

**STATE OF NEW MEXICO**  
**CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22**  
**FINANCIAL STATEMENTS**  
**June 30, 2009**  
**With Independent Auditors' Report Thereon**

**STATE OF NEW MEXICO**  
**CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22**

**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2009**

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## **INTRODUCTION SECTION**

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**OFFICIAL ROSTER**  
June 30, 2009

BOARD OF EDUCATION

Hoskie Benally, Jr.	President
Elayne Grace Lowe	Vice-President
Dorothy L. Redhorse	Secretary
Rozanna M. Lopez	Member
Randy J. Manning	Member

SCHOOL OFFICIALS

Gregg Epperson	Superintendent
Bill Noland	Assistant Superintendent of Secondary Education (Interim)
Byron Manning	Executive Director of Finance and Business Operations
Marlene Frazier	Executive Director of Curriculum and Instruction
Janet Slowman-Chee	Executive Director of Special Education and Multi-Ethnic Student Affairs
Nancy Frazzini	Director of Human Resources
Brock Smith	Director of Student Nutrition
Jeff Hunt	Director of Transportation
Herbert Frazier	Director of Bilingual Education
Dennis Fieldsted	Director of Construction/Maintenance



# Griego Professional Services, LLC

Certified Public Accountants

## INDEPENDENT AUDITORS' REPORT

Hector H. Balderas  
New Mexico State Auditor  
The Office of Management and Budget  
To the Board of Education  
Central Consolidated School District No. 22  
Shiprock, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, budgetary comparisons for the general fund and major special revenue funds and the aggregate remaining fund information of Central Consolidated School District No. 22 (District), as of and for the year ended June 30, 2009, 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 major capital project funds, the debt service fund, non-major governmental and fiduciary funds, including budgetary comparisons, presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of Central Consolidated School District No. 22'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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Central Consolidated School District No. 22, as of June 30, 2009, and the respective changes in financial position thereof, and the respective budgetary comparisons for the general fund and specified major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each non-major governmental fund and fiduciary fund of Central Consolidated School District No. 22, as of June 30, 2009, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital project funds, the debt service fund and each non-major governmental fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2009 on our consideration of Central Consolidated School District No. 22's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The *Management's Discussion and Analysis* on page 4 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it

Our audit was conducted for the purpose of forming opinions on the Central Consolidated School District No. 22's basic financial statements and the combining and individual fund financial statements and budgetary comparisons. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The additional schedules listed as "Other Supplementary Information" and the Statement of Changes in Assets and Liabilities – Agency Funds in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Grigo Professional Services, LLC*

Albuquerque, New Mexico  
November 3, 2009



## **FINANCIAL SECTION**

**CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

The Management's Discussion and Analysis (MD&A) of the fiscal performance of Central Consolidated School District No. 22 (District) is for the fiscal year ended June 30, 2009. This written analysis is now a required part of the District's financial reporting and is intended to give the reader an easy-to-understand overview of the District's financial position and the results of its operations for the year. Please read it in conjunction with the District's financial statements, which immediately follow this section.

**FINANCIAL HIGHLIGHTS**

- The District's total net assets of governmental activities increased by \$7.8 million. This represents a 4.9% increase from fiscal year 2008, resulting primarily from the use of current year funding for capital additions.
- General revenues accounted for \$69.0 million, or 71.5% of all 2009 fiscal year revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$27.6 million, or 28.5% of total fiscal year 2009 revenues.
- The District had approximately \$88.7 million in expenses related to governmental activities of which \$27.5 million of these expenses were offset by program specific charges for services or grants and contributions. General revenues of \$69.0 million were adequate to provide for the remaining costs of these programs.
- Capital outlay expenditures decreased by \$8.9 million from last fiscal year, 2008, to the current fiscal year. The District has completed construction on the new Kirtland Middle School and the addition to Kirtland Early Childhood Center. Additionally, the District was adding new pre-school classrooms to Naschitti Elementary and Ruth N. Bond Elementary and new putting and chipping greens to Riverview Golf Course. The District has begun construction of a new field house at Shiprock High School and design work for an elementary school in Shiprock.
- The overall Fund Balance shown on the governmental fund financial statements decreased by \$1.5 million in the current fiscal year. The decrease in fund balance is primarily related to the use of construction funds during the current fiscal year.
- Total revenues, exclusive of revenues from general obligation bond proceeds, decreased by \$0.03 million when compared to the previous fiscal year. This represents less than a 0.1% decrease in revenue for the year. Revenues remained essentially stagnant for the year.

- Total expenditures, including capital expenditures and debt service, decreased \$9.2 million in the current fiscal year when compared to the previous fiscal year. The decrease in capital expenditures is the primary reason for the decrease.
- The District's total debt decreased by \$3.3 million in the current fiscal year. This was primarily due to the payment of \$3.3 million in general obligation and revenue bonds. The reduction in the deferred gain on refunding was offset by the increase in the lease and accrued compensated absences.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements—district-wide and fund—that present different views of the District:

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting on the District's operation in *more detail* than the district-wide statements.
- The *governmental funds statements* report on how basic services such as regular and special education were financed in the *short term* as well as what remains for future spending.
- *Fiduciary funds statements* provide information about the financial relationships in which the district acts solely as a *trustee* or *agent* for the benefit of others.

This annual report consists of a series of detailed, audited financial statements, and the notes to those statements. The annual report also includes the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*, the Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance Required by *OMB Circular A-133*, and the Schedule of Findings and Questioned Costs.

### **District-Wide Financial Statements**

The Statement of Net Assets and Statement of Activities are presented on a district-wide basis and encompass all assets and liabilities of the District. This section will look at the financial performance of the District as a whole rather than looking at individual components or areas of the District.

### **Fund Financial Statements**

The District uses fund accounting to ensure and demonstrate compliance with financial and legal requirements. Fund financial statements use the flow of current financial resources measurement focus and the modified accrual basis of accounting. The Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances guide

the reader to a meaningful overall view for the District's assets, liabilities, revenues, expenditures, fund balances, and changes to those fund balances.

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

### Statement of Net Assets

The Statement of Net Assets is prepared using the economic resources measurement focus and the accrual basis of accounting. The District's financial position is the product of several financial transactions, including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following table presents a summary of the District's net assets for the fiscal years ended June 30, 2008 and June 30, 2009.

	June 30, 2008	June 30, 2009
<b>Assets</b>		
Cash and Investments	\$ 702,063	\$ 834,240
Investments	27,525,839	28,394,780
Other Current Assets	2,553,714	1,811,443
Capital Assets, Net	181,944,655	187,962,420
Total Assets	<u>212,726,271</u>	<u>219,002,883</u>
<b>Liabilities</b>		
Accounts Payable	4,099,521	5,465,658
Other Current Liabilities	6,433,863	7,041,180
Long-Term Liabilities	42,028,412	38,543,382
Total Liabilities	<u>52,561,796</u>	<u>51,050,220</u>
<b>Net Assets</b>		
Investment in Capital Assets, Net	142,849,301	148,032,399
Restricted	8,619,932	9,417,707
Unrestricted	8,695,242	10,502,557
Total Net Assets	<u>\$ 160,164,475</u>	<u>\$ 167,952,663</u>

The following are significant current year transactions that have had an impact on the Statement of Net Assets:

- The addition of \$6.3 million in capital assets, net of accumulated depreciation, through additions, remodeling, and equipment purchases.
- The reduction of \$3.6 million in long-term debt.
- The decrease in total revenues by \$0.3 million and the decrease in total expenditures by \$0.7 million.

The District has total net assets of \$167,952,663 as of June 30, 2009 as compared to \$160,164,475 as of June 30, 2008.

## Changes in Net Assets

The District's total revenues for the fiscal year ended June 30, 2009 were \$96.5 million and total revenues for the fiscal year ended June 30, 2008 were \$96.9 million. The total costs of all programs and services were \$88.7 million in 2009 and \$89.4 million in 2008. The following table presents a summary of the changes in net assets for the fiscal years ended June 30, 2008 and June 30, 2009.

	<u>June 30, 2008</u>	<u>June 30, 2009</u>
<b>Revenues:</b>		
Program Revenues:		
Charges for Services	\$ 2,792,037	\$ 2,540,255
Operating Grants and Contributions	17,799,513	19,586,129
Capital Grants and Contributions	7,811,755	5,385,186
General Revenues:		
Property Taxes	6,313,961	6,346,682
Federal and State Aid	61,034,159	62,150,062
Gain on Sale of District Assets	13,451	5,332
Investment Income	1,110,616	522,589
<b>Total Revenues</b>	<u>96,875,492</u>	<u>96,536,235</u>
<b>Expenses:</b>		
Instruction	52,444,694	51,831,313
Support Services - Students	6,014,854	6,261,256
Support Services - Instruction	1,460,331	1,330,036
Support Services - General Administration	1,324,142	1,526,254
Support Services - School Administration	5,749,502	5,827,363
Central Services	1,466,126	1,766,992
Operations and Maintenance of Plant	11,001,764	10,620,266
Student Transportation	3,944,627	3,526,069
Food Services	3,423,766	3,484,911
Community Services	873,013	878,079
Interest on Long-Term Obligations	1,703,453	1,695,508
<b>Total Expenses</b>	<u>89,406,272</u>	<u>88,748,047</u>
<b>Other:</b>		
Donation of Riverview Golf Course	3,660,453	-
<b>Increase in Net Assets</b>	<u>\$ 11,129,673</u>	<u>\$ 7,788,188</u>

## Statement of Activities

The Statement of Activities is also prepared using the economic resources measurement focus and the accrual basis of accounting. This report compliments the Statement of Net Assets by showing the overall change in the District's net assets for the fiscal year ended June 30, 2009.

