



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**

**ANNUAL FINANCIAL REPORT**  
June 30, 2012

**De'Aun Willoughby CPA, PC**  
Certified Public Accountant  
Clovis, New Mexico



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
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 For the Year Ended June 30, 2012

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STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
Official Roster  
June 30, 2012

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**BOARD OF EDUCATION**

Matt Ferguson	President
Henrietta Griego	Vice-President
Denise Hill	Secretary
Steve Harkey	Member
John Paul Ventura	Member

**SCHOOL OFFICIALS**

Robert Cobos	Superintendent
Elizabeth Montoya	Business Manager

De'Aun Willoughby CPA, PC

Certified Public Accountant

225 Innsdale Terrace Clovis, NM 88101

(855) 253-4313

Independent Auditor's Report

Mr. Hector Balderas  
State Auditor of the State of New Mexico  
Board Members of the Carrizozo Municipal Schools

Mr. Balderas and Members of the Board

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons for the general fund of Carrizozo Municipal Schools, (District), as of and for the year ended June 30, 2012, 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 and the budgetary comparisons for the major capital project and debt service fund all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2012, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2012, and the respective changes in financial position, thereof and the respective budgetary comparisons for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2012, and the respective changes in financial position, thereof and the respective budgetary comparisons for the major capital project and debt service fund and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 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.

Management has omitted the Management's Discussion and Analysis which is required to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The additional schedules listed as "other supplemental information" in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*De'Aun Willoughby* CPA PC

November 5, 2012



## **FINANCIAL SECTION**

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 Government-Wide Statement of Net Assets  
 June 30, 2012

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current Assets	
Cash and Cash Equivalents	\$ 613,346
Due from Grantor	66,967
Inventory	1,268
Total Current Assets	<u>681,581</u>
Noncurrent Assets	
Capital Assets	9,838,120
Less: Accumulated Depreciation	<u>(3,068,031)</u>
Total Noncurrent Assets	<u>6,770,089</u>
Total Assets	<u>7,451,670</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	7,668
Accrued Interest	22,269
Current Portion of Long-Term Debt	210,000
Total Current Liabilities	<u>239,937</u>
Noncurrent Liabilities	
Bonds and Notes, Net	<u>2,507,083</u>
Total Noncurrent Liabilities	<u>2,507,083</u>
Total Liabilities	<u>2,747,020</u>
<b>NET ASSETS</b>	
Invested in Capital Assets, Net of Related Debt	4,053,006
Restricted for:	
Capital Projects	37,980
Debt Service	39,844
Unrestricted	573,820
Total Net Assets	<u>\$ 4,704,650</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 Government-Wide Statement of Activities  
 For the Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities</b>					
Instruction	\$ 1,544,778	\$ 4,864	\$ 177,263	\$ 0	\$ (1,362,651)
<b>Support Services</b>					
Students	215,736		52,990	0	(162,746)
Instruction	73,188	0	0	0	(73,188)
General Administration	198,200	0	2,269	0	(195,931)
School Administration	122,835	0	3,229	0	(119,606)
Central Services	38,159	0	0	0	(38,159)
Operation of Plant	374,655	0	0	0	(374,655)
Other	33,702	0	0	0	(33,702)
Student Transportation	143,728	0	154,933	0	11,205
Food Services Operations	99,751	5,586	88,486	0	(5,679)
Interest on Long-Term Obligations	73,733	0	0	0	(73,733)
Total Governmental Activities	\$ <u>2,918,465</u>	\$ <u>10,450</u>	\$ <u>479,170</u>	\$ <u>0</u>	\$ <u>(2,428,845)</u>
<b>General Revenues</b>					
<b>Taxes</b>					
Property Taxes, Levied for General Purposes					19,372
Property Taxes, Levied for Capital Projects					88,446
Property Taxes, Levied for Debt Service					288,445
<b>Federal and State aid not restricted to specific purpose</b>					
General					1,790,378
Capital					2,609
Miscellaneous					32,668
Subtotal, General Revenues					<u>2,221,918</u>
Change in Net Assets					(206,927)
Net Assets - beginning of year					<u>4,911,577</u>
Net Assets - ending of year					\$ <u><u>4,704,650</u></u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2012

	General Fund		
	Operational 11000	Transportation 13000	Instructional Materials 14000
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 18,438	\$ 12,139	\$ 1,008
Receivables			
Due From Grantor	0	0	0
Interfund Balances	66,967	0	0
Inventory	0	0	0
Total Assets	<u>\$ 85,405</u>	<u>\$ 12,139</u>	<u>\$ 1,008</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 7,668	\$ 0	\$ 0
Interfund Balance	0	0	0
Current Portion Due			
Principal	0	0	0
Interest	0	0	0
Total Liabilities	<u>7,668</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	0	0	0
Unassigned- General Fund	77,737	12,139	1,008
Total Fund Balances	<u>77,737</u>	<u>12,139</u>	<u>1,008</u>
Total Liabilities and Fund Balances	<u>\$ 85,405</u>	<u>\$ 12,139</u>	<u>\$ 1,008</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 GOVERNMENTAL FUNDS  
 Balance Sheet  
 June 30, 2012

	<u>Capital Projects</u>		
	Bond Building 31100	Debt Service 41000	Other Governmental Funds
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 246,246	\$ 275,805	\$ 59,710
Receivables			
Due From Grantor	0	0	66,967
Interfund Balances	0	0	0
Inventory	0	0	1,268
Total Assets	<u>\$ 246,246</u>	<u>\$ 275,805</u>	<u>\$ 127,945</u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balance	0	0	66,967
Current Portion Due			
Principal	0	210,000	0
Interest	0	27,825	0
Total Liabilities	<u>0</u>	<u>237,825</u>	<u>66,967</u>
<b>Fund Balances</b>			
Nonspendable-Inventory	0	0	1,268
Restricted for, reported in			
Special Revenue Funds	0	0	19,866
Capital Projects	246,246	0	0
Debt Service	0	37,980	0
Assigned-Capital Projects	0	0	39,844
Unassigned- General Fund	0	0	0
Total Fund Balances	<u>246,246</u>	<u>37,980</u>	<u>60,978</u>
Total Liabilities and Fund Balances	<u>\$ 246,246</u>	<u>\$ 275,805</u>	<u>\$ 127,945</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2012

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	Total Governmental Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 613,346
Receivables	
Due From Grantor	66,967
Interfund Balances	66,967
Inventory	1,268
Total Assets	<u>\$ 748,548</u>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities	
Accounts Payable	\$ 7,668
Interfund Balance	66,967
Current Portion Due	
Principal	210,000
Interest	27,825
Total Liabilities	<u>312,460</u>
Fund Balances	
Nonspendable-Inventory	1,268
Restricted for, reported in	
Special Revenue Funds	19,866
Capital Projects	246,246
Debt Service	37,980
Assigned-Capital Projects	39,844
Unassigned- General Fund	90,884
Total Fund Balances	<u>436,088</u>
Total Liabilities and Fund Balances	<u>\$ 748,548</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 Reconciliation of the Governmental Funds  
 Balance Sheet to the Statement of Net Assets  
 June 30, 2012

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Total Fund Balance - Governmental Funds \$ 436,088

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

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

The cost of capital assets	\$ 9,838,120	
Accumulated depreciation	<u>(3,068,031)</u>	6,770,089

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

Bonds payable	(2,620,000)	
Accrued Interest	5,556	
Net Issue Costs	<u>112,917</u>	<u>(2,501,527)</u>

Total net assets - governmental activities \$ 4,704,650

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 GOVERNMENTAL FUNDS  
 Statement of Revenues, Expenditures and Changes  
 in Fund Balance  
 For the Year Ended June 30, 2012

	General Fund		
	Operational 11000	Transportation 13000	Instructional Materials 14000
<b>Revenues</b>			
Property Taxes	\$ 19,372	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	1,780,183	154,933	5,363
Federal Grants	10,195	0	0
Miscellaneous	32,368	0	0
Total Revenues	<u>1,842,118</u>	<u>154,933</u>	<u>5,363</u>
<b>Expenditures</b>			
Current			
Instruction	1,109,282	0	5,042
Support Services			
Students	152,198	0	0
Instruction	73,188	0	0
General Administration	192,163	0	0
School Administration	118,986	0	0
Central Services	38,159	0	0
Operation and Maintenance of Plant	312,440	0	0
Student Transportation	585	143,143	0
Food Services Operations	892	0	0
Other	33,702	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>2,031,595</u>	<u>143,143</u>	<u>5,042</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(189,477)</u>	<u>11,790</u>	<u>321</u>
<b>Other Financing Sources (Uses)</b>			
Bond Proceeds	0	0	0
Transfer In (Out)	(11,988)	0	0
Total Other Financing Sources (Uses)	<u>(11,988)</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(201,465)	11,790	321
Fund Balances at Beginning of Year	<u>279,202</u>	<u>349</u>	<u>687</u>
Fund Balance End of Year	<u>\$ 77,737</u>	<u>\$ 12,139</u>	<u>\$ 1,008</u>

The notes to the financial statements are an integral part of this statement.



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures and Changes  
in Fund Balance  
For the Year Ended June 30, 2012

	<u>Capital Projects</u>		
	Bond Building 31100	Debt Service 41000	Other Governmental Funds
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 288,445	\$ 88,446
Fees	0	0	17,450
State & Local Grants	0	0	8,894
Federal Grants	0	0	305,589
Miscellaneous	0	0	300
Total Revenues	<u>0</u>	<u>288,445</u>	<u>420,679</u>
<b>Expenditures</b>			
<b>Current</b>			
Instruction	0	0	178,278
Support Services			
Students	0	0	53,990
Instruction	0	0	0
General Administration	54,053	2,884	3,153
School Administration	0	0	3,229
Central Services	0	0	0
Operation and Maintenance of Plant	0	0	62,215
Student Transportation	0	0	0
Food Services Operations	0	0	98,859
Other	0	0	0
Capital Outlay	226,782	0	0
<b>Debt Service</b>			
Principal	0	270,000	0
Interest	0	60,634	0
Total Expenditures	<u>280,835</u>	<u>333,518</u>	<u>399,724</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(280,835)</u>	<u>(45,073)</u>	<u>20,955</u>
<b>Other Financing Sources (Uses)</b>			
Bond Proceeds	230,000	0	0
Transfer In (Out)	0	0	11,988
Total Other Financing Sources (Uses)	<u>230,000</u>	<u>0</u>	<u>11,988</u>
Net Change in Fund Balance	(50,835)	(45,073)	32,943
Fund Balances at Beginning of Year	<u>297,081</u>	<u>83,053</u>	<u>28,035</u>
Fund Balance End of Year	<u>\$ 246,246</u>	<u>\$ 37,980</u>	<u>\$ 60,978</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures and Changes  
in Fund Balance  
For the Year Ended June 30, 2012

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	Total Governmental Funds
Revenues	
Property Taxes	\$ 396,263
Fees	17,450
State & Local Grants	1,949,373
Federal Grants	315,784
Miscellaneous	32,668
Total Revenues	<u>2,711,538</u>
Expenditures	
Current	
Instruction	1,292,602
Support Services	
Students	206,188
Instruction	73,188
General Administration	252,253
School Administration	122,215
Central Services	38,159
Operation and Maintenance of Plant	374,655
Student Transportation	143,728
Food Services Operations	99,751
Other	33,702
Capital Outlay	226,782
Debt Service	
Principal	270,000
Interest	60,634
Total Expenditures	<u>3,193,857</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(482,319)</u>
Other Financing Sources (Uses)	
Bond Proceeds	230,000
Transfer In (Out)	0
Total Other Financing Sources (Uses)	<u>230,000</u>
Net Change in Fund Balance	(252,319)
Fund Balances at Beginning of Year	<u>688,407</u>
Fund Balance End of Year	<u><u>\$ 436,088</u></u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 Reconciliation of the Governmental Funds  
 Statement of Revenues, Expenditures and Changes in Fund Balance  
 To the Statement of Activities  
 June 30, 2012

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Net Change in Fund Balance-Governmental Funds \$ (252,319)

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

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

Depreciation expense	\$ (262,343)	
Capital Outlays	<u>226,782</u>	(35,561)

The issuance of long-term debt provides current financial resources to governmental funds but has no effect on net assets. (230,000)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Principal paid for bonds (Note F)	270,000	
Difference in current amount due in the Debt Service	<u>0</u>	270,000

Bond issue costs are amortized in the Statement of Activities but are recorded as an expenditure in the year of issue on the Statement of Revenues, Expenditures and Changes in Fund Balances. The bond issue costs are amortized over the life of the bonds.

