Alamogordo Municipal School District No. 1:

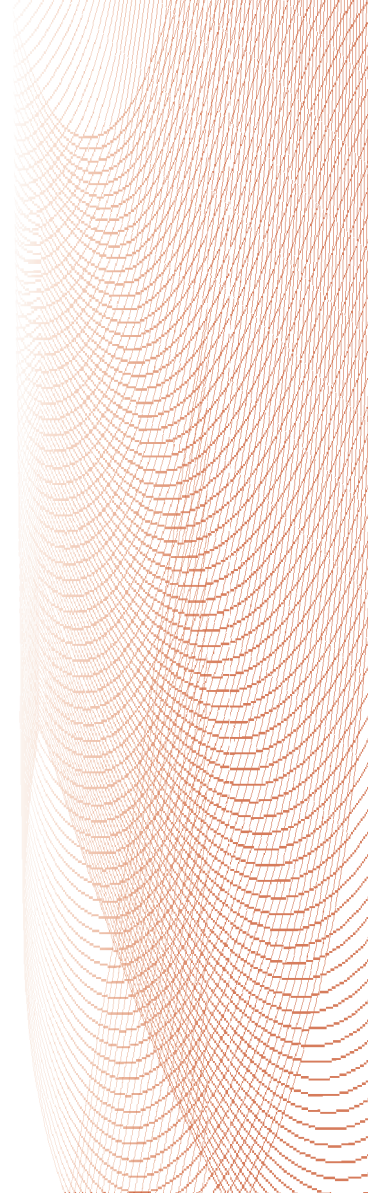
Dr. George Straface, Superintendent
Carol Kriegshauser, Director of Business and Finance
Russel Virden, Audit Committee
Bob Money, Audit Committee
Lonna Devora, Audit Committee
Adrienne Salas, Executive Director of Schools
Dr. Allan Rickman, Board of Education
David Borunda, Board of Education

Representing Accounting & Consulting Group, LLP:

Ray Roberts, Partner

Auditor Prepared Financial Statements

Accounting and Consulting Group, LLP prepared the GAAP-basis financial statements and footnotes of Alamogordo Municipal School District No. 1 from the original books and records provided to them by the management of the District. The responsibility for the financial statements remains with the District.



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