The following table shows the cost of the 11 major District functional activities: instruction; support services – students; support services – instruction; support services – general administration; support services – school administration; central services,

operations and maintenance of plant; student transportation; food services; community services; and interest on long-term obligations. This table also shows each function's net cost (the total cost less charges for the services generated by the activities and intergovernmental aid provided for the specific programs). The net cost shows the financial burden that was placed on Federal, State, and District taxpayers by each of these functions.

	June 30, 2008		June 30, 2009	
	Total	Net (Expense)	Total	Net (Expense)
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 52,444,694	\$ (33,339,072)	\$ 51,831,313	\$ (35,344,182)
Support Services - Students	6,014,854	(4,975,702)	6,261,256	(4,932,795)
Support Services - Instruction	1,460,331	(1,371,577)	1,330,036	(1,230,560)
Support Services - General Administration	1,324,142	(939,757)	1,526,254	(1,012,733)
Support Services - School Administration	5,749,502	(5,033,395)	5,827,363	(4,645,163)
Central Services	1,466,126	(1,463,954)	1,766,992	(1,703,734)
Operations and Maintenance of Plant	11,001,764	(10,442,308)	10,620,266	(10,030,236)
Student Transportation	3,944,627	(715,665)	3,526,069	(38,411)
Food Services	3,423,766	(364,375)	3,484,911	37,790
Community Services	873,013	(653,707)	878,079	(640,945)
Interest on Long-Term Obligations	1,703,453	(1,703,453)	1,695,508	(1,695,508)
<b>Total Expenses</b>	<b>\$ 89,406,272</b>	<b>\$ (61,002,967)</b>	<b>\$ 88,748,047</b>	<b>\$ (61,236,477)</b>

- The cost of all governmental activities this year was \$88.7 million and \$89.4 million last year.
- The Federal and State governments, along with charging for services, subsidized certain specific programs with grants and contributions in the amount of \$27.5 million in 2009 and \$28.4 million in 2008.
- The net cost of governmental activities (\$61.2 million in 2009 and \$61.0 million in 2008) was financed by general revenues, which were primarily funded with Federal and State aid (\$62.2 million this year and \$61.0 million last year).

## **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

### **Balance Sheet**

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in the Balance Sheet as of June 30, 2009. As the District completed the year, it reported a combined fund balance of \$22.9 million, a decrease of \$1.5 million. This decrease was primarily due to capital outlay expenditures. Approximately \$3.7 million, or 16.3%, of the fund balance constitutes unreserved fund balance. The remaining fund balance of \$19.2 million, or 83.7%, is reserved for inventory, debt service, or subsequent year's expenditures.

### **Statement of Revenues, Expenditures, and Changes in Fund Balances**

Total revenues from state, local, and Federal sources were \$97.5 million, a decrease of \$5.5 million from the prior year. There were \$1.0 million in other financing sources from operating transfers in during the current fiscal year. The total expenditures for the District were \$99.0 million, including lease purchase payments and operating transfers out, a decrease of \$9.2 million from the prior year.

The General Operational Fund is the principal operating fund of the District. The District experienced an increase in fund balance of \$677,464 in the General Operational Fund for the fiscal year. This increase was due to an increase in cash balance in the capital expenditure function of the General Operational Fund.

### **Multi-Year Comparison of District Revenues and Expenditures**

A view of the District's revenues and expenditures over the past ten years indicates that, while attendance figures have declined, total revenues, excluding bond revenues, are generally increasing annually. This is the first year of decline in revenues, and it amounted to a decrease of less than \$100,000. This is related to the general increase in the dollar value of student unit allocations by the State for the State Equalization Guarantee, an increase in capital projects revenues, and a general increase in the dollar value of Federal and State grants received by the District, though the District saw a slight decrease in these grants in the past two fiscal years. The District also saw a reduction in the student unit allocation from the State in the current fiscal year as well as economic conditions have been difficult in the State.

Year	Total Revenues*	% Change	% Change w/o Bond Revenues	Total Expenditures*	% Change	Bond Revenues
1999-2000	61,679,611	10.3%	10.3%	63,798,288	9.2%	-
2000-2001	71,979,810	16.7%	10.2%	73,595,743	15.4%	4,000,000
2001-2002	72,797,502	1.1%	7.1%	73,819,830	0.3%	-
2002-2003	83,110,746	14.2%	6.3%	77,887,271	5.5%	5,700,000
2003-2004	83,943,908	1.0%	3.5%	82,849,578	6.4%	3,800,000
2004-2005	81,274,295	-3.2%	1.4%	89,420,014	7.9%	-
2005-2006	100,486,892	23.6%	4.2%	85,365,929	-4.5%	15,769,675
2006-2007	91,488,981	-9.0%	8.0%	97,408,084	14.1%	-
2007-2008	103,034,717	12.6%	6.6%	108,248,724	11.1%	5,500,000
2008-2009	97,511,215	-5.4%	0.0%	99,025,151	-8.5%	-

\* Note: Revenues include proceeds from General Obligation and Revenue Bonds and exclude cash carryovers. Expenditures include capital outlays and lease payments. Equity transfers are included in both revenues and expenditures. The refunding in 2004-2005 has been excluded both from revenues and expenditures.

### Budgetary Highlights

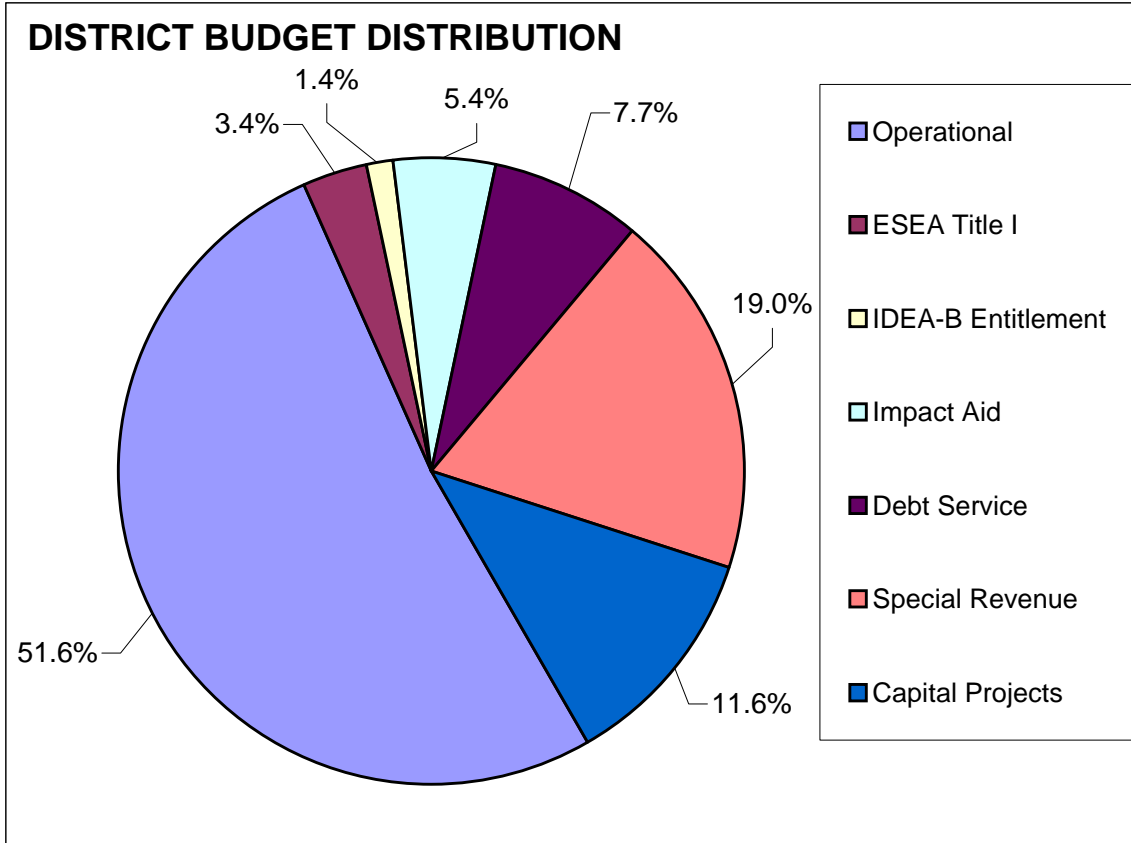
The District has experienced the same growth in its budget as it has in its revenues and expenditures. The budgeting process for the State of New Mexico is defined under New Mexico State Statutes (Section 22) and the New Mexico Administrative Code (Section 6). Additionally, the District develops its budget through input at site budget meetings from parents and staff members at each of its three main attendance areas—Kirtland, Newcomb/Naschitti, and Shiprock, the District Budget Committee (made up of community members, certified and non-certified staff, administrators, and finance department personnel), and input from the local School Board and Superintendent. The District also has a facilities master plan for major construction and renovation that is constantly updated for major capital expenditures.

All major budgetary funds are reported as separate statements.