Issue Cost this year	54,053	
Amortization of Issue Cost this year	<u>(12,691)</u>	41,362

Interest is accrued through year end but the Balance Sheet included interest payable within thirty day of year end. This is the difference in the accrued interest and the current amount due.

Difference on June 30, 2011	(5,965)	
Difference on June 30, 2012	<u>5,556</u>	<u>(409)</u>

Changes in Net Assets of Governmental Activities \$ (206,927)

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GENERAL FUND-OPERATIONAL-11000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 18,666	\$ 18,666	\$ 19,372	\$ 706
State Grants	1,674,027	1,779,680	1,780,183	503
Federal Grants	11,155	11,155	10,195	(960)
Other Revenue	0	34,891	32,368	(2,523)
Total Revenues	<u>1,703,848</u>	<u>1,844,392</u>	<u>1,842,118</u>	<u>(2,274)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	872,977	835,711	822,920	12,791
Employee Benefits	303,160	252,840	245,704	7,136
Professional & Tech Services	4,000	5,000	3,635	1,365
Purchased Property Services	0	200	52	148
Other Purchased Services	33,880	36,340	35,364	976
Supplies	393	2,093	1,607	486
Total Instruction	<u>1,214,410</u>	<u>1,132,184</u>	<u>1,109,282</u>	<u>22,902</u>
<b>Support Services-Students</b>				
Personnel Services	36,698	38,199	38,198	1
Employee Benefits	16,838	17,028	16,360	668
Professional & Tech Services	75,358	62,337	53,018	9,319
Other Purchased Services	0	42,416	42,416	
Supplies	2,500	2,500	2,206	294
Total Support Services-Students	<u>131,394</u>	<u>162,480</u>	<u>152,198</u>	<u>10,282</u>
<b>Support Services-Instruction</b>				
Personnel Services	51,854	51,854	51,854	0
Employee Benefits	19,566	19,566	18,117	1,449
Professional & Tech Services	0	3,220	3,218	2
Total Support Services-Instruction	<u>71,420</u>	<u>74,640</u>	<u>73,189</u>	<u>1,451</u>
<b>Support Services-General Administration</b>				
Personnel Services	116,294	114,996	114,200	796
Employee Benefits	39,038	34,751	32,665	2,086
Professional & Tech Services	23,300	40,135	36,281	3,854
Other Purchased Services	0	5,208	3,786	1,422
Supplies	2,510	6,575	5,231	1,344
Total Support Services-General Administration	<u>181,142</u>	<u>201,665</u>	<u>192,163</u>	<u>9,502</u>
<b>Support Services-School Administration</b>				
Personnel Services	105,739	88,609	87,990	619
Employee Benefits	36,354	32,789	30,621	2,168
Supplies	100	375	374	1
Total Support Services-School Administration	<u>\$ 142,193</u>	<u>\$ 121,773</u>	<u>\$ 118,985</u>	<u>\$ 2,788</u>

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GENERAL FUND-OPERATIONAL-11000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Central Services				
Personnel Services	\$ 34,479	\$ 29,232	\$ 29,201	\$ 31
Employee Benefits	9,736	6,524	6,133	391
Professional & Tech Services	0	1,872	1,100	772
Other Purchased Services	0	813	803	10
Supplies	0	1,000	921	79
Total Central Services	<u>44,215</u>	<u>39,441</u>	<u>38,158</u>	<u>1,283</u>
Operation & Maintenance of Plant				
Personnel Services	53,248	53,730	53,093	637
Employee Benefits	32,117	65,851	64,129	1,722
Professional & Tech Services	0	0	20	(20)
Purchased Property Services	106,500	173,662	128,217	45,445
Other Purchased Services	52,622	52,622	52,470	152
Supplies	8,200	22,431	19,817	2,614
Total Operation & Maintenance of Plant	<u>252,687</u>	<u>368,296</u>	<u>317,746</u>	<u>50,550</u>
Student Transportation				
Other Purchased Services	<u>3,080</u>	<u>3,080</u>	<u>0</u>	<u>3,080</u>
Total Student Transportation	<u>3,080</u>	<u>3,080</u>	<u>0</u>	<u>3,080</u>
Food Services Operations				
Personnel Services	0	872	762	110
Employee Benefits	<u>0</u>	<u>150</u>	<u>131</u>	<u>19</u>
Total Food Services Operation	<u>0</u>	<u>1,022</u>	<u>893</u>	<u>129</u>
Other Services				
Other Purchased Services	<u>0</u>	<u>800</u>	<u>584</u>	<u>216</u>
Total Other Services	<u>0</u>	<u>800</u>	<u>584</u>	<u>216</u>
Total Expenditures	<u>2,040,541</u>	<u>2,105,381</u>	<u>2,003,198</u>	<u>102,183</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(336,693)</u>	<u>(260,989)</u>	<u>(161,080)</u>	<u>99,909</u>
Other Financing Sources				
Transfers In/(Out)	<u>0</u>	<u>0</u>	<u>(45,690)</u>	<u>(45,690)</u>
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>(45,690)</u>	<u>(45,690)</u>
Net Change in Cash Balance	(336,693)	(260,989)	(206,770)	54,219
Cash Balance Beginning of Year	<u>292,175</u>	<u>292,175</u>	<u>292,175</u>	<u>0</u>
Cash Balance End of Year	<u>\$ (44,518)</u>	<u>\$ 31,186</u>	<u>\$ 85,405</u>	<u>\$ 54,219</u>

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 GENERAL FUND-OPERATIONAL-11000  
 Statement of Revenues, Expenditures, and Changes in Cash Balance -  
 Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ (206,770)	
Net change in Accounts Payables			5,305	
Net Change in Fund Balance			\$ <u>(201,465)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GENERAL FUND-TRANSPORTATION-13000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grant	\$ 203,496	\$ 154,933	\$ 154,933	\$ 0
Total Revenues	<u>203,496</u>	<u>154,933</u>	<u>154,933</u>	<u>0</u>
<b>Expenditures</b>				
<b>Student Transportation</b>				
Personnel Services	60,294	36,515	35,269	1,246
Employee Benefits	23,896	7,834	7,501	333
Purchased Property Services	25,218	18,839	17,589	1,250
Other Purchased Services	69,970	73,958	72,441	1,517
Supplies	24,118	17,787	10,343	7,444
Total Student Transportation	<u>203,496</u>	<u>154,933</u>	<u>143,143</u>	<u>11,790</u>
Total Expenditures	<u>203,496</u>	<u>154,933</u>	<u>143,143</u>	<u>11,790</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	11,790	11,790
Cash Balance Beginning of Year	<u>349</u>	<u>349</u>	<u>349</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 349</u>	<u>\$ 349</u>	<u>\$ 12,139</u>	<u>\$ 11,790</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 11,790</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 11,790</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
GENERAL FUND-INSTRUCTIONAL MATERIALS-14000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grants	\$ 4,951	\$ 4,951	\$ 5,363	\$ 412
Total Revenues	<u>4,951</u>	<u>4,951</u>	<u>5,363</u>	<u>412</u>
Expenditures				
Instruction				
Supplies	<u>5,134</u>	<u>5,134</u>	<u>5,042</u>	<u>92</u>
Total Instruction	<u>5,134</u>	<u>5,134</u>	<u>5,042</u>	<u>92</u>
Total Expenditures	<u>5,134</u>	<u>5,134</u>	<u>5,042</u>	<u>92</u>
Excess (Deficiency) of Revenues Over Expenditures	(183)	(183)	321	504
Cash Balance Beginning of Year	<u>687</u>	<u>687</u>	<u>687</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 504</u>	<u>\$ 504</u>	<u>\$ 1,008</u>	<u>\$ 504</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>321</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>321</u>	

The notes to the financial statements are an integral part of this statement.



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
Statement of Fiduciary Net Assets and Liabilities-Agency Funds  
June 30, 2012

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	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ 56,796
Total Assets	<u>\$ 56,796</u>
Liabilities	
Deposits Held for Others	\$ 56,796
Total Liabilities	<u>\$ 56,796</u>

The notes to the financial statements are an integral part of this statement.

**NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Carrizozo Municipal Schools (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 and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued prior to November 30, 1989 that do not conflict with or contradict GASB pronouncements. The more significant of the District's accounting policies are described below.

**Financial Reporting Entity**

The District has been in existence since the early nineteen hundreds, and is currently operating under the provisions of the Public School District Code, Chapter 22, of the New Mexico Statutes Annotated, 1978 Compilation. The District operates with a local board of education - superintendent form of government and provides a supervised program of instruction designed to educate students at the elementary and secondary level.

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges and issue bonded debt.

The District has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected District members are financially accountable. There are no other primary governments with which the School Board Members are financially accountable. There are no other primary governments with which the District has a significant relationship.

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The funds of the District are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classification and a description of each existing fund type follows below:

***Governmental Funds***

Governmental funds are used to account for the District's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets and the servicing of general long-term debt.

General Fund-The General Fund consist of three sub funds. The first is the operational fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The Transportation fund includes a state grant to provide transportation for students in the District. The Instructional Materials fund accounts for a state grant to provide text books for students in the District.

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

Capital Projects Fund - The Capital Projects Fund is used to account for all resources for the acquisition of capital facilities by the District.

Debt Service Fund - The Debt Service Fund is used to account for the resources for, and the payment of, principal, interest and related costs.

***Fiduciary Fund Type***

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the District.