Major budgetary funds in these reports are the General Operational Fund (Operational), ESEA Title I, IDEA-B Entitlement, Impact Aid – Indian Education, and Debt Services. In addition, fifty-three (53) non-major Special Revenue Funds and four (4) non-major Capital Projects funds are also reported for their budgetary performance. Examples of non-major Special Revenue funds are Transportation, Food Services, Title VII, and Impact Aid – Special Education. Examples of non-major Capital Project funds include Bond Building, SB-9 Capital Improvements (Two Mill Levy), and Special Capital Outlay – Federal.

The following shows the fiscal relationship of the major funds and the combined non-major funds.





The General Operational Fund accounts for 51.6% of the total District budget. This fund provides the salary and benefits for the significant majority of the instructional, instructional support, school support, maintenance, custodial, administrative, and business staffs as well as classroom materials, special education ancillary staff, insurance, and utility costs.

Revenue from this fund is substantially derived from the State Equalization Guarantee (60.2%) and Federal Funds (Impact Aid) (35.7%). The State Equalization Guarantee is based upon a funding formula developed by the State. This formula includes taking a credit for the Impact Aid funds received by the District. The net effect on the District's General Operational Fund is retaining 5% of the total Impact Aid dollars in the fund for general operational expenditures and 20% of the total Impact Aid dollars for construction needs. The District spends this 20% set-aside for construction to replace lost bonding capacity because of the large percentage of District lands on the Navajo reservation.

The General Operational Fund will be discussed in further detail later in the Management Discussion and Analysis.

The following table examines the summary budget performance of the major and combined non-major funds for the fiscal year ended June 30, 2009. Detail budget performance is examined through the Statements of Revenues and Expenditures – Budget and Actual.

<b>MAJOR FUNDS EXPENDITURE TO BUDGET PERFORMANCE</b>			
FUND	FINAL BUDGET	ACTUAL EXPENDITURES	VARIANCE
Operational	\$ 62,528,352	\$ 54,642,286	\$ 7,886,066
ESEA Title I	4,107,495	\$ 3,079,498	1,027,997
IDEA-B Entitlement	1,679,134	\$ 1,679,133	1
Impact Aid - Indian Education	6,500,000	\$ 4,145,109	2,354,891
Debt Service	9,294,001	\$ 5,105,958	4,188,043

<b>COMBINED MINOR FUNDS EXPENDITURE TO BUDGET PERFORMANCE</b>			
FUND	BUDGET	EXPENDITURES	VARIANCE
Special Revenue	\$ 23,116,723	\$ 17,378,543	\$ 5,738,180
Capital Projects	14,052,106	7,069,497	6,982,609

All expenditures within the major and non-major funds fell within the approved budget limits. No budgets had expenditures in excess of budget authority.

### **Operational Fund**

The General Operational Fund is the primary fund for the District. Operational revenues totaled \$56,689,712, which represents 58.1% of total District revenues of \$97,511,215 (inclusive of bond proceeds and operating transfers in).

The General Operational Fund had an initial approved budget of \$61,674,051 and a final budget of \$62,528,352. The increased budget of \$854,301, a 1.4% increase, was due to the net effect of budgeting cash carryover from the previous year's budget and a mid-year decrease in the unit value.

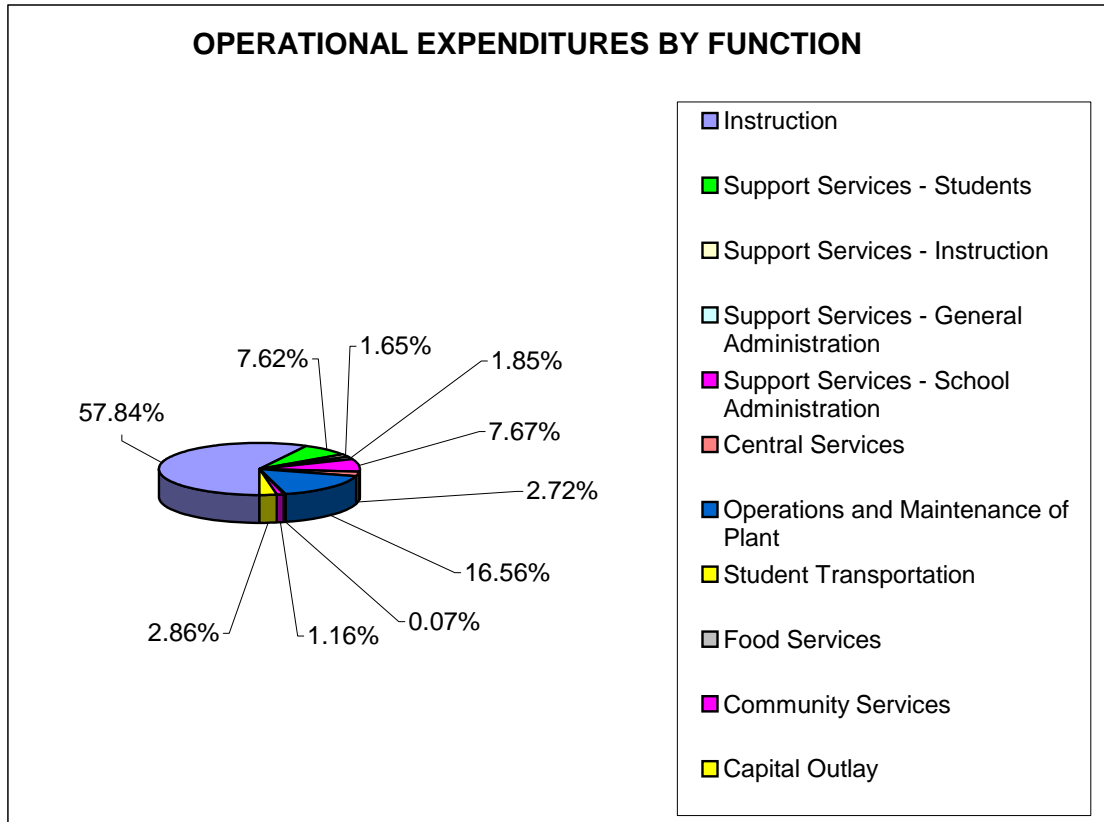
The variance between the final budget and actual expenditures is \$7,886,066, 12.6%, as shown above. Of this amount, \$475,714 is budgeted in reserve categories that can only be used in emergency situations with State approval. Additionally, \$935,000 of this amount is encumbered at year end for items which have not been received at year end, and another \$751,000 is in construction accounts that will be used in subsequent years for District construction needs. Finally, the budget includes \$978,000 for cash transfers to the IDEA-B Entitlement Fund to cover a fund deficit and to the Debt Service Fund for revenue bond payments. This leaves \$5.2 million, 8.3% of final budget, which the District attempts to maintain for cash balance carryovers for the next year. It is important that the District maintains approximately 7.0% to 10.0% in cash balances for emergency situations, or "rainy day" funds, as the State funding is expected to continue to decline. Additionally, the District receives a large portion of its cash from the Federal government in February or March of each year. Up to that point, the District needs some cash reserves to meet cash flow needs.

While the District has seen a decline in student enrollment over the past five years, the operational fund has, on whole, experienced an increase in total revenues over that same

time period due to higher unit value allocations from the State, as can be seen from the following table.

Operational Fund Revenues		
Year	Revenues	Increase
1999-2000	39,746,474	7.4%
2000-2001	38,620,493	-2.9%
2001-2002	40,980,570	5.8%
2002-2003	40,279,814	-1.7%
2003-2004	41,418,618	2.7%
2004-2005	43,671,431	5.2%
2005-2006	50,965,146	14.3%
2006-2007	53,335,511	4.4%
2007-2008	55,813,625	4.4%
2008-2009	56,689,712	1.5%

The General Operational Fund represents the major expenditures for the education of the students within the District. During the year ended June 30, 2009, the General Operational Fund expended \$55,034,630 of which \$31,829,968 was expended on Direct Instruction. This represents 57.84% of all General Operational Fund expenditures. Instruction expenditures include salaries for regular, bilingual, and special education teachers and educational assistants, payroll taxes, benefit costs, classroom supplies and equipment, employee training, student and teacher travel, and instructional related contract services. This also includes all athletic, extracurricular, and co-curricular expenditures including salaries, travel, and supplies. Employee salaries, payroll taxes, and benefit costs account for 78.34% of all General Operational Fund expenditures.



The second largest area of expenditures for the District is for Operations and Maintenance of Plant. These expenditures totaled \$9,112,068, 16.56% of the General Operational expenditures. This includes salaries, payroll taxes, and benefits for maintenance staff and supervisors, computer technicians, school custodians and supervisors, and maintenance and custodial clerical staff. It also includes costs for maintenance and custodial supplies and equipment, maintenance and repairs of buildings, grounds, and equipment, utilities, internet access, travel and training for maintenance and custodial personnel, outside contract services, and property and liability insurance. The District also receives funding for maintenance costs from the voter approved Two Mill Levy Fund (Fund 31700).

Support Services – School Administration expenditures totaled \$4,220,126, or 7.67% of General Operational expenditures, which include salaries, payroll taxes, and benefits for principals, school secretaries, and coordinators. It also includes the necessary supplies, equipment, training, and travel for these individuals and all general expenditures.

Support Services - Students expenditures include salaries, payroll taxes, and benefits for counselors, nurses, statistical and student count departments, ancillary staff, and contracted ancillary support personnel for special education. Ancillary personnel provide specialized services for special education students and include speech or occupational therapists, psychologists, diagnosticians, etc. It also includes the necessary supplies, equipment, training, and travel for these individuals. Support Services – Students expenditures totaled \$4,195,999, or 7.62% of General Operational expenditures.