The Student Activity Fund, an agency fund, accounts for assets held by the District as an agent for the District organizations. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. This accounting reflects the District's agency relationship with the student activity organizations.

The District reports the following major governmental funds:

**GENERAL FUND (11000)(13000)(14000)**

The General Fund consist of three sub funds. The first is the operational fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The Transportation fund includes a state grant to provide transportation for students in the District. The Instructional Materials fund accounts for a state grant to provide text books for students in the District.

**CAPITAL PROJECTS FUND**

**Bond Building (31100)**

The revenues are derived from a School Building Bond Issue. The expenditures are restricted to major capital improvements.

**DEBT SERVICE FUND (41000)**

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values. Expenditures are restricted to debt reduction.

**Measurement Focus and Basis of Accounting**  
***Government-Wide Financial Statements (GWFS)***

The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary Funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirement of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

#### Program Revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues. Program revenues include: 1) charges for services to students or applicants who purchase, use or directly benefit from the goods or services provided by the given function 2) program-specific operating grants and contributions, and including grants for transportation, instructional materials, food service, special revenue funds such as special education as well as others and federal and state programs 3) program specific capital grants and contributions.

### ***Fund Financial Statements (FFS)***

#### Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 30 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Any effect of interfund activity has been eliminated from the district-wide financial statements.

#### Revenues

Ad valorem taxes are susceptible to full accrual on the government wide financial statements. Property Tax revenues recognize revenues net of estimated refunds and uncollectible accounts in the period for which the taxes are levied.

*Entitlement and shared revenues* (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

*Other receipts* become measurable and available when cash is received by the District and are recognized as revenue at that time.

#### Expenditures

*Salaries* are recorded as paid. Salaries for nine-month employees are paid prior to the end of the fiscal year and therefore are not accrued. Salaries for the twelve month employees payroll are accrued.

#### Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, etc.) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Basis of Budgeting

Formal budgetary integration is employed as a management control device during the year.

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis inconsistent with generally accepted accounting principles (GAAP). These budgets are prepared using the cash basis of accounting. Budgetary comparisons for the various funds in this report are on the non-GAAP budgetary basis.

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

1. Prior to April 15, (unless a later date is fixed by the Secretary of Education) the local school board submits to the School Budget and Finance Analysis Unit (SBFAU) of the New Mexico Public Education Department an estimated budget for the District for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the New Mexico Public Education Department (PED) by the district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed "operating" budget will be reviewed and approved by the SBFAU and certified and approved by the local school board at the public hearing of which notice has been published by the local school board which fixed the estimated budget for the district for the ensuing fiscal year.
3. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the SBFAU and the local school board. The budget shall be integrated formally in to the accounting system. Encumbrances shall be used as an element for control and shall be integrated into the budget system.
4. 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 SBFAU.
5. No school board or officer or employee of the District shall make any expenditures or incur any obligation for the expenditures of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division. But this does not prohibit the transfer of funds between line items within a series of a budget.
6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the District and approved by the SBFAU.
7. Legal budget control for expenditures is by function.
8. 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 of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
Notes to the Financial Statements  
June 30, 2012

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Cash and Cash Equivalents

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.

The District is authorized under the provisions of Chapter 6, Article 10, paragraph 10, NMSA 1978, to deposit its money in banks, savings and loan associations and/or credit unions whose accounts are insured by an agency of the United States.

Investments

All money not immediately necessary for the public uses of the District may be invested in :

(a) bonds or negotiable securities of the United States, the state or any county, municipality or school district which has a taxable valuation of real property for the last preceding year of at least one million dollars (1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding; or

(b) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government.

(c) in contracts with banks, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor. The contract shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. The contract shall be fully secured by obligations of the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with investment.

Receivables and Payables

Receivables include property taxes, interfund loans that are expected to be paid back and amount due from state government agencies related to various grant agreements. Payables represent routine monthly bills for services rendered and products purchased and accrued salaries and benefits.

Property Taxes

The County collects the District's share of property taxes assessed. Property taxes attach an enforceable lien on property as of January 1st. Tax notices are sent by the County treasurer to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. The County collects such taxes and distributes them to the District on a monthly basis. The District accounts for its share of property taxes in the General, Debt Service and Capital Projects Funds. Only those collections received are recorded as revenues for the budget presentation.

Elimination and Reclassifications of Certain Receivables and Payables

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

Inventories and Prepaid Items

Purchased inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the Cafeteria Fund consists of purchased food and non-food items and United States Department of Agriculture (USDA) commodities. Commodities are shown at the USDA procurement cost. Costs are recorded as expenditures at the time individual inventory items are used (consumption method). Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both District-wide and fund financial statements.

Capital Assets

Capital assets are recorded at historical costs and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair market value on the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

If there are any construction projects funded by the NM Public School Facilities Authority they are included in the appropriate capital projects fund and in the capital assets.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings & Improvements	20-50 Years
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	3-15 Years

Capital Leases

Capital leases are recorded at the inception of the leases as expenditures and other financing sources in governmental fund financial statement at the present value of the future minimum lease payments, using the stated or implicit interest rate in the leases. Lease payments are recorded as expenditures on the due date. Capital leases are recorded as a liability in the government-wide financial statement at the time of inception and the corresponding asset is recorded in the capital asset section on the balance sheet.

Short -Term Debt

Short-term debt results from borrowings characterized by anticipation notes, use of lines of credit, and similar loans. The District does not have any activity in short-term debt.

Long-Term Liabilities

For district-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

Restricted Net Assets

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net assets use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available it will first be applied to restricted resources.

Fund Balances of Fund Financial Statements

Nonspendable fund balance represents assets that are other than cash such as inventory.

Restricted fund balance indicates that portion of fund equity which has been segregated for specific purposes.

Assigned fund balance classification are intended to be used for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned fund balance indicates that portion of fund equity which is available for budgeting in future periods.

Interfund Transfers

In governmental funds, transfers should be reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

Deferred Revenue

The District reports deferred revenues on its Statement of Net Assets and Fund Balance Sheet. Deferred revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized. Deferred revenues also occur in the fund financial statements when revenue is earned but is not available. The revenue becomes available if received within 30 days of the fiscal year end.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 Notes to the Financial Statements  
 June 30, 2012

**NOTE B: DEPOSITS AND INVESTMENTS**

The District is required by New Mexico State Statute (Section 6-10-17) to be 50% collateralized. Following is a schedule calculating the requirement and disclosing the pledged securities.

**Wells Fargo Bank**

<u>Name of Account</u>	Balance Per Bank 6/30/12	Reconciled Balance	Type
Operational	\$ 62,608	\$ 38,600	Non-Interest
Payroll Clearing	100,216	0	Non-Interest
Cafeteria	17,503	10,165	Non-Interest
Athletic	2,701	2,701	Non-Interest
Activity	60,894	56,075	Non-Interest
Building	258,789	246,232	Non-Interest
SB-9	76,594	39,844	Interest
Debt Service	275,805	275,805	Non-Interest
TOTAL Deposited	<u>855,110</u>	<u>\$ 669,422</u>	All accounts are checking accounts.
Less: FDIC Coverage	<u>(855,110)</u>		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	0		
Over (Under) requirement	<u>\$ 0</u>		

The difference between the bank balance and the reconciled balance is outstanding deposits, outstanding checks and pending bank adjustments.

Wells Fargo is a participant in the Troubled Asset Relief Program (TARP) causing all non-interest bearing accounts are fully covered by FDIC insurance.

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2012 none of the District's bank balance of \$855,110 was exposed to custodial credit risk.

**NOTE C: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances is as follows:

<u>Receivable Fund</u>	<u>Payable Funds</u>	
	Non Major Funds	Total
Operational Fund	\$ <u>66,967</u>	\$ <u>66,967</u>

The above interfund balances resulted from reimbursement grants. The shortfalls were covered by the above funds. All transactions will be repaid within one year.

Following is a schedule of the transfer among funds:

From	To	
Operational-11000	Food Service-21000	\$ 14,534
Technology for Education-27117	Operational-11000	183
Incentives for School Improvement-27138	Operational-11001	1,776
School Library Material-27549	Operational-11002	587

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Notes to the Financial Statements  
June 30, 2012

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The transfers were to cover shortfalls to close inactive funds.

**NOTE D: DUE FROM OTHER GOVERNMENT UNITS**

Amounts due from other agencies and units of government were as follows as of June 30, 2012:

State	\$	5,589
Federal		61,378
Total	\$	<u>66,967</u>

**NOTE E: CAPITAL ASSETS**

Capital Assets Balances and Activity for the fiscal year is as follows:

	Beginning Balance 6/30/11	Increases	Decreases	Ending Balance 6/30/12
<b>Governmental Activities</b>				
Capital Assets not being depreciated				
Land	\$ 513,093	\$ 0	\$ 0	\$ 513,093
Construction in Progress	0	0	0	0
Total Capital Assets, not Being Depreciated	<u>513,093</u>	<u>0</u>	<u>0</u>	<u>513,093</u>
Other Capital Assets				
Buildings & Improvements	7,900,452	226,783	0	8,127,235
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	1,197,792	0	0	1,197,792
Total Capital Assets, not being depreciated	<u>9,098,244</u>	<u>226,783</u>	<u>0</u>	<u>9,325,027</u>
Total Capital Assets	<u>9,611,337</u>	<u>226,783</u>	<u>0</u>	<u>9,838,120</u>
<b>Less Accumulated Depreciation</b>				
Buildings & Improvement	1,740,129	210,815	0	1,950,944
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	1,065,559	51,528	0	1,117,087
Total Accumulated Depreciation	<u>2,805,688</u>	<u>262,343</u>	<u>0</u>	<u>3,068,031</u>
Capital Assets, net	<u>\$ 6,805,649</u>	<u>\$ (35,560)</u>	<u>\$ 0</u>	<u>\$ 6,770,089</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$	252,175
School Administration		9,548
Food Service		620
Total depreciation expenses	\$	<u>262,343</u>

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June 30, 2012

**NOTE F: LONG TERM DEBT**

A summary of activity in the Long-Term Debt is as follows:

	Beginning Balance 6/30/11	Additions	Reductions	Ending Balance 6/30/12	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ 2,810,000	\$ 230,000	\$ 210,000	\$ 2,830,000	\$ 210,000
Long-Term Liabilities	\$ 2,810,000	\$ 230,000	\$ 210,000	\$ 2,830,000	\$ 210,000

Payments on the general obligation bonds are made by the Debt Service Funds.

General Obligation Bonds.

The following bonds were issued for the purpose of erecting, furnishing, remodeling and making additions to District buildings and improving District grounds. A tax is annually assessed, levied and collected upon all taxable property within the District for the purpose of providing the necessary funds to meet the interest and principal payments as they become due.

Series	Maturity Year Ending	Original Amount	Interest Rate	Balance
2002	2016	550,000	3.0-5.25%	\$ 375,000
2003	2015	300,000	4.6%-1.33%	170,000
2004	2015	150,000	2.50%	75,000
2008	2021	800,000	2.00%	760,000
2009	2022	515,000	2.27%	490,000
2010	2021	345,000	1.10%	310,000
2010A	2004	420,000	1.08%	420,000
2012	2024	230,000	0.00%	230,000
				\$ 2,830,000

The annual requirements to amortize all of the above bonds including interest is as follows:

	Principal	Interest	Total
2013	210,000	60,898	270,898
2014	230,000	55,064	285,064
2015	240,000	48,274	288,274
2016	245,000	41,005	286,005
2017	225,000	34,848	259,848
2018-2022	1,175,000	85,540	1,260,540
2022-2024	275,000	1,339	276,339
	\$ 2,600,000	\$ 326,968	\$ 2,926,968

Reconciliation of Long-Term Debt disclosed in Note F to the Long-Term Debt reported in the Statement of Net Assets.

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**CARRIZO MUNICIPAL SCHOOLS**  
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June 30, 2012

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Note F	\$	2,830,000
Issue Costs		(149,450)
Accumulated Amortization		36,533
Statement of Net Assets	\$	<u>2,717,083</u>
Long-Term Per Government Wide Financial Statements	\$	2,507,083
Current Portion		210,000
Statement of Net Assets	\$	<u>2,717,083</u>

**NOTE G: COMMITMENTS**

The District has various construction commitments at June 30, 2012.

**NOTE H: PENSION PLAN**

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](http://www.nmerb.org).

Effective July 1, 2011 plan members are required by statute to continue 7.9% 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 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 fiscal years ending June 30, 2012, 2011, and 2010, were \$270,679, \$317,456, and \$325,191 respectively, which equal the amount of the required contributions for each fiscal year.

**NOTE J: RETIREE HEALTH CARE ACT CONTRIBUTIONS**

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.

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which the event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

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.

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](http://www.nmrhca.state.nm.us).

The Retiree Health Care Authority issues a separate, publicly available audited financial report that includes post employment benefit expenditures of premiums and claims paid, participant contributions (employer, employee, and retiree), and net expenditures for the fiscal year. The report also includes the approximate number of retirees participating in the plan. That report may be obtained by writing to the RHCA, Albuquerque State Government Center, 401 Roma, NW, Suite 200, Albuquerque, New Mexico 87102.

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, 2012, the statute required each participating employer to contribute 1.834% of each participating employee's annual salary; each participating employee was required to contribute .917% of their salary. In the fiscal year ending 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</u>	<u>Employee Contribution</u>
2013	2.000%	1.000%

Also, employers joining the program after 1/1/98 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature.

The District's contributions to the RHCA for the years ended June 30, 2012, 2011 and 2010 were \$36,626, \$39,096 and \$31,238 respectively, which equal the required contributions for each year.

**NOTE J: RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS STATEMENTS**

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - all Governmental Fund Types is presented on the budgetary basis to provide a comparison of actual results with the budget. The major differences between the budget basis and GAAP (Generally Accepted Accounting Principles) basis are that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

The adjustments necessary to convert the results of operations for the year from GAAP basis to the budget basis for the governmental funds included on each Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).

**NOTE K: RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error and omissions; and injuries to employees; and natural disasters. The District, as a New Mexico Public School, is insured through the New Mexico Public Schools Insurance Authority (NMPSIA). Annual premiums are paid by the District to NMPSIA for coverage provided in the following areas:

- Workers Compensation
- Property and Automobile Liability and Physical Damage
- Liability and Civil Rights and Personal Injury
- Contract School Bus Coverage; and
- Crime

**NOTE L: SURETY BOND**

The officials and certain employees of the District are covered by a surety bond as required by Section 12-6-7, NMSA, 1978 Compilation.

**NOTE M: JOINT POWERS AGREEMENT**

Carrizozo Municipal Schools entered into a joint powers agreement with the Region 9 Education Cooperative (REC). The purpose of the agreement is to allow the submission of a consolidated application to the State Department of Education for certain funds granted to the State of New Mexico by the United States Department of Education under the Education of the Handicapped Act, Part B, PL 94142 among others.

There are seven schools that participate in the REC, they are Ruidoso, Capitan, Carrizozo, Cloudcroft, Corona, Hondo and Tularosa. The agreement became effective on July 1, 1995 and is to remain in effect until the end of any fiscal year during which the school gives notice of intent to terminate.

The REC is its own fiscal agent and is responsible for its audit. The financial statements are available for inspection at the REC office located at 1400 Sudderth Dr. Ruidoso, New Mexico 88345.

**SUPPLEMENTAL INFORMATION RELATED TO  
MAJOR FUNDS**

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 CAPITAL PROJECTS FUND-BOND BUILDING-31100  
 Statement of Revenues, Expenditures, and Changes in Cash Balance -  
 Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Sale of Bonds	\$ 230,000	\$ 230,000	\$ 230,000	\$ 0
Total Revenues	<u>230,000</u>	<u>230,000</u>	<u>230,000</u>	<u>0</u>
<b>Expenditures</b>				
<b>Capital Outlay</b>				
Professional & Tech Services	300,000	131,633	85,397	46,236
Building Improvement	<u>34,702</u>	<u>203,069</u>	<u>195,438</u>	<u>7,631</u>
Total Capital Outlay	<u>334,702</u>	<u>334,702</u>	<u>280,835</u>	<u>53,867</u>
Total Expenditures	<u>334,702</u>	<u>334,702</u>	<u>280,835</u>	<u>53,867</u>
Excess (Deficiency) of Revenues Over Expenditures	(104,702)	(104,702)	(50,835)	53,867
Cash Balance Beginning of Year	<u>297,081</u>	<u>297,081</u>	<u>297,081</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 192,379</u>	<u>\$ 192,379</u>	<u>\$ 246,246</u>	<u>\$ 53,867</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (50,835)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (50,835)</u>	

The notes to the financial statements are an integral part of this statement.



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**

DEBT SERVICE-41000

Statement of Revenues, Expenditures, and Changes in Cash Balance -  
 Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 272,953	\$ 272,953	\$ 288,445	\$ 15,492
Total Revenues	<u>272,953</u>	<u>272,953</u>	<u>288,445</u>	<u>15,492</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	3,500	3,500	2,883	617
Total Support Services-General Administration	<u>3,500</u>	<u>3,500</u>	<u>2,883</u>	<u>617</u>
Debt Service				
Principal	210,000	210,000	210,000	0
Interest	301,709	301,709	62,953	238,756
Total Debt Service	<u>511,709</u>	<u>511,709</u>	<u>272,953</u>	<u>238,756</u>
Total Expenditures	<u>515,209</u>	<u>515,209</u>	<u>275,836</u>	<u>239,373</u>
Excess (Deficiency) of Revenues Over Expenditures	(242,256)	(242,256)	12,609	254,865
Cash Balance Beginning of Year	<u>263,196</u>	<u>263,196</u>	<u>263,196</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 20,940</u>	<u>\$ 20,940</u>	<u>\$ 275,805</u>	<u>\$ 254,865</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 12,609	
Net Change in Current Principal Due			(60,000)	
Net Change in Current Interest Due			2,318	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (45,073)</u>	

The notes to the financial statements are an integral part of this statement.

**SUPPLEMENTAL INFORMATION RELATED TO  
NON MAJOR FUNDS**

**NONMAJOR SPECIAL REVENUE FUNDS**

**Food Services (21000).** To account for revenue and expenditures associated with the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements. Authority for creation of this fund is NMSA 22-13-13.

**Athletics (22000).** To account for revenue and expenditures associated with the District's budgeted athletic activities. (NMAC 6.20.2).

**Title I (24101).** To account for a program funded by a Federal grant to supplement the regular instructional program for educationally deprived students. Funding authorized by the Elementary and Secondary Act of 1965, Chapter I of Title I, as amended, Public Laws 100-297, 20 U.S.C. 2701. The fund was created by the authority of federal grant provisions.

**IDEA B Entitlement (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 the Individuals with Disabilities Education Act, Part B, Sections 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U. S. C. 1411-1420. The fund was created by the authority of federal grant provisions.

**IDEA Preschool (24109).** To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to preschool disabled children aged three through five years. Funding authorized by the Individuals with Disabilities Education Act, Part B, Section 619, as amended, Public Laws 94-142, 99-457, 100-630, 101-497, 101-476, and 102-119. The fund was created by the authority of federal grant provisions.

**21st Century (24119).** To provide expanded learning opportunities for participating children in a safe, drug-free and supervised environment. Funding is authorized under Title X, Part I, of the Elementary and Secondary Education Act of 1965.

**IDEA B Risk Pool (24120).** 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 the Individuals with Disabilities Education Act, Part B, Sections 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U. S. C. 1411-1420. The fund was created by the authority of federal grant provisions.

**Improving Teacher Quality (24154).** To provide grants to State Education Agencies (SEAs) on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in student academic achievement. Elementary and Secondary Education Act of 1965, as amended, Title II, Part A (PL 107-110).

**Safe & Drug Free Schools (24157).** To offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and coordinated with related Federal, State, and community efforts and resources. Elementary and Secondary Education Act, Title IV, Part A, Subpart 1, as amended. 20 USC 7111-7118.

**IDEA B Recovery Act (24206).** 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 the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

**IDEA Preschool Recovery Act (24209).** To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to preschool disabled children aged three through five years. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

**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. The fund was created by the authority of federal grant provisions. (Title XIX Social Security Act).

**Rural Education Achievement Program (REAP) (25233).** To account for funds received from the Technology for Education Grant created by the 1994 State Legislation to establish funding of any costs associated with educational technology. Funding provided by the State of New Mexico. (NMSA 22-15A-1-10).

**Education Jobs Fund (25255).** To provide for the compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary, or secondary educational and related services. Authorized by PL No 111-226.

**Dual Credit Instructional Materials (27103).** To provide financial assistance to purchased instructional materials for the college classes offered to students who are taking them for dual credits. The fund was created by the authority of state grant provisions.

**GO Library Books (27105).** To provide funding for the purchase of library books. The fund was created by the authority of state grant provision.

**2010 GO Student Library (27106).** To provide funding for the purchase of library books. The fund was created by the authority of state grant provisions.

**Solar Energy (27110).** The revenues are derived from a ARRA federal grant for the purpose of energy efficiency.

**Technology for Education (27117).** To account for funds received from the Technology for Education Grant created by the 1994 State Legislation to establish funding of any costs associated with educational technology. Funding provided by the State of New Mexico. (NMSA 22-15A-1-10).

**Incentives for School Improvements (27138).** To account for revenues and expenditures from a state grant as part of the Incentives for School Improvement Act: awarded based on the improvement in CTBS 5/Terra Nova or New Mexico High School Competency Examination scores. The fund was created by state grant provisions. (NMSA 22-13 A-1).

**Beginning Teacher Mentoring (27154).** To account for revenues and expenditures from a state grant provided for tutoring and student enhancement activities in reading, math, and study skills for grades sixth through eight. The fund was created by state grant provisions.

**Breakfast After the Bell (27155).** To account for revenues and expenditures from a state grant provided for breakfast for elementary students. The fund was created by state grant provisions.