The District spent \$1,571,516 2.86%, from Capital Outlay for the purchase of general vehicles for District use and general maintenance and construction needs in the District, including fencing, carpeting, tile, painting, and minor construction projects.

The District expended 2.72%, \$1,498,284, of the General Operational Fund for Central Services. This includes salaries, payroll taxes, and benefits for employees of the business office, human resources, warehouse and delivery, and programming. It also includes supplies, equipment, outside contract services, advertising for open positions, training and travel for the above individuals, and postage and shipping for the District.

Support Services – Instruction accounted for \$1,016,482 of General Operational Fund expenditures, or 1.85% of the total. This includes salaries, payroll taxes, and benefits for librarians, library aides, and performing arts center personnel. Also included are all costs for supplies, equipment, outside contract services, travel, and training for the above individuals and all costs associated with the libraries.

Support Services – General Administration expenditures totaled \$910,340, or 1.65% of General Operational Fund expenditures. Included in this area are salaries, payroll taxes, and benefits for the superintendent, assistant superintendents, administrative secretaries, and receptionists. In addition, supplies, equipment, travel, training, and outside contract services for the above individuals and the School Board are included in this function. Administrative costs like legal and auditing fees and costs related to board and bond elections are also included here.

Community Services, which include summer school, day-care services at both Career Prep High School and Newcomb High School, and the Parents as Teachers Program (PAT) throughout the District, accounted for \$638,919, 1.16% of General Operational expenditures. This includes salaries, payroll taxes, and benefits for day-care providers and PAT personnel as well as supplies, equipment, travel, and training for these individuals and programs.

The District spent \$40,928, 0.07% of General Operational expenditures for Student Transportation and Food Services. This includes salaries and payroll taxes for a portion of the administrative staff in transportation and a few supplies.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

As of June 30, 2009, the district had invested \$264.2 million in capital assets, including land, school buildings, athletic facilities, administrative offices, library collections, buses and other vehicles, computer and audio-visual equipment, and other equipment. This amount represents a net increase of \$12.3 million from last year’s reported assets.

The District had \$12.3 million, net, in new additions in the current fiscal year. For financial reporting purposes, the District will only capitalize and depreciate equipment with a value of \$5,000 or more.

The accumulated depreciation for the District’s capital assets amounts to \$76.3 million. Total depreciation expense for the year was \$6.3 million. The District utilizes a “straight line” depreciation method in all cases and has established standardized lifetime tables in calculating depreciation.

The following schedule presents capital asset balances, net of accumulated depreciation, at June 30, 2009.

	<b>Amount</b>
Land	\$ 5,454,000
Library Collections	493,925
Land Improvements	5,695,363
Buildings and Improvements	172,077,750
Equipment and Vehicles	3,702,196
Construction in Progress	492,836
Total	<b>\$ 187,916,070</b>

Major additions to capital assets this year (additions in excess of \$100,000) included building improvements at the following schools – completion of a new Kirtland Middle School addition, a classroom addition at Kirtland Early Childhood Center and Ruth N. Bond Elementary School, a major remodeling and addition project with the teacher housing in Shiprock, Newcomb, and Naschitti, the addition of new putting and chipping greens at Riverview Golf Course, completion of the turf football fields in Kirtland and Shiprock, and District-wide fencing and paving projects.

In the District's fiscal year 2010 budget, the new greens will be completed at Riverview; a major design for a new and remodeled Nataani Nez Elementary School will be completed; a classroom addition will occur at Naschitti Elementary School; a new football/track field house will be completed at Shiprock High School; a major renovation of the Kirtland swimming pool will be completed; and safety and energy conservation projects will be completed throughout the District.

Additional information on the District's capital assets can be found in Note 4 on pages 48-49 of this report.

### Long-Term Debt

At year-end, the District has \$33,820,000 in general obligation bonds outstanding, \$3,045,000 due within one year. State statutes currently limit the amount of general obligation debt a district may issue to 6.0% of its total assessed valuation. At June 30, 2009, the District's general obligation debt limit was \$40,774,313, and the District was bonded to 82.945% of the legal limit. The District has also received voter approval to issue up to an additional \$20.0 million in general obligation bonds.

The District has never defaulted on any of its debt or other obligations. Listed below is the District's total general obligation debt and yearly payment schedule as of June 30, 2009.

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST	TOTAL
2010	3,045,000	1,367,677	4,412,677
2011	2,950,000	1,231,528	4,181,528
2012	3,030,000	1,085,338	4,115,338
2013	3,070,000	938,861	4,008,861
2014	2,800,000	800,822	3,600,822
2015	2,900,000	673,696	3,573,696
2016	2,850,000	554,436	3,404,436
2017	2,875,000	443,732	3,318,732
2018	2,200,000	347,100	2,547,100
2019	2,400,000	259,274	2,659,274
2020	2,400,000	169,575	2,569,575
2021	2,400,000	78,225	2,478,225
2022	900,000	15,975	915,975
<b>Total</b>	<b>\$33,820,000</b>	<b>\$7,966,239</b>	<b>\$41,786,239</b>

The District has issued special revenue bonds with an outstanding balance at June 30, 2009 of \$7,390,275. Principal amounts of \$500,744 are due within one year. Included in these special revenue bond revenues, \$769,675 was funded into a bond reserve fund within the Debt Service Fund (Fund 41000).

Listed below is the District's total revenue bond debt and yearly payment schedule as of June 30, 2009.

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST	TOTAL
2010	500,744	276,462	777,206
2011	517,652	259,076	776,728
2012	535,602	240,593	776,195
2013	554,711	220,914	775,625
2014	575,059	199,983	775,042
2015	596,679	177,742	774,421
2016	619,653	154,162	773,815
2017	643,955	129,246	773,201
2018	669,611	102,971	772,582
2019	696,636	75,321	771,957
2020	725,048	46,250	771,298
2021	754,925	15,674	770,599
<b>Total</b>	<b>\$7,390,275</b>	<b>\$1,898,394</b>	<b>\$9,288,669</b>

Additional information on the District's long-term debt can be found in Note 5 on pages 49-51 of this report.

### FACTORS BEARING ON THE DISTRICT'S FUTURE

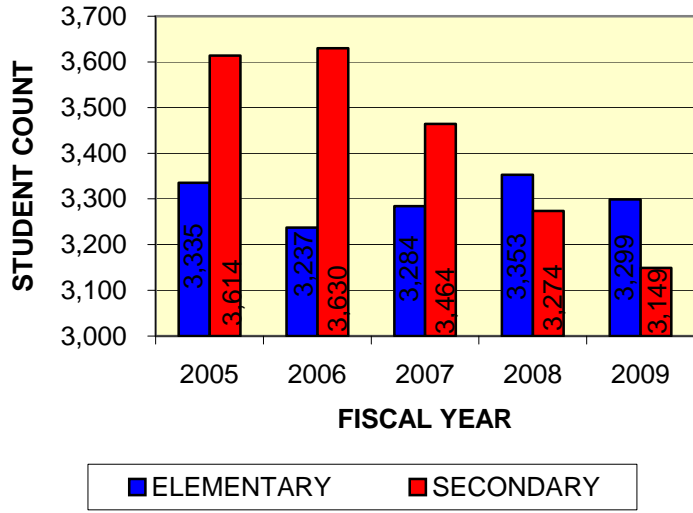
At the time these financial statements were prepared and audited, the district was aware of the following circumstances that could significantly affect its financial health in the future.

- The District had been experiencing a decline in student enrollment. Over the previous five year period, the District's average enrollment, as measured by the 40<sup>th</sup>, 80<sup>th</sup>, and 120<sup>th</sup> day counts, has decreased by 501 students. The District has incurred losses in each of the last four years, including a loss of 180 students in this current fiscal year. This has continued into the next fiscal year as well with a decline of 171 students District wide as measured by the 40<sup>th</sup> day count for the 2010 fiscal year as compared to the 40<sup>th</sup> day count for the 2009 fiscal year.

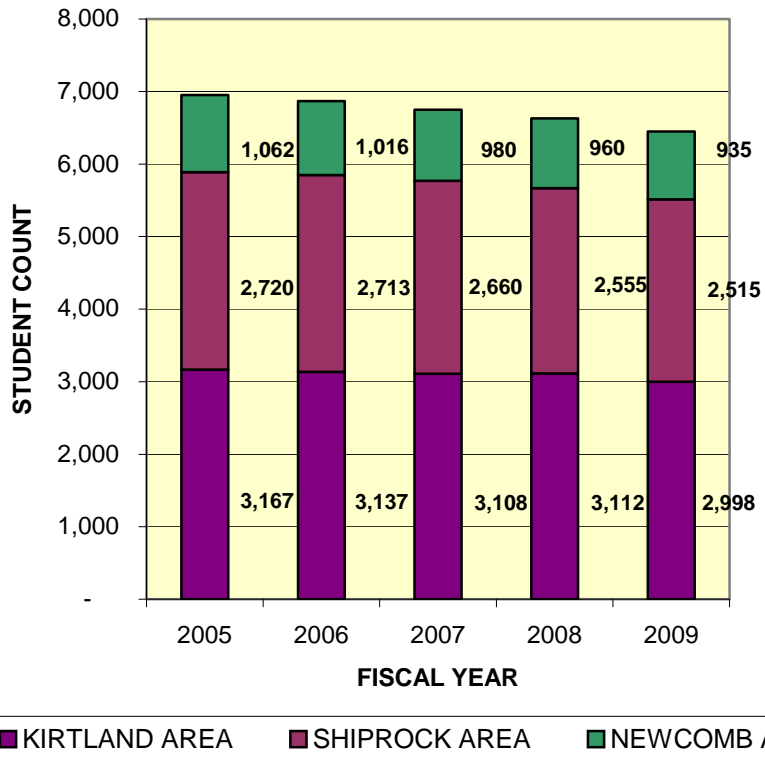
The overall decline in enrollment was principally attributable to the elementary age groups until this past three years at which time the secondary schools experienced the decline in enrolment while elementary enrollment has increased in the three previous fiscal years. Both groups saw declines in the current fiscal year. Over the five year period, elementary has seen a decrease of 36 students while secondary has seen a decrease of 465 students. This would indicate that smaller family sizes and/or fewer families with school age children are residing within the District. The surrounding school districts in the area are also experiencing declining or stagnant enrollments. One positive note regarding enrollment is that the District has experienced an increase in the class size of kindergarten students in the three previous years and the overall elementary attendance is leveling off.