**School Library Material (27549).** To account for funds received from the New Mexico Public Education Department for purchasing library books. The fund was created by state grant provisions.

**NONMAJOR CAPITAL PROJECTS FUNDS**

**Senate Bill Nine (31700).** The revenues are derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements.

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**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2012

	Special Revenue Funds		
	Food Service 21000	Athletics 22000	Title I 24101
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 10,165	\$ 2,701	\$ 0
Receivables			
Due From Grantor	0	0	16,316
Inventory	1,268	0	0
Total Assets	<u>\$ 11,433</u>	<u>\$ 2,701</u>	<u>\$ 16,316</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payables	\$ 0	\$ 0	\$ 0
Interfund Balance	0	0	16,316
Total Liabilities	<u>0</u>	<u>0</u>	<u>16,316</u>
Fund Balance			
Nonspendable-Inventory	1,268	0	0
Restricted for, reported in			
Special Revenue Funds	10,165	2,701	0
Assigned-Capital Projects	0	0	0
Total Fund Balance	<u>11,433</u>	<u>2,701</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 11,433</u>	<u>\$ 2,701</u>	<u>\$ 16,316</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2012

	Special Revenue Funds		
	IDEA B Entitlement 24106	IDEA Preschool 24109	21st Century 24119
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	6,274	0	13,439
Inventory	0	0	0
Total Assets	<u>\$ 6,274</u>	<u>\$ 0</u>	<u>\$ 13,439</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payables	\$ 0	\$ 0	\$ 0
Interfund Balance	6,274	0	13,439
Total Liabilities	<u>6,274</u>	<u>0</u>	<u>13,439</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Funds	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 6,274</u>	<u>\$ 0</u>	<u>\$ 13,439</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2012

	Special Revenue Funds		
	IDEA Part B Risk Pool 24120	Improving Teacher Quality 24154	Safe & Drug Free Schools 24157
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	11,194	11,383	0
Inventory	0	0	0
Total Assets	<u>\$ 11,194</u>	<u>\$ 11,383</u>	<u>\$ 0</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payables	\$ 0	\$ 0	\$ 0
Interfund Balance	11,194	11,383	0
Total Liabilities	<u>11,194</u>	<u>11,383</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Funds	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 11,194</u>	<u>\$ 11,383</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2012

	Special Revenue Funds		
	IDEA B Recovery Act 24206	IDEA Preschool Recovery Act 24209	Medicaid 25153
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 7,000
Receivables			
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,000</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payables	\$ 0	\$ 0	\$ 0
Interfund Balance	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Funds	0	0	7,000
Assigned-Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>7,000</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,000</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2012

	Special Revenue Funds		
	REAP 25233	Education Job Fund 25255	Dual Credit Instructional Materials 27103
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	2,772	0	318
Inventory	0	0	0
Total Assets	<u>\$ 2,772</u>	<u>\$ 0</u>	<u>\$ 318</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payables	\$ 0	\$ 0	\$ 0
Interfund Balance	2,772	0	318
Total Liabilities	<u>2,772</u>	<u>0</u>	<u>318</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Funds	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 2,772</u>	<u>\$ 0</u>	<u>\$ 318</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2012

	Special Revenue Funds		
	GO Library Books 27105	2010 GO Student Library 27106	Solar Energy at Schools 27110
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	3,817	457	0
Inventory	0	0	0
Total Assets	<u>\$ 3,817</u>	<u>\$ 457</u>	<u>\$ 0</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payables	\$ 0	\$ 0	\$ 0
Interfund Balance	3,817	457	0
Total Liabilities	<u>3,817</u>	<u>457</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Funds	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 3,817</u>	<u>\$ 457</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2012

	Special Revenue Funds		
	Technology for Education 27117	Incentives for School Improvement 27138	Beginning Teacher Mentoring 27154
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payables	\$ 0	\$ 0	\$ 0
Interfund Balance	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Funds	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2012

	Special Revenue Funds		Capital Projects
	Breakfast after the Bell 27155	School Library Material 27549	Senate Bill Nine 31700
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 39,844
Receivables			
Due From Grantor	997	0	0
Inventory	0	0	0
Total Assets	<u>\$ 997</u>	<u>\$ 0</u>	<u>\$ 39,844</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities			
Accounts Payables	\$ 0	\$ 0	\$ 0
Interfund Balance	997	0	0
Total Liabilities	<u>997</u>	<u>0</u>	<u>0</u>
Fund Balance			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Funds	0	0	0
Assigned-Capital Projects	0	0	39,844
Total Fund Balance	<u>0</u>	<u>0</u>	<u>39,844</u>
Total Liabilities and Fund Balance	<u>\$ 997</u>	<u>\$ 0</u>	<u>\$ 39,844</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Balance Sheet  
June 30, 2012

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	<u>Total</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 59,710
Receivables	
Due From Grantor	66,967
Inventory	<u>1,268</u>
Total Assets	<u>\$ 127,945</u>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities	
Accounts Payables	\$ 0
Interfund Balance	<u>66,967</u>
Total Liabilities	<u>66,967</u>
Fund Balance	
Nonspendable-Inventory	1,268
Restricted for, reported in	
Special Revenue Funds	19,866
Assigned-Capital Projects	<u>39,844</u>
Total Fund Balance	<u>60,978</u>
 Total Liabilities and Fund Balance	 <u>\$ 127,945</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2012

	Special Revenue Funds		
	Food Service 21000	Athletics 22000	Title I 24101
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	5,586	4,864	0
State & Local Grants	0	0	0
Federal Grants	87,489	0	85,366
Miscellaneous	0	0	0
Total Revenues	<u>93,075</u>	<u>4,864</u>	<u>85,366</u>
<b>Expenditures</b>			
Current			
Instruction	0	5,039	55,931
Support Services			
Student	0	0	29,435
General Administration	0	0	0
School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services Operation	97,862	0	0
Total Expenditures	<u>97,862</u>	<u>5,039</u>	<u>85,366</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,787)</u>	<u>(175)</u>	<u>0</u>
<b>Other Financing Sources (Uses)</b>			
Transfer In/(Out)	14,534	0	0
Total Other Sources (Uses)	<u>14,534</u>	<u>0</u>	<u>0</u>
Net change in Fund Balance	9,747	(175)	0
Fund Balances at Beginning of Year	<u>1,686</u>	<u>2,876</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 11,433</u>	<u>\$ 2,701</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2012

	Special Revenue Funds		
	IDEA B	IDEA	21st Century
	Entitlement 24106	Preschool 24109	24119
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	36,677	0	56,827
Miscellaneous	0	0	0
Total Revenues	<u>36,677</u>	<u>0</u>	<u>56,827</u>
Expenditures			
Current			
Instruction	25,313	0	56,827
Support Services			
Student	11,364	0	0
General Administration	0	0	0
School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services Operation	0	0	0
Total Expenditures	<u>36,677</u>	<u>0</u>	<u>56,827</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net change in Fund Balance	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2012

	Special Revenue Funds		
	IDEA Part B Risk Pool 24120	Improving Teacher Quality 24154	Safe & Drug Free Schools 24157
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	22,611	13,060	0
Miscellaneous	0	0	0
Total Revenues	<u>22,611</u>	<u>13,060</u>	<u>0</u>
<b>Expenditures</b>			
Current			
Instruction	22,611	6,645	0
Support Services			
Student	0	917	0
General Administration	0	2,269	0
School Administration	0	3,229	0
Operation & Maintenance of Plant	0	0	0
Food Services Operation	0	0	0
Total Expenditures	<u>22,611</u>	<u>13,060</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
<b>Other Financing Sources (Uses)</b>			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net change in Fund Balance	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2012

	Special Revenue Funds		
	IDEA B	IDEA Preschool	
	Recovery Act 24206	Recovery Act 24209	Medicaid 25153
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	7,000
State & Local Grants	0	0	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>0</u>	<u>7,000</u>
<b>Expenditures</b>			
Current			
Instruction	0	0	0
Support Services			
Student	0	0	8,000
General Administration	0	0	0
School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services Operation	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>8,000</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>(1,000)</u>
<b>Other Financing Sources (Uses)</b>			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net change in Fund Balance	0	0	(1,000)
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>8,000</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,000</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2012

	Special Revenue Funds		
	REAP 25233	Education Job Fund 25255	Dual Credit Instructional Materials 27103
<b>Revenues</b>			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	0	1,014
Federal Grants	2,772	787	0
Miscellaneous	0	0	0
Total Revenues	<u>2,772</u>	<u>787</u>	<u>1,014</u>
<b>Expenditures</b>			
Current			
Instruction	2,772	787	1,014
Support Services			
Student	0	0	0
General Administration	0	0	0
School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services Operation	0	0	0
Total Expenditures	<u>2,772</u>	<u>787</u>	<u>1,014</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
<b>Other Financing Sources (Uses)</b>			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net change in Fund Balance	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2012

	Special Revenue Funds		
	GO Library Books 27105	2010 GO Student Library 27106	Solar Energy at Schools 27110
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	3,817	457	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>3,817</u>	<u>457</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services			
Student	3,817	457	0
General Administration	0	0	0
School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services Operation	0	0	0
Total Expenditures	<u>3,817</u>	<u>457</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)			
Transfer In/(Out)	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net change in Fund Balance	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2012

	Special Revenue Funds		
	Technology for Education 27117	Incentives for School Improvement 27138	Beginning Teacher Mentoring 27154
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	0	1,339
Support Services			
Student	0	0	0
General Administration	0	0	0
School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Services Operation	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>1,339</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>(1,339)</u>
Other Financing Sources (Uses)			
Transfer In/(Out)	(183)	(1,776)	0
Total Other Sources (Uses)	<u>(183)</u>	<u>(1,776)</u>	<u>0</u>
Net change in Fund Balance	(183)	(1,776)	(1,339)
Fund Balances at Beginning of Year	<u>183</u>	<u>1,776</u>	<u>1,339</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2012

	Special Revenue Funds		Capital Projects
	Breakfast after the Bell 27155	School Library Material 27549	Senate Bill Nine 31700
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 88,446
Fees	0	0	0
State & Local Grants	997	0	2,609
Federal Grants	0	0	0
Miscellaneous	0	0	300
Total Revenues	<u>997</u>	<u>0</u>	<u>91,355</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services			
Student	0	0	0
General Administration	0	0	884
School Administration	0	0	0
Operation & Maintenance of Plant	0	0	62,215
Food Services Operation	997	0	0
Total Expenditures	<u>997</u>	<u>0</u>	<u>63,099</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>28,256</u>
Other Financing Sources (Uses)			
Transfer In/(Out)	0	(587)	0
Total Other Sources (Uses)	<u>0</u>	<u>(587)</u>	<u>0</u>
Net change in Fund Balance	0	(587)	28,256
Fund Balances at Beginning of Year	<u>0</u>	<u>587</u>	<u>11,588</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 39,844</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
NONMAJOR FUNDS  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
For the Year Ended June 30, 2012