The following charts detail the change in enrollment for elementary and secondary schools and enrollment by major attendance areas.

### FIVE YEAR ENROLLMENT HISTORY



### ENROLLMENT BY ATTENDANCE AREAS





These trends indicate that the District would experience flat or decreasing funding levels in the coming fiscal years if State unit value amounts remain the same. The District will need to continue monitoring teacher/student ratios with these trends in mind.

- On September 23, 2003, the voters of New Mexico passed a new constitutional amendment that increases the amount of funding to be provided to educational institutions in the State of New Mexico from the Permanent Fund. Additional funding has been provided to school districts from this funding source which has helped to offset the reduction in funding from declining enrollments in the District.
- The Federal No Child Left Behind Act (NCLB) is changing the way schools are rated within New Mexico. The changes in the rating system are expected to cause additional schools within the State to be rated as “*probationary*” or to be put in “*corrective action*” status. The major highlights for NCLB are as follow.
  - All students are to be proficient by 2013-2014. Accordingly, the State’s adequate yearly progress (AYP) measure will not only look at all public school students but will also evaluate the performance of four categories of students:
    - Economically disadvantaged students
    - Students from major racial and ethnic groups
    - Students with disabilities
    - Students with limited English proficiency

If any of these groups do not make AYP, that school will be rated probationary.

- Schools that are identified for improvement or corrective action must offer all students the opportunity to transfer to another public school within the District that has not been identified for improvement at the expense of the Title I program.
- If a school fails to make AYP by the end of the first full school year after being identified for school improvement, then the District must arrange for supplemental educational services for eligible students who attend that school. These services can include tutoring and other supplemental academic enrichment services, recognized by the State, that are in addition to the instruction provided during the school day.
- All core subject teachers must become “Highly Qualified” by the end of 2005-2006. All paraprofessionals (aides) in Title I schools (all District schools are Title I schools) must have a high school diploma and have two years of college or an associate’s degree, or meet a rigorous standard of quality and demonstrate skill on a State or local test. Five percent of the

Title I budget must be used to ensure that all teachers and paraprofessionals meet these high quality standards.

- These changes will govern set-aside dollars before allocating funds to individual schools.

District Operational and Title I budgets may be affected in the future by these changes as additional dollars are moved into supplemental services or to salaries as increased requirements are put on teachers and paraprofessionals.

In April 2009, the District took the annual statewide test which measures the national No Child Left Behind requirement for Annual Yearly Progress (AYP). The District had three schools meet state requirements for AYP – Nataani Nez Elementary, Grace B. Wilson Elementary, and Kirtland Early Childhood Center – up from one school the previous year – Ruth N. Bond Elementary. The remaining fifteen schools failed on one or more areas of the test. The other three school districts in the county only had three schools combined made AYP on the April 2009 test.

#### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the District's citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Executive Director of Finance and Business Operations, Central Consolidated School District No. 22, 583 CR 6100, Kirtland, NM 87417.



STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2009

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	\$ 51,831,313	1,549,246	9,623,774	5,314,111	\$ (35,344,182)
Support Services - Students	6,261,256		1,257,386	71,075	(4,932,795)
Support Services - Instruction	1,330,036		99,476		(1,230,560)
Support Services - General Administration	1,526,254	293,230	220,291		(1,012,733)
Support Services - School Administration	5,827,363		1,182,200		(4,645,163)
Central Services	1,766,992		63,258		(1,703,734)
Operations and Maintenance of Plant	10,620,266	511,715	78,315		(10,030,236)
Student Transportation	3,526,069		3,487,658		(38,411)
Food Services	3,484,911	186,064	3,336,637		37,790
Community Services	878,079		237,134		(640,945)
Interest on Long-Term Obligations	1,695,508				(1,695,508)
<b>Total Governmental Activities</b>	<b>\$ 88,748,047</b>	<b>2,540,255</b>	<b>19,586,129</b>	<b>5,385,186</b>	<b>(61,236,477)</b>
<b>General Revenues:</b>					
Taxes					
Property Taxes, Levied for General Purposes					330,753
Property Taxes, Levied for Debt Service					4,654,406
Property Taxes, Levied for Capital Projects					1,361,523
Federal and State Aid Not Restricted to Specific Purpose					
General					61,636,247
Capital					513,815
Gain on Sale of District Assets					5,332
Interest and Investment Earnings					522,589
Subtotal, General Revenues					69,024,665
<hr/>					
Change in Net Assets					7,788,188
Net Assets - Beginning of Year					160,164,475
Net Assets - End of Year					\$ 167,952,663

SEE INDEPENDENT AUDITORS' REPORTS  
The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
As of June 30, 2009

	Fund 11000	Fund 24101	Fund 24106	Fund 25147	Fund 41000	OTHER GOVERNMENTAL FUNDS	TOTALS
	GENERAL OPERATIONAL FUND	ESEA TITLE I	IDEA-B ENTITLEMENT	IMPACT AID - INDIAN EDUCATION	DEBT SERVICES		
<b>ASSETS</b>							
Assets:							
Cash	\$ 54,102	72,619		295,687	997	410,835	834,240
Investments	7,586,394			6,440,593	5,335,270	9,032,523	28,394,780
Taxes Receivable	5,488				92,444	27,233	125,165
Due from Grantor			246,838			1,240,455	1,487,293
Due from Other Funds	1,888,611						1,888,611
Inventory						198,985	198,985
<b>Total Assets</b>	<b>\$ 9,534,595</b>	<b>72,619</b>	<b>246,838</b>	<b>6,736,280</b>	<b>5,428,711</b>	<b>10,910,031</b>	<b>32,929,074</b>
<b>LIABILITIES AND FUND BALANCE</b>							
Liabilities:							
Accounts Payable	\$ 3,325,469	130,208	97,746	287,757		1,305,134	5,146,314
Accrued Salaries and Benefits	189,331	27,741	9,217	11,101		81,954	319,344
Due to Other Funds			246,838			1,641,773	1,888,611
Deferred Revenues	3,747		246,838		113,324	2,315,097	2,679,006
<b>Total Liabilities</b>	<b>3,518,547</b>	<b>157,949</b>	<b>600,639</b>	<b>298,858</b>	<b>113,324</b>	<b>5,343,958</b>	<b>10,033,275</b>
Fund Balance:							
Reserved for Inventory						198,985	198,985
Reserved for Subsequent Year's Expenditures	5,549,072			1,199,326		6,835,087	13,583,485
Reserved for Debt Service Undesignated, Reported In General Fund	466,976				5,315,387	67,564	5,382,951
Special Revenue Fund Capital Projects Fund		(85,330)	(353,801)	5,238,096		74,451	541,427
						(1,095,458)	3,703,507
						(514,556)	(514,556)
<b>Total Fund Balance</b>	<b>6,016,048</b>	<b>(85,330)</b>	<b>(353,801)</b>	<b>6,437,422</b>	<b>5,315,387</b>	<b>5,566,073</b>	<b>22,895,799</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 9,534,595</b>	<b>72,619</b>	<b>246,838</b>	<b>6,736,280</b>	<b>5,428,711</b>	<b>10,910,031</b>	<b>32,929,074</b>

SEE INDEPENDENT AUDITORS' REPORTS  
The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE  
SHEET WITH THE STATEMENT OF NET ASSETS**  
As of June 30, 2009

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

Total fund balances - governmental funds		\$	22,895,799
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 is	264,249,887		
Accumulated depreciation is	<u>(76,333,817)</u>		187,916,070
Revenues not collected within sixty days after year-end are considered "available" revenues and are shown as deferred revenues on the balance sheet.			
Change in Deferred Revenue			88,353
Bond issuance costs, including original issue discounts and premiums are not financial resources and, therefore, are not reported in the governmental funds.			
Bond issuance costs net of accumulated amortization			46,350
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 governmental funds. Long-term and other liabilities at year-end consist of:			
Bonds payable	(41,210,275)		
Lease purchases payable	(299,708)		
Compensated absences	(479,898)		
Deferred gain on bond refunding, net of amortization	(350,383)		
Accrued interest payable	<u>(653,645)</u>		<u>(42,993,909)</u>
Total net assets - governmental activities		\$	<u>167,952,663</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2009

	Fund 11000	Fund 24101	Fund 24106	Fund 25147	Fund 41000	OTHER GOVERNMENTAL FUNDS	TOTALS
	GENERAL OPERATIONAL FUND	ESEA TITLE I	IDEA-B ENTITLEMENT	IMPACT AID - INDIAN EDUCATION	DEBT SERVICES		
Revenues:							
Federal Grants	\$ 21,867,033	3,493,144	1,513,400	5,300,674		8,619,535	40,793,786
State Grants	33,913,422					12,010,783	45,924,205
Local Sources:							
Property Taxes	330,856				4,652,142	1,361,046	6,344,044
Local Grants	64,271					681,981	746,252
Charges for Services	37,757					2,051,847	2,089,604
Investment Income	390,674				36,519	95,396	522,589
Miscellaneous	85,699	3,406	2,662	6,579		14,771	113,117
Total Revenues	<u>56,689,712</u>	<u>3,496,550</u>	<u>1,516,062</u>	<u>5,307,253</u>	<u>4,688,661</u>	<u>24,835,359</u>	<u>96,533,597</u>
Expenditures:							
Current:							
Instruction	31,829,968	2,187,671	1,083,566	1,847,967		8,662,301	45,611,473
Support Services - Students	4,195,999	51,427	456,724	923,260		619,945	6,247,355
Support Services - Instruction	910,340			382,244		31,267	1,323,851
Support Services - General Administration	1,016,482	67,678	36,144	130,304	46,020	159,369	1,455,997
Support Services - School Administration	4,220,126	630,034	104,838	512,487		351,665	5,819,150
Central Services	1,498,284	55,449		195,654			1,749,387
Operations and Maintenance of Plant	9,112,068	6,264		148,426		545,161	9,811,919
Student Transportation	38,108	22,047	2,705			3,387,131	3,449,991
Food Services	2,820					3,470,773	3,473,593
Community Services	638,919	44,319				189,571	872,809
Debt Service:							
Debt Principal					3,334,810		3,334,810
Debt Interest					1,725,128		1,725,128
Capital Outlay	1,571,516					11,535,643	13,107,159
Total Expenditures	<u>55,034,630</u>	<u>3,064,889</u>	<u>1,683,977</u>	<u>4,140,342</u>	<u>5,105,958</u>	<u>28,952,826</u>	<u>97,982,622</u>
Revenues Over (Under) Expenditures	<u>1,655,082</u>	<u>431,661</u>	<u>(167,915)</u>	<u>1,166,911</u>	<u>(417,297)</u>	<u>(4,117,467)</u>	<u>(1,449,025)</u>
Other Financing Sources (Uses):							
Operating Transfers In			232,555		745,063		977,618
Operating Transfers Out	(977,618)						(977,618)
Refund to Grantor						(12,071)	(12,071)
Lease Purchase Payments						(64,911)	(64,911)
Net Other Financing Sources (Uses)	<u>(977,618)</u>		<u>232,555</u>		<u>745,063</u>	<u>(76,982)</u>	<u>(76,982)</u>
Net Change in Fund Balance	<u>677,464</u>	<u>431,661</u>	<u>64,640</u>	<u>1,166,911</u>	<u>327,766</u>	<u>(4,194,449)</u>	<u>(1,526,007)</u>
Fund Balance - Beginning of Year, as Previously Reported	5,338,584	(516,991)	(418,441)	5,269,438	4,987,621	9,761,595	24,421,806
Adjustments and Residual Equity Transfers				1,073		(1,073)	
Fund Balance - Beginning of Year, as Restated	<u>5,338,584</u>	<u>(516,991)</u>	<u>(418,441)</u>	<u>5,270,511</u>	<u>4,987,621</u>	<u>9,760,522</u>	<u>24,421,806</u>
Fund Balance - End of Year	<u>\$ 6,016,048</u>	<u>(85,330)</u>	<u>(353,801)</u>	<u>6,437,422</u>	<u>5,315,387</u>	<u>5,566,073</u>	<u>22,895,799</u>

SEE INDEPENDENT AUDITORS' REPORTS  
The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES WITH THE STATEMENT OF ACTIVITIES**  
For the Year Ended June 30, 2009

Total net change in fund balances - governmental funds \$ (1,526,007)

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 assets are shown in the Statement of Net Assets and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlays exceeds depreciation for the year.

Depreciation expense	(6,320,873)	
Capital reclassifications and deletions		
Capital outlays	12,342,473	
Excess of capital outlays over depreciation expense		6,021,600

The District executed a new lease agreement for equipment for the Riverview Golf Course. The individual asset values don't meet capitalization requirements; therefore, the cost of the lease is expensed on the Statement of Activities. (327,971)

The District terminated the previous lease, so the remaining balance on old lease represents the value of the assets which were wrapped into the new lease. Therefore, remaining balance which was previously expensed must added back to the Statement of Activities. 125,235

In the Statement of Activities, certain operating expenses - compensated absences and interest expense - are measured by the amounts incurred during the year. In the fund financial statements, however, expenditures are measured by the amount of financial resources used (essentially the amounts actually paid). The (increases) decreases in the liabilities for the year were:

Compensated absences payable	(23,504)	
Accrued interest payable	29,620	6,116

Repayment of debt principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Assets and does not affect the Statement of Activities.

Bond principal payments	3,334,810	
Lease purchase principal payments	50,308	

Bond issuance costs are expended in the governmental funds when paid and are capitalized and amortized in the Statement of Net Assets. This is the amount by which current year bond issuance costs exceed amortization expense. (3,835)

Bonds were refunded during the 2006 and 2009 reporting period to the financial advantage of the District. A savings was capitalized as a deferred gain and will be amortized over the life of the new bonds. This amortization will be recorded in the Statement of Activities.

Amortization of deferred gain on refunding	105,294	3,486,577

Because some revenues will not be collected for several months after the fiscal year-end, they are not considered available revenues in the governmental funds. They are considered revenues in the Statement of Activities. The increase (decrease) in revenues receivable for the year were:

Property taxes		2,638

Change in net assets of governmental activities \$ 7,788,188



STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 11000 - GENERAL OPERATIONAL FUND**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
<b>Revenues:</b>					
<b>Federal Sources:</b>					
Impact Aid	\$ 19,933,161	19,933,161	21,202,708	-	1,269,547
Indirect Costs - Federal Direct Grants	204,000	204,000	150,392	-	(53,608)
Indirect Costs - Federal Flow-Through Grants	219,000	219,000	137,063	-	(81,937)
Access Board (E-rate)	390,000	390,000	376,870	-	(13,130)
	<u>20,746,161</u>	<u>20,746,161</u>	<u>21,867,033</u>	<u>-</u>	<u>1,120,872</u>
<b>State Sources:</b>					
State Equalization Guarantee	34,604,684	34,867,652	33,907,647	262,968	(960,005)
Indirect Costs - State Flow-Through Grants	-	-	-	-	-
Indirect Costs - State Direct Grants	-	-	5,775	-	5,775
	<u>34,604,684</u>	<u>34,867,652</u>	<u>33,913,422</u>	<u>262,968</u>	<u>(954,230)</u>
<b>Local Sources:</b>					
Ad Valorem Taxes - School District	314,670	314,670	326,877	-	12,207
Oil and Gas Taxes	8,912	8,912	7,557	-	(1,355)
Investment Income	700,000	700,000	353,340	-	(346,660)
Fees - Activities	6,500	6,500	155	-	(6,345)
Fees - Educational	10,000	10,000	37,602	-	27,602
Fees - Users	225,000	225,000	-	-	(225,000)
Fees - Summer School	5,000	5,000	-	-	(5,000)
Contributions/Donations - Private Sources	27,500	27,500	34,363	-	6,863
Administration - Categorical	-	-	-	-	-
Insurance Recoveries	15,000	15,000	29,908	-	14,908
Refunds of Prior Year's Expenditures	-	-	80,367	-	80,367
Sale of District Assets	10,000	10,000	5,332	-	(4,668)
	<u>1,322,582</u>	<u>1,322,582</u>	<u>875,501</u>	<u>-</u>	<u>(447,081)</u>
<b>Total Revenues</b>	<u>56,673,427</u>	<u>56,936,395</u>	<u>56,655,956</u>	<u>262,968</u>	<u>(280,439)</u>
<b>Expenditures:</b>					
<b>Education, Current:</b>					
Instruction	34,112,345	34,160,960	31,804,940	(48,615)	2,356,020
Support Services - Students	4,692,461	4,690,211	4,211,134	2,250	479,077
Support Services - Instruction	1,000,313	1,004,537	891,106	(4,224)	113,431
Support Services - General Administration	1,191,038	1,191,038	976,617	-	214,421
Support Services - School Administration	4,628,427	4,643,014	4,236,320	(14,587)	406,694
Central Services	1,849,092	1,851,452	1,470,948	(2,360)	380,504
Operations and Maintenance of Plant	10,157,724	10,435,800	9,102,592	(278,076)	1,333,208
Student Transportation	217,024	217,024	38,108	-	178,916
Other Support Services	475,714	475,714	-	-	475,714
Food Services	10,000	10,000	2,834	-	7,166
Community Services	707,313	722,434	638,877	(15,121)	83,557
<b>Education, Non-Current:</b>					
Capital Outlay	2,632,600	3,126,168	1,268,810	(493,568)	1,857,358
<b>Total Expenditures</b>	<u>61,674,051</u>	<u>62,528,352</u>	<u>54,642,286</u>	<u>(854,301)</u>	<u>7,886,066</u>
<b>Revenues Over (Under) Expenditures</b>	<u>(5,000,624)</u>	<u>(5,591,957)</u>	<u>2,013,670</u>	<u>(591,333)</u>	<u>7,605,627</u>
<b>Other Financing Uses:</b>					
Operating Transfers Out	-	-	(977,618)	-	(977,618)
<b>Revenues Over (Under) Expenditures and Other Financing Uses</b>	<u>(5,000,624)</u>	<u>(5,591,957)</u>	<u>1,036,052</u>	<u>(591,333)</u>	<u>6,628,009</u>
<b>Budgetary Notation - Cash Appropriated from Prior Year</b>	<u>\$ 5,000,624</u>	<u>5,591,957</u>		<u>591,333</u>	