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	<u>Total</u>
Revenues	
Property Taxes	\$ 88,446
Fees	17,450
State & Local Grants	8,894
Federal Grants	305,589
Miscellaneous	300
Total Revenues	<u>420,679</u>
Expenditures	
Current	
Instruction	178,278
Support Services	
Student	53,990
General Administration	3,153
School Administration	3,229
Operation & Maintenance of Plant	62,215
Food Services Operation	98,859
Total Expenditures	<u>399,724</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>20,955</u>
Other Financing Sources (Uses)	
Transfer In/(Out)	11,988
Total Other Sources (Uses)	<u>11,988</u>
Net change in Fund Balance	32,943
Fund Balances at Beginning of Year	<u>28,035</u>
Fund Balance End of Year	<u>\$ 60,978</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-FOOD SERVICE-21000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Fees	\$ 4,500	\$ 4,500	\$ 5,586	\$ 1,086
Federal Grants	95,000	95,000	84,214	(10,786)
Other	4,200	4,200	0	(4,200)
Total Revenues	<u>103,700</u>	<u>99,500</u>	<u>89,800</u>	<u>(9,700)</u>
<b>Expenditures</b>				
<b>Food Services Operations</b>				
Personnel Services	27,950	15,265	12,983	2,282
Employee Benefits	15,349	15,349	6,438	8,911
Other Purchased Services	62,172	69,453	75,315	(5,862)
Total Food Services Operation	<u>105,471</u>	<u>100,067</u>	<u>94,736</u>	<u>5,331</u>
Total Expenditures	<u>105,471</u>	<u>100,067</u>	<u>94,736</u>	<u>5,331</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,771)</u>	<u>(567)</u>	<u>(4,936)</u>	<u>(4,369)</u>
<b>Other Financing Sources (Uses)</b>				
Transfer In/(Out)	0	0	14,534	14,534
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>14,534</u>	<u>14,534</u>
Net Change in Cash Balance	(1,771)	(567)	9,598	10,165
Cash Balance Beginning of Year	<u>567</u>	<u>567</u>	<u>567</u>	<u>0</u>
Cash Balance End of Year	<u>\$ (1,204)</u>	<u>\$ 0</u>	<u>\$ 10,165</u>	<u>\$ 10,165</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Net Change in Cash Balance			\$ 9,598	
Net Change in Inventory			149	
Net Change in Fund Balance			<u>\$ 9,747</u>	

The notes to the financial statements are an integral part of this statement.



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-ATHLETICS-22000  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Fees	\$ 7,500	\$ 7,500	\$ 4,864	\$ (2,636)
Total Revenues	<u>7,500</u>	<u>7,500</u>	<u>4,864</u>	<u>(2,636)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Professional & Tech Services	0	500	266	234
Other Purchased Services	<u>9,979</u>	<u>9,479</u>	<u>4,773</u>	<u>4,706</u>
Total Instruction	<u>9,979</u>	<u>9,979</u>	<u>5,039</u>	<u>4,940</u>
Total Expenditures	<u>9,979</u>	<u>9,979</u>	<u>5,039</u>	<u>4,940</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,479)	(2,479)	(175)	2,304
Cash Balance Beginning of Year	<u>2,876</u>	<u>2,876</u>	<u>2,876</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 397</u>	<u>\$ 397</u>	<u>\$ 2,701</u>	<u>\$ 2,304</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (175)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (175)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-TITLE I-24101  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grants	\$ 102,283	\$ 116,750	\$ 83,769	\$ (32,981)
Total Revenues	<u>102,283</u>	<u>116,750</u>	<u>83,769</u>	<u>(32,981)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	58,960	38,514	34,469	4,045
Employee Benefits	16,287	10,535	7,520	3,015
Professional & Tech Services	8,756	16,970	11,107	5,863
Supplies	0	3,537	2,836	701
Total Instruction	<u>84,003</u>	<u>69,556</u>	<u>55,932</u>	<u>13,624</u>
<b>Support Services-Instruction</b>				
Personnel Services	3,000	23,000	23,000	0
Employee Benefits	561	7,426	4,386	3,040
Professional & Tech Services	0	375	375	0
Other Purchased Services	0	1,674	1,673	1
Support Services-Instruction	<u>3,561</u>	<u>32,475</u>	<u>29,434</u>	<u>3,041</u>
Total Expenditures	<u>87,564</u>	<u>102,031</u>	<u>85,366</u>	<u>16,665</u>
Excess (Deficiency) of Revenues Over Expenditures	14,719	14,719	(1,597)	(16,316)
Cash Balance Beginning of Year	<u>(14,719)</u>	<u>(14,719)</u>	<u>(14,719)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (16,316)</u>	<u>\$ (16,316)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,597)	
Net Change in Due from Grantor			<u>1,597</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IDEA B ENTITLEMENT-24106  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grants	\$ 60,944	\$ 63,343	\$ 47,242	\$ (16,101)
Total Revenues	<u>60,944</u>	<u>63,343</u>	<u>47,242</u>	<u>(16,101)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	23,814	17,417	17,416	1
Employee Benefits	5,263	5,099	2,547	2,552
Other Purchased Services	0	8,895	5,285	3,610
Supplies	0	65	64	1
Total Instruction	<u>29,077</u>	<u>31,476</u>	<u>25,312</u>	<u>6,164</u>
<b>Support Services-Students</b>				
Personnel Services	10,864	6,045	5,682	363
Employee Benefits	2,027	2,309	1,149	1,160
Other Purchased Services	2,137	6,674	4,534	2,140
Total Support Services-Students	<u>15,028</u>	<u>15,028</u>	<u>11,365</u>	<u>3,663</u>
Total Expenditures	<u>44,105</u>	<u>46,504</u>	<u>36,677</u>	<u>9,827</u>
Excess (Deficiency) of Revenues Over Expenditures	16,839	16,839	10,565	(6,274)
Cash Balance Beginning of Year	<u>(16,839)</u>	<u>(16,839)</u>	<u>(16,839)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (6,274)</u>	<u>\$ (6,274)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 10,565	
Net Change in Due from Grantor			<u>(10,565)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IDEA PRESCHOOL-24109  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 2,951	\$ 2,951	\$ 957	\$ (1,994)
Total Revenues	<u>2,951</u>	<u>2,951</u>	<u>957</u>	<u>(1,994)</u>
Expenditures				
Instruction				
Other Purchased Services	1,135	1,135	0	1,135
Supplies	<u>859</u>	<u>859</u>	<u>0</u>	<u>859</u>
Total Instruction	<u>1,994</u>	<u>1,994</u>	<u>0</u>	<u>1,994</u>
Total Expenditures	<u>1,994</u>	<u>1,994</u>	<u>0</u>	<u>1,994</u>
Excess (Deficiency) of Revenues Over Expenditures	957	957	957	0
Cash Balance Beginning of Year	<u>(957)</u>	<u>(957)</u>	<u>(957)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 957	
Net Change in Due from Grantor			<u>(957)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IDEA B RISK POOL-24120  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grants	\$ 6,281	\$ 44,943	\$ 17,698	\$ (27,245)
Total Revenues	<u>6,281</u>	<u>44,943</u>	<u>17,698</u>	<u>(27,245)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	0	21,390	16,904	4,486
Employee Benefits	0	5,072	4,370	702
Professional & Tech Services	0	1,000	0	1,000
Other Purchased Services	0	11,200	1,337	9,863
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>38,662</u>	<u>22,611</u>	<u>16,051</u>
Total Expenditures	<u>0</u>	<u>38,662</u>	<u>22,611</u>	<u>16,051</u>
Excess (Deficiency) of Revenues Over Expenditures	6,281	6,281	(4,913)	(11,194)
Cash Balance Beginning of Year	<u>(6,281)</u>	<u>(6,281)</u>	<u>(6,281)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (11,194)</u>	<u>\$ (11,194)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,913)	
Net Change in Due From Grantor			<u>4,913</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IMPROVING TEACHER QUALITY-24154  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grants	\$ 16,047	\$ 27,200	\$ 5,411	\$ (21,789)
Total Revenues	<u>16,047</u>	<u>27,200</u>	<u>5,411</u>	<u>(21,789)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	0	2,800	2,610	190
Employee Benefits	0	702	394	308
Professional & Tech Services	8,313	3,811	2,294	1,517
Other Purchased Services	0	4,153	1,347	2,806
Total Instruction	<u>8,313</u>	<u>11,466</u>	<u>6,645</u>	<u>4,821</u>
<b>Support Services-Students</b>				
Personnel Services	0	240	240	0
Employee Benefits	0	45	43	2
Other Purchased Services	0	1,715	634	1,081
Total Support Services-Students	<u>0</u>	<u>2,000</u>	<u>917</u>	<u>1,083</u>
<b>Support Services General Administration</b>				
Professional & Tech Services	4,000	6,000	2,269	3,731
Total Support Services General Administration	<u>4,000</u>	<u>6,000</u>	<u>2,269</u>	<u>3,731</u>
<b>Support Services-School Administration</b>				
Personnel Services	0	240	240	0
Employee Benefits	0	45	43	2
Professional & Tech Services	0	715	2,183	(1,468)
Other Purchased Services	0	3,000	763	2,237
Total Support Services-School	<u>0</u>	<u>4,000</u>	<u>3,229</u>	<u>771</u>
Total Expenditures	<u>12,313</u>	<u>23,466</u>	<u>13,060</u>	<u>10,406</u>
Excess (Deficiency) of Revenues Over Expenditures	3,734	3,734	(7,649)	(11,383)
Cash Balance Beginning of Year	<u>(3,734)</u>	<u>(3,734)</u>	<u>(3,734)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (11,383)</u>	<u>\$ (11,383)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (7,649)	
Net Change in Due From Grantor			7,649	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-SAFE & DRUG FREE SCHOOLS-24157  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 499	\$ 499	\$ 499	\$ 0
Total Revenues	<u>499</u>	<u>499</u>	<u>499</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	499	499	499	0
Cash Balance Beginning of Year	<u>(499)</u>	<u>(499)</u>	<u>(499)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 499	
Net Change in Due From Grantor			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 499</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IDEA B RECOVERY ACT-24206  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grants	\$ 30,070	\$ 30,070	\$ 0	\$ (30,070)
Total Revenues	<u>30,070</u>	<u>30,070</u>	<u>0</u>	<u>(30,070)</u>
<b>Expenditures</b>				
<b>Support Services-Students</b>				
Professional & Tech Services	0	0	0	0
Other Purchased Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Support Services-Students	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>30,070</u>	<u>30,070</u>	<u>0</u>	<u>(30,070)</u>
<b>Other Financing Sources</b>				
Transfers In/(Out)	<u>0</u>	<u>0</u>	<u>30,070</u>	<u>30,070</u>
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>30,070</u>	<u>30,070</u>
Net Change in Cash Balance	30,070	30,070	30,070	0
Cash Balance Beginning of Year	<u>(30,070)</u>	<u>(30,070)</u>	<u>(30,070)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Net Change in Cash Balance			\$ 0	
Net Change in Due from Grantor			<u>0</u>	
Net Change in Fund Balance			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-IDEA PRESCHOOL RECOVERY ACT-24209  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 1,116	\$ 1,116	\$ 0	\$ (1,116)
Total Revenues	<u>1,116</u>	<u>1,116</u>	<u>0</u>	<u>(1,116)</u>
Expenditures				
Support Services-Students				
Supplies	0	0	0	0
Total Support Services-Students	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,116</u>	<u>1,116</u>	<u>0</u>	<u>(1,116)</u>
Other Financing Sources				
Transfers In/(Out)	0	0	1,116	1,116
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>1,116</u>	<u>1,116</u>
Net Change in Cash Balance	1,116	1,116	1,116	0
Cash Balance Beginning of Year	<u>(1,116)</u>	<u>(1,116)</u>	<u>(1,116)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 0	
Net Change in Due from Grantor			0	
Net Change in Fund Balance			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-MEDICAID-25153  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Federal Grants	\$ 8,000	\$ 8,000	\$ 7,000	\$ (1,000)
Total Revenues	<u>8,000</u>	<u>8,000</u>	<u>7,000</u>	<u>(1,000)</u>
<b>Expenditures</b>				
<b>Support Services-Students</b>				
Other Purchased Services	8,000	8,000	8,000	0
Total Support Services-Students	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Total Expenditures	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(1,000)	(1,000)
Cash Balance Beginning of Year	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 8,000</u>	<u>\$ 8,000</u>	<u>\$ 7,000</u>	<u>\$ (1,000)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,000)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (1,000)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-RURAL EDUCATION ACHIEVEMENT PROGRAM-25233  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grants	\$ 9,093	\$ 20,581	\$ 0	\$ (20,581)
Total Revenues	<u>9,093</u>	<u>20,581</u>	<u>0</u>	<u>(20,581)</u>
Expenditures				
Instruction				
Supply Assets	9,093	20,581	2,772	17,809
Total Instruction	<u>9,093</u>	<u>20,581</u>	<u>2,772</u>	<u>17,809</u>
Total Expenditures	<u>9,093</u>	<u>20,581</u>	<u>2,772</u>	<u>17,809</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(2,772)	(2,772)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (2,772)</u>	<u>\$ (2,772)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (2,772)	
Net Change in Deferred Revenue			<u>2,772</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-EDUCATION JOBS FUND-25255  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grants	\$ 0	\$ 787	\$ 787	\$ 0
Total Revenues	<u>0</u>	<u>787</u>	<u>787</u>	<u>0</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	0	0	0	0
Employee Benefits	<u>0</u>	<u>787</u>	<u>787</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>787</u>	<u>787</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>787</u>	<u>787</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-DUAL CREDIT INSTRUCTIONAL MATERIALS-27103  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grants	\$ 0	\$ 4,166	\$ 696	\$ (3,470)
Total Revenues	<u>0</u>	<u>4,166</u>	<u>696</u>	<u>(3,470)</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Supplies	0	4,166	1,014	3,152
Total Instruction	<u>0</u>	<u>4,166</u>	<u>1,014</u>	<u>3,152</u>
Total Expenditures	<u>0</u>	<u>4,166</u>	<u>1,014</u>	<u>3,152</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(318)	(318)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (318)</u>	<u>\$ (318)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(318)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(318)</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-GO LIBRARY BOOKS-27105  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grants	\$ 715	\$ 4,544	\$ 715	\$ (3,829)
Total Revenues	<u>715</u>	<u>4,544</u>	<u>715</u>	<u>(3,829)</u>
Expenditures				
Support Services-Instruction				
Supplies	0	3,829	3,817	12
Total Support Services- Instruction	<u>0</u>	<u>3,829</u>	<u>3,817</u>	<u>12</u>
Total Expenditures	<u>0</u>	<u>3,829</u>	<u>3,817</u>	<u>12</u>
Excess (Deficiency) of Revenues Over Expenditures	715	715	(3,102)	(3,817)
Cash Balance Beginning of Year	<u>(715)</u>	<u>(715)</u>	<u>(715)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (3,817)</u>	<u>\$ (3,817)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (3,102)	
Net Change in Due from Grantor			<u>3,102</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-2010 GO STUDENT LIBRARY-27106  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grants	\$ 0	\$ 6,140	\$ 0	\$ (6,140)
Total Revenues	<u>0</u>	<u>6,140</u>	<u>0</u>	<u>(6,140)</u>
Expenditures				
Support Services-Instruction				
Supplies	0	6,140	457	5,683
Total Support Services- Instruction	<u>0</u>	<u>6,140</u>	<u>457</u>	<u>5,683</u>
Total Expenditures	<u>0</u>	<u>6,140</u>	<u>457</u>	<u>5,683</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(457)	(457)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (457)</u>	<u>\$ (457)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (457)	
Net Change in Due from Grantor			<u>457</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 CAPITAL PROJECTS-SOLAR ENERGY-27110  
 Statement of Revenues, Expenditures, and Changes in Cash Balance -  
 Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 15,000	\$ 15,000	\$ 15,000	\$ 0
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>0</u>
Expenditures				
Operation of Plant				
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Operation of Plant	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	15,000	15,000	15,000	0
Cash Balance Beginning of Year	<u>(15,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 15,000	
Net Change in Due From Grantor			<u>(15,000)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-TECHNOLOGY FOR EDUCATION-27117  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grants	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources				
Transfers In/(Out)	0	0	(183)	(183)
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>(183)</u>	<u>(183)</u>
Net Change in Cash Balance	0	0	(183)	(183)
Cash Balance Beginning of Year	<u>183</u>	<u>183</u>	<u>183</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 183</u>	<u>\$ 183</u>	<u>\$ 0</u>	<u>\$ (183)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 0	
Net Change in Due from Grantor			\$ 0	
Net Change in Fund Balance			<u>0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-INCENTIVES FOR SCHOOL IMPROVEMENT-27138  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grants	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supply Assets	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)				
Transfer In/(Out)	0	0	(1,776)	(1,776)
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>(1,776)</u>	<u>(1,776)</u>
Net Change in Cash Balance	0	0	(1,776)	(1,776)
Cash Balance Beginning of Year	<u>1,776</u>	<u>1,776</u>	<u>1,776</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,776</u>	<u>\$ 1,776</u>	<u>\$ 0</u>	<u>\$ (1,776)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 0	
Net Change in Fund Balance			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-BEGINNING TEACHER MENTORING-27154  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grants	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Personnel Services	0	1,110	1,128	(18)
Employee Benefits	<u>0</u>	<u>229</u>	<u>211</u>	<u>18</u>
Total Instruction	<u>0</u>	<u>1,339</u>	<u>1,339</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>1,339</u>	<u>1,339</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(1,339)	(1,339)	0
Cash Balance Beginning of Year	<u>1,339</u>	<u>1,339</u>	<u>1,339</u>	<u>0</u>
Cash Balance End of Year	\$ <u><u>1,339</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>	\$ <u><u>0</u></u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(1,339)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u><u>(1,339)</u></u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-BREAKFAST AFTER THE BELL-27155  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grants	\$ 0	\$ 2,252	\$ 0	\$ (2,252)
Total Revenues	<u>0</u>	<u>2,252</u>	<u>0</u>	<u>(2,252)</u>
Expenditures				
Food Services Operations				
Supplies	0	2,252	997	1,255
Total Food Services Operation	<u>0</u>	<u>2,252</u>	<u>997</u>	<u>1,255</u>
Total Expenditures	<u>0</u>	<u>2,252</u>	<u>997</u>	<u>1,255</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(997)	(997)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (997)</u>	<u>\$ (997)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (997)	
Net Change in Due from Grantor			<u>997</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
SPECIAL REVENUE FUND-SCHOOL LIBRARY MATERIAL-27549  
Statement of Revenues, Expenditures, and Changes in Cash Balance -  
Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures</b>				
<b>Support Services-Instruction</b>				
Supplies	0	0	0	0
Total Support Services-Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Other Financing Sources (Uses)</b>				
Transfer In/(Out)	0	0	(587)	(587)
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>(587)</u>	<u>(587)</u>
Net Change in Cash Balance	0	0	(587)	(587)
Cash Balance Beginning of Year	<u>587</u>	<u>587</u>	<u>587</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 587</u>	<u>\$ 587</u>	<u>\$ 0</u>	<u>\$ (587)</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Net Change in Cash Balance			\$ 0	
Net Change in Fund Balance			<u>\$ 0</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 CAPITAL PROJECT FUND-SENATE BILL NINE-31700  
 Statement of Revenues, Expenditures, and Changes in Cash Balance -  
 Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2012