SEE INDEPENDENT AUDITORS' REPORTS  
The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24101 - ESEA TITLE I**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Prior Year Voided Checks	\$ -	-	3,406	-	3,406
Federal Sources	3,783,600	4,107,495	3,493,144	323,895	(614,351)
Total Revenues	<u>3,783,600</u>	<u>4,107,495</u>	<u>3,496,550</u>	<u>323,895</u>	<u>(610,945)</u>
Expenditures:					
Education, Current:					
Instruction	2,771,082	3,088,222	2,199,566	(317,140)	888,656
Support Services - Students	137,414	88,881	49,287	48,533	39,594
Support Services - General Administration	81,447	91,294	67,678	(9,847)	23,616
Support Services - School Administration	570,764	661,076	629,449	(90,312)	31,627
Support Services - School Administration	-	63,349	55,449	(63,349)	7,900
Operations and Maintenance of Plant	-	7,324	6,997	(7,324)	327
Student Transportation	163,057	47,513	27,388	115,544	20,125
Community Services	59,836	59,836	43,684	-	16,152
Total Expenditures	<u>3,783,600</u>	<u>4,107,495</u>	<u>3,079,498</u>	<u>(323,895)</u>	<u>1,027,997</u>
Revenues Over (Under) Expenditures	\$ <u>-</u>	<u>-</u>	<u>417,052</u>	<u>-</u>	<u>417,052</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24106 - IDEA-B ENTITLEMENT**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Prior Year Voided Checks	\$ -	-	2,662	-	2,662
Federal Sources	-	1,679,134	1,513,400	1,679,134	(165,734)
Total Revenues	-	1,679,134	1,516,062	1,679,134	(163,072)
Expenditures:					
Education, Current:					
Instruction	-	1,083,566	1,083,566	(1,083,566)	-
Support Services - Students	-	451,880	451,880	(451,880)	-
Support Services - General Administration	-	36,144	36,144	(36,144)	-
Support Services - School Administration	-	104,839	104,838	(104,839)	1
Student Transportation	-	2,705	2,705	(2,705)	-
Total Expenditures	-	1,679,134	1,679,133	(1,679,134)	1
Revenues Over (Under) Expenditures	-	-	(163,071)	-	(163,071)
Other Financing Sources:					
Operating Transfers In	-	-	232,555	-	232,555
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	-	69,484	-	69,484

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 25147 - IMPACT AID - INDIAN EDUCATION**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Prior Year Voided Checks	\$ -	-	6,579	-	6,579
Federal Sources	4,983,288	4,983,288	5,300,674	-	317,386
Total Revenues	4,983,288	4,983,288	5,307,253	-	323,965
Expenditures:					
Education, Current:					
Instruction	3,437,076	3,437,076	1,848,611	-	1,588,465
Support Services - Students	1,054,310	1,054,310	923,260	-	131,050
Support Services - Instruction	516,780	508,900	382,268	7,880	126,632
Support Services - General Administration	226,937	234,817	133,938	(7,880)	100,879
Support Services - School Administration	552,355	552,355	512,952	-	39,403
Central Services	340,492	340,492	195,654	-	144,838
Operations and Maintenance of Plant	222,050	222,050	148,426	-	73,624
Community Services	-	-	-	-	-
Education, Non-Current					
Capital Outlay	150,000	150,000	-	-	150,000
Total Expenditures	6,500,000	6,500,000	4,145,109	-	2,354,891
Revenues Over (Under) Expenditures	\$ (1,516,712)	(1,516,712)	1,162,144	-	2,678,856
Budgetary Notation - Cash Appropriated from Prior Year	\$ 1,516,712	1,516,712			

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS**  
As of June 30, 2009

	<u>Agency Funds</u>
<u>Assets</u>	
Cash and Investments	\$ <u>721,367</u>
<u>Liabilities</u>	
Deposits Held for Others	\$ <u>721,367</u>

## **NOTES TO FINANCIAL STATEMENTS**

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2009

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Central Consolidated School District No. 22 (District) have been prepared in conformity with Generally Accepted Accounting Principles (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.

The District's more significant accounting policies are described in the sections below.

A. Reporting Entity

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria for including a potential component unit within the reporting entity. The first criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the District and/or its citizens, or whether the activity is conducted within the geographical boundaries of the District and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, there were no component units during the year ended June 30, 2009.

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. The District has no component units as there are no other legally separate organizations for which the elected School Board members are financially accountable. The Central

Consolidated District No. 22 School Board (School Board) was created under the provisions of Chapter 22, Article 5, Paragraph 4, NMSA 1978. The School Board is comprised of five members who are elected for terms of four years.

B. Function of Entity

The District provides kindergarten, elementary and secondary high school educational services to school age residents of the District. The District operates under the direction of a local school board, under the provision of Chapter 22, Article 5, Paragraph 4, NMSA 1978, Comp. The local school board is charged with the following powers and duties:

- (1) Subject to the rules of the department, develop educational policies for the District;
- (2) Employ a local superintendent for the District and fix his/her salary;
- (3) Review and approve the District budget;
- (4) Acquire, lease, and dispose of property;
- (5) Have capacity to sue and be sued;
- (6) Acquire real estate by eminent domain as pursuant to the procedures in the Eminent Domain Code;
- (7) Issue general obligation bonds of the District;
- (8) Provide for the repair and maintain all property belonging to the District;
- (9) For good cause and upon order of the district court, subpoena witnesses and documents in connection with a hearing concerning any powers or duties of the local school boards;
- (10) Contract for the expenditures of monies according to the provisions of the Procurement Code, except for expenditures for salaries,
- (11) Adopt rules pertaining to the administration of all powers or duties of the local school board;
- (12) Accept or reject any charitable gift, grant, devise, or bequest. The particular gift, grant, devise, or bequest accepted shall be considered an asset of the District or the public school to which it is given;
- (13) Offer and, upon compliance with the conditions of such offer, pay awards for the information leading to the arrest and conviction or other appropriate disciplinary disposition by the courts or juvenile authorities of offenders in cases of theft, defacement, or destruction of local District property. All such rewards shall be paid from District funds in accordance with rules promulgated by the department; and,
- (14) Give prior approval for any educational program in a public school in the District that is to be conducted, sponsored, carried on or caused to be carried on by a private organization or agency.

The District operates under the auspices of the New Mexico Public Education Department and adheres to budgetary accounting principles and procedures promulgated by the New Mexico Public Education Department as approved by the State Board of Education and the Legislative Finance Committee in accordance with State statute (section 22-8-5 NMSA 1978, Comp.).



C. Basis of Financial Presentation

The District's accounts are organized on the basis of funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate entity with a self-balancing set of accounts established as needed to demonstrate compliance with finance-related legal and contractual provisions.

The District's funds are classified into two categories – governmental and fiduciary. Each category, in turn, is divided into separate "fund types."

The District follows FASB statements and interpretations issued on or before November 30, 1989, Accounting Principles Board opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements. The District has elected to apply FASB statements and interpretations issued after November 30, 1989 unless those pronouncements conflict with GASB pronouncements.

**Governmental Funds**

Governmental funds are used to account for the District's general governmental activities, including the collection and disbursement of legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include the following fund types:

General Operational Fund (11000) – the District's primary operating fund accounts for all financial resources of the District that are not accounted for in other funds. The District's General Operational Fund also includes the following sub-funds which are presented separately in the financial statements.

Teacherage (12000) – To account for revenues and expenditures associated with district owned multi-bedroom housing units rented to District employed teachers or other employees. Funding authorized by NMAC 6.20.2 of the New Mexico Department of Education.

Transportation (13000) – To account for State Equalization – Transportation funds authorized by Section 22-8-26, NMSA, 1978 designated for the costs of transporting school-age children who are students within the District.

Instructional Materials (14000) – To account for Funding designated for instructional materials purchases as authorized by Sections 22-15-1 through 22-15-14, NMSA, 1978.

Special revenue funds – reflect the revenues and expenditures that are legally restricted for specific purposes.

Capital projects funds – account for the acquisition of capital assets or construction of major capital projects.

Debt service funds – account for revenues and expenditures associated with the servicing of long-term debt.

The District is required to present certain of its governmental funds as major funds based upon certain specific criteria. In addition to the General Operational Fund described above, the District has designated the following funds as major funds:

ESEA 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 Education Act of 1965, Chapter 1 of Title 1, as amended, Public Laws 100-297, 20 U.S.C. 2701.

IDEA-B Entitlement (24106) – The IDEA-B Entitlement program is to provide grants to states that flow through to schools to assist them in providing a free appropriate public education to all children with disabilities. Funding authorized by the Individuals with Disabilities Education Act, Part B, Sections 611-617, and part D, Section 674, as amended, 20 U.S.C. 1411-1417 and 1420.

Impact Aid – Indian Education (25147) – To account for a portion of the Federal assistance authorized by the Elementary and Secondary Education Act, Title VIII, as amended, allowing Federal assistance to be provided to local educational agencies adversely affected by Federal activities. The District is composed largely of non-taxable Indian lands held in trust by the Federal government limiting the property tax base required to adequately fund District schools serving children living on Indian lands.

Debt Services (41000) – To account for monies designated for the payment of interest and principal due on general obligation and revenue bonds. General obligation bond financing is provided by special tax levies approved by the voters of the District and assessed by the County Assessor and collected and remitted to the District by the County Treasurer. Financing to pay the revenue bonds is provided from the unrestricted Federal Impact Aid revenue.

## **Fiduciary Funds**

Fiduciary funds account for assets held by the government in a trustee capacity. The District only had agency funds during the year ended June 30, 2009. The agency funds are as follow:

*Agency funds* are used to account for assets that the government holds for others in an agency capacity.

**Central Activity Fund** – accounts for assets held by the District as an agent for the individual schools and school organizations.

D. Measurement Focus and Basis of Accounting

**Government-Wide Financial Statements (GWFS)**

The Statement of Net Assets and the Statement of Activities display 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-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Non-exchange Transactions.

**Program Revenues**

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

Program revenues are categorized as (a) *charges for services*, which include revenues collected from gate receipts at athletic events, food service charges, swimming pool and golf course fees, indirect costs, teacherage rents, etc., (b) *program-specific operating grants and contributions*, which include revenues received from state and federal sources such as Title I, Impact Aid – Indian Education, IDEA-B, and Reading First to be used as specific within each program grant agreement, and (c) *program-specific capital grants and contributions*, which include revenues from state and federal sources such as Special Capital Outlay – Federal and SB-9 funding to be used for capital projects. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

**Allocation of Indirect Expenses**

In the government-wide financial statements, expenses are classified by function. The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The District does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function, except for that portion of depreciation that is identified as unallocated on the Statement of Activities. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

## **Inter-fund Transfers**

For the purposes of the Statement of Activities, all inter-fund accounts and transfers between individual funds have been eliminated.

## **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 60 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 inter-fund activity has been eliminated from the district-wide financial statements.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

### **Revenues**

Ad valorem taxes (property taxes) are susceptible to accrual.

Entitlements 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**

In the fund financial statements expenditures are calculated by character and function, as follows:

Current (further classified by function)  
Debt Service  
Capital Outlay

Salaries earned prior to year-end are accrued.

### **Other Financing Sources (Uses)**

Permanent reallocations of resources between funds of the reporting entity are classified as inter-fund transfers. Inter-fund transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, proceeds from the sale of capital assets, debt extinguishments other than debt service payments, 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.

### **Fiduciary Funds**

The *agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the economic resources measurement focus and accrual basis of accounting. These funds are used to account for assets that the District holds for others in an agency capacity.

## **E. Budgets and Budgetary Accounting**

Formal budgetary integration is employed as a management control device during the year. The budget is classified as a non-appropriated budget under governmental accounting standards. A non-appropriated budget is a financial plan for an organization approved in a manner consistent with a constitution, charter, statute, or ordinance that is not subject to appropriation.

Budgets for the General Operational, 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 this non-GAAP budgetary basis. The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to April 15, (unless a later date is fixed by the Superintendent of Public Instruction) the local school board submits to the School Budget Planning Unit (SBPU) of the New Mexico Public Education Department an estimated budget for the school 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 State Department of Public Education (SDPE) by the school district shall contain headings and details as prescribed by law.
- (2) Prior to June 20 of each year, the proposed "tentative" budget will be reviewed and approved by the SBPU and certified and approved by the

local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.

- (3) The "tentative" budget will be used by the District until a "final" budget has been approved by SBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.
- (4) The SBPU 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.
- (5) Prior to the first Monday of September of each year, SBPU shall approve and certify to each local school board a final budget for use by the local school board.
- (6) No school board or officer or employee of a school district shall make any expenditures or incur any obligation for the expenditure 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.
- (7) Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the SBPU.
- (8) Legal budget control for expenditures is by function.
- (9) Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of Central Consolidated School District No. 22 has been amended during the current fiscal year in accordance with these procedures. The budget statements included in the accompanying financial statements reflects the approved budget and amendments thereto.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized in the governmental funds. Encumbrances lapse at the fiscal year end.

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts on hand and in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the District.

G. Short-Term Inter-fund Receivables/Payables

During the course of operations, some transactions may occur between individual funds for goods provided or services rendered. These receivables and payables,

as well as any short-term inter-fund loans, are classified as "due from other funds" or "due to other funds" on the balance sheet.

H. Inventory

Purchased inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the Food Services 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 that indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2009 are recorded as prepaid items.

J. Capital Assets

Capital assets have been defined as assets with an initial individual cost of \$5,000 or more having an estimated useful life in excess of one year. Capital assets have been recorded at historical costs if available. If unavailable, historical values were estimated by determining current values and deflating these amounts to the year of acquisition using readily available deflation factors.

The District has not developed "internal use" software. Capitalizable purchased software is depreciated over its expected life using the straight-line method of depreciation.

Capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are recorded at cost when purchased. All donated capital assets are valued at their estimated fair market value on the date received. Infrastructure, such as roads, bridges, storm drainage projects, etc., if any, are recorded and depreciated if appropriate. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Interest costs during construction, if any, are not capitalized.

Additions, improvements, and other capital outlays that extend the useful life of an asset are capitalized. The District does not capitalize interest in regards to its capital assets. Capital expenditures made on behalf of the District by third-party payers, including the New Mexico Public School facilities Authority, are capitalized by the District.

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:

Library Collections	5 years
Land Improvements	40 years
Buildings and Building Improvements	60 years
Equipment and Vehicles	5 to 10 years

K. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is not reported as expenditures or as a fund liability of the governmental fund that will pay it. These liabilities are only recorded on district-wide financial statements. No liability has been recorded for non-vesting rights to receive sick pay benefits as the District's policies do not provide for payment or exchange in the future.

L. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the Debt Service Fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund.

M. Fund Balances of Fund Financial Statements

Reserves represent those portions of fund equity not available for appropriation or expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources. Portions of the fund balances have been reserved for subsequent year's expenditures, debt service, and inventory. The reservation for subsequent year's expenditures represents the amount of cash appropriated in the subsequent year's budget.

N. Bond Discounts/Issuance Costs

For fund financial reporting, bond premiums and discounts as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. For full accrual statements, premiums and discounts are amortized over the life of the bond.

O. Inter-Fund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund from expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other



inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other inter-fund transfers are reported as operating transfers.

P. Estimates and Management Assumptions

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.

Q. Restricted Net Assets

For the government-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset used 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.

The District's policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

R. Equity Classifications

**Fund Statements** – Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

Fund Equity was reserved for the following purposes:

**Reserved for Debt Service** – Amounts legally restricted for the payment of long-term debt.

**Reserved for Inventory** – Segregates a portion to indicate that although inventory is an asset, it does not represent an available, spendable resource.

**Reserved for Subsequent Year's Expenditures** – Represents the amounts, which are required to be reserved for subsequent year's expenditures.

**Unreserved, Undesignated** – Represents the amounts which have not been reserved or designated for any purpose. These funds are available for unrestricted usage by the District.

Equity on the Statement of Net Assets is classified as net assets and displayed in

three components, when applicable:

**Invested in Capital Assets, Net of Related Debt** – Investment in capital assets, net of related debt consists of capital assets, including restricted capital assets, net of accumulated depreciation (net capital assets). Net capital assets are further reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

**Restricted Net Assets** – Restricted net assets consists of net assets with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

**Unrestricted Net Assets** – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt” are classified as “unrestricted net assets.”

## **2. DEPOSITS AND INVESTMENTS**

Central Consolidated School District No. 22 is authorized under the provisions of Chapter 6, Article 10, paragraph 10 NMSA 1978, Comp. 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.

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 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 the preceding five years;
- (b) Securities that are issued by the United States Government or by its agencies or instrumentalities 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) 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 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 the 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 the investment.

The deposits and investments of the District are subject to various risks as discussed below:

**Custodial Credit Risk** – In the event of a bank failure, all of the District's deposits and/or investments may not be returned. The District does not have a policy regarding custodial credit risk.

A. Deposits – The risk exists when a portion of the District's deposits are not covered by depository insurance and are:

1. Uncollateralized;
2. Collateralized with securities held by the pledging financial institution; or
3. Collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor's (District's) name.

The bank balance of deposits at June 30, 2009 was \$834,240. The amount subject to collateralization and to custodial credit risk was \$834,240.

B. Investments – This risk exists if the District's securities are uninsured, are not registered in the name of the District, and are held by either

1. The counterparty; or
2. The counterparty's trust department or agent but not in the District's name.

The bank balance of investments at June 30, 2009 was \$13,564,708. The amount held by the trust department in the District's name and subject to custodial credit risk was \$13,564,708.

The bank balance of investments with paying agent at June 30, 2009 was \$770,091. The amount held by the custodial and collateral agent not in the District's name and subject to custodial credit risk was \$770,091. The repurchase agreements are collateralized with securities backed by the full faith and credit of the U.S. Government at 102% of maturity value.

As of June 30, 2009, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>	<u>S&amp;P Ratings</u>
New MexiGROW Local Government