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 85,134	\$ 85,134	\$ 88,446	\$ 3,312
State Grant	14,072	19,219	2,609	(16,610)
Other	0	0	300	300
Total Revenues	<u>99,206</u>	<u>104,353</u>	<u>91,355</u>	<u>(12,998)</u>
<b>Expenditures</b>				
<b>Support Services-General Administration</b>				
Professional & Tech Services	900	900	884	16
Total Support Services-General Administration	<u>900</u>	<u>900</u>	<u>884</u>	<u>16</u>
<b>Capital Outlay</b>				
Purchased Property Services	77,326	77,326	59,068	18,258
Supplies	10,304	10,304	325	9,979
Supply Assets	15,000	15,000	5,568	9,432
Total Capital Outlay	<u>102,630</u>	<u>102,630</u>	<u>64,961</u>	<u>37,669</u>
Total Expenditures	<u>103,530</u>	<u>103,530</u>	<u>65,845</u>	<u>37,685</u>
Excess (Deficiency) of Revenues Over Expenditures	(4,324)	823	25,510	24,687
Cash Balance Beginning of Year	<u>14,334</u>	<u>14,334</u>	<u>14,334</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 10,010</u>	<u>\$ 15,157</u>	<u>\$ 39,844</u>	<u>\$ 24,687</u>
<b>Reconciliation of Budgetary Basis to GAAP Basis</b>				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 25,510	
Net Change in Account Payables			<u>2,746</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 28,256</u>	

The notes to the financial statements are an integral part of this statement.

**OTHER SUPPLEMENTAL INFORMATION**

**FIDUCIARY FUND**

**Activity Trust Fund**

To account for funds of various student groups that are custodial in nature.



STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 AGENCY FUNDS  
 Statement of Fiduciary Net Assets and Liabilities-Agency Funds  
 For the Year Ended June 30, 2012

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	Beginning Balance <u>6/30/11</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>6/30/12</u>
<b>ASSETS</b>				
Cash in Bank	\$ 45,609	\$ 89,249	\$ 78,062	\$ 56,796
Total Assets	<u>\$ 45,609</u>	<u>\$ 89,249</u>	<u>\$ 78,062</u>	<u>\$ 56,796</u>
<b>LIABILITIES</b>				
Deposits Held for Others	\$ 45,609	\$ 89,249	\$ 78,062	\$ 56,796
Total Liabilities	<u>\$ 45,609</u>	<u>\$ 89,249</u>	<u>\$ 78,062</u>	<u>\$ 56,796</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 AGENCY FUNDS - ACTIVITY  
 Schedule of Fiduciary Net Assets and Liabilities-Agency Funds  
 For the Year Ended June 30, 2012

	Beginning Balance 6/30/11	Additions	Deletions	Ending Balance 6/30/12
<b>ASSETS</b>				
23100 Administration General	\$ 0	\$ 8,611	\$ 64	\$ 8,547
23500 Daniel G Santiago Endowment	0	4,025	814	3,211
23501 Grizzly Club	3,365	3,465	5,185	1,645
23502 Cafeteria Activity	785	146	338	593
23503 PFK	2,481	8,900	7,758	3,623
23504 6th Grade	31	0	0	31
23505 "C" Club	0	5,885	3,287	2,598
23506 Carrizozo Opportunity	209	0	0	209
23507 Class of 2014	518	1,286	257	1,547
23508 FFA	6,716	23,002	20,030	9,688
23509 FFA Alumni	1,990	0	0	1,990
23511 Music/Drama	137	107	0	244
23512 Library Activity	1,314	2,214	2,070	1,458
23513 Student Council	3,110	737	2,062	1,785
23514 National Honor Society	219	368	496	91
23517 FFA SAE	1,747	0	0	1,747
23518 Home Economic	869	1,207	1,636	440
23519 Athletic Playoffs	5,337	907	3,286	2,958
23520 Girls Volleyball	741	1,161	1,339	563
23521 Yearbook Activity	2,694	3,573	4,634	1,633
23522 Class of 2010	100	0	0	100
23523 Sunshine Account	351	1,275	1,040	586
23524 Athletic Concession	2,154	8,707	10,475	386
23525 Elementary Activity	1,261	2,057	1,959	1,359
23526 Knowledge Bowl	742	713	480	975
23527 Cross Country	15	0	0	15
23528 Online Learning	47	750	550	247
23536 Student Activity	949	570	785	734
23543 Mid School Activity	1,369	2,682	2,689	1,362
23545 Class of 2013	1,451	2,377	3,615	213
23546 Class of 2015	0	809	0	809
23547 Class of 2012	720	0	637	83
23548 Grizzlies Garden	1,400	1,711	1,560	1,551
23549 Crime Stoppers	690	0	0	690
23550 NM Mesa	739	0	0	739
23551 Miscellaneous	53	0	0	53
23552 The Garden	1,305	0	169	1,136
23553 NMABA	0	970	247	723
23555 District 7A-Track	0	1,034	600	434
Total Assets	\$ 45,609	\$ 89,249	\$ 78,062	\$ 56,796
<b>LIABILITIES</b>				
Deposits Held for Others	\$ 45,609	\$ 89,249	\$ 78,062	\$ 56,796
Total Liabilities	\$ 45,609	\$ 89,249	\$ 78,062	\$ 56,796

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
Cash Reconciliations - All Funds  
For the Year Ended June 30, 2012

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		Beginning Cash Balance 6/30/11	Revenue	Expenditures	Transfers Adjustments	Ending Cash Balance 6/30/12
Operational	11000	\$ 292,175	\$ 1,842,118	\$ 2,048,888	\$ 0	\$ 85,405
Transportation	13000	349	154,933	143,143	0	12,139
Instructional Materials	14000	687	5,363	5,042	0	1,008
Food Service	21000	567	89,800	94,736	14,534	10,165
Athletics	22000	2,876	4,864	5,039	0	2,701
Activities	23000	45,609	89,249	78,062	0	56,796
Federal Flowthrough	24000	(113,149)	237,898	217,059	33,703	(58,607)
Federal Direct	25000	8,000	7,787	11,559	0	4,228
State Grants	27000	(11,830)	16,411	7,623	(2,548)	(5,590)
Bond Building	31100	297,083	230,000	280,836	0	246,247
Senate Bill Nine	31700	14,334	91,355	65,844	0	39,845
Debt Service	41000	263,196	288,445	275,836	0	275,805
Totals		\$ <u>799,897</u>	\$ <u>3,058,223</u>	\$ <u>3,233,667</u>	\$ <u>45,689</u>	\$ <u>670,142</u>

The notes to the financial statements are an integral part of this statement.

De'Aun Willoughby CPA, PC

Certified Public Accountant

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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*

Mr. Hector Balderas  
State Auditor of the State of New Mexico  
Board Members of the Carrizozo Municipal Schools

Mr. Balderas and Members of the Board

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund, the budgetary comparisons for the major capital project fund, major debt service fund, and the combining individual funds and related budgetary comparison presented as supplemental information of the Carrizozo Municipal Schools (District) as of and for the year ended June 30, 2012, and have issued our report thereon dated November 5, 2012. 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

Management of the board is responsible for establishing and maintaining effective 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 opinion 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.

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 correct on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be significant deficiencies in internal control over financial reporting; 10-3, 10-5, 11-2, 11-3 and 12-1. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of it's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs; 10-3, 10-5, 11-2, 11-3 and 12-1.

The District's responses to the findings identified in our audit as described in the accompanying Schedule of Findings and Questioned Cost. We did not audit the District's responses and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the administration, the board members, the Public Education Department, the Office of the State Auditor, the New Mexico State Legislature and federal grantors and is not intended to be and should not be used by anyone other than these specified parties.

*De'Ann Willoughby* CPA PC

November 5, 2012

STATE OF NEW MEXICO  
**CARRIZO MUNICIPAL SCHOOLS**  
 Schedule of Findings and Comments  
 For the Year Ended June 30, 2012

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**Prior Year Audit Findings**

		<u>Status</u>
10-3	PED Cash Report	Repeated & Modified
10-5	Payroll Clearing Account	Repeated & Modified
10-6	Stale Dated Checks	Resolved
11-1	Bank Reconciliations Were Not Properly Reconciled	Resolved
11-2	Personnel Files	Repeated & Modified
11-3	Transfers to Grants to Cover Uncollectible Reimbursements	Repeated & Modified

**Current Year Audit Findings**

**10-3 PED Cash Reports-Compliance and Internal Control-Significant Deficiency**

**Condition**

The District's New Mexico Public Education Department (PED) Cash Reports were inconsistent with reconciled balances. The District's submitted PED Cash Report at year end did not properly reflect the June 30, 2012 reconciled cash balances.

**Criteria**

NMAC 1978, § 6.20.2.11(B)(6) and Regulation SBE-6 requires that all reports submitted to the PED agree to the District's general ledger and must be submitted quarterly and annually by July 31.

**Cause**

Transfers had to be made to grants for receivables that will not be received from PED and very old grants were closed.

**Effect**

As a result of this inaccuracy, the District has failed to remain in compliance with statutory and regulatory provisions. In addition, the District is reviewing inaccurate information, which can lead to uninformed decisions.

**Recommendation**

None. This issue should resolve after this audit because the grants have been reconciled and reduced to zero where required.

**Response**

None.

**10-5 Payroll Clearing Account-Compliance and Internal Control-Significant Deficiency**

**Condition**

The payroll clearing account failed to reconcile. During the performance of audit procedures relating to cash and bank reconciliations, we noted the payroll clearing account did not reconcile to zero.

**Criteria**

Good internal control practices require all bank accounts to be reconciled to the balances reflected in the books each month. The payroll clearing account should be reconciled to zero.

**Cause**

The Business Manager struggles with the payroll clearing account each month. NMPSIA is the main cause for the difficulties.

**Effect**

Accounting records contain errors when bank reconciliations are wrong. The books and records can not be depended on management decisions and reporting requirements.

**Recommendation**

Bank accounts should be reconciled to the balance reflected in the books each month. The payroll clearing account should be reconciled to zero.

**Response**

The payroll clearing account will be closed.

**11-2 Payroll-Compliance and Internal Control-Significant Deficiency**

**Condition**

During our test of 11 personnel file, we noted the following:

- two W-4's could not be located
- one I-9 could not be located
- one employee's contract and increment did not total what was actually paid. No amended contract was signed. The original contract stated \$15.00 an hour not to exceed \$5,512.50, but was paid a total of \$10,488.75.
- they are also paying a bus driver and an ancillary service person as contract labor.

**Criteria**

NMAC 6.20.2.18 states the local board shall establish written policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School district shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, direct deposit authorizations, pay or position change notices and ERA plan application.

**Cause**

The new Business Manager has been organizing the payroll files and records and has been obtaining W-4s and I-9s as she finds them missing as well as missing contracts. Management was not aware that contract labor was not appropriate.

**Effect**

Missing payroll documentation could result in incorrect deductions and penalties. Paying employees a different amount than the contract can cause the employees to be paid more than they should costing the District funds that should not be spent. Paying an employee as contract labor results in very high penalties assessed by the Internal Revenue Service.

**Recommendation**

We are confident the personnel files and documents will be complete based on what we have seen of the procedures implemented by the new Business Manager. We recommend the SS-8 form determining whether a person is an employee or contract labor be completed and retained to avoid penalties from the Internal Revenue Service.

**Response**

The District has implemented procedures to assure all documentation is complete and will retain the SS-8 forms for the auditors review documenting contract labor vs employee status.

**11-3 Transfers to Grants to Cover Uncollectible Reimbursements-Compliance and Internal Control-Significant Deficiency Condition**

The following transfers had to be made to the listed funds to cover uncollectible reimbursements:

24206	IDEA Stimulus	\$	30,070
24209	Preschool Stimulus		1,116
27117	Education Jobs Fund		(183)
27138	Incentives for School Improvement		(1,776)
27549	School Library Fund		(587)
		\$	<u>28,640</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 requests for grant reimbursements shall be timely to assure receipts of funds.

**Cause**

The new Business Manager spent several days trying to reconcile the general ledger to the bank statements and OMBS. As a result, the window to request reimbursements had expired.

**Effect**

Funds that should be utilized in the Operational Fund had to be transferred to grant funds to cover expenditures that should and could have been reimbursed.

**Recommendation**

All funds should be requested before year end and follow-up procedures should occur if funds are not received timely.

**Response**

The new Business Manager has overcome the issues in the past year to assure this issue will not occur again.

**12-1 Expenditure Issues - Compliance and Internal Control-Significant Deficiency Condition**

Of a sample size of 168 revealed the following:

- One bill package was for a credit card to home depot that had a \$20.00 late fee.
- Two were not paid timely totaling \$2,770.76.

**Criteria**

In accordance with 6.20.2.17 Purchasing each school district shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq, NMSA 1978.

**Cause**

The late paid invoices were caused by newly implemented procedures resulting from a new business manager and time required to properly train those involved in the bill paying process.

**Effect**

Without proper documentation and following the procurement act, there are not adequate controls over expenditures. Results could be over spending.

**Recommendation**

None. The new procedures are working well and I do not anticipate problems with late paid bills in the future.

**Response**

None.



**Financial Statement Preparation**

The financial statements were prepared by De'Aun Willoughby CPA. However, they are the responsibility of management.

**Exit Conference**

An exit conference was held on November 5, 2012. Those present were Matt Ferguson-Board President, Patti Nesbitt-Superintendent, Elizabeth Montoya -Business Manager, and De'Aun Willoughby CPA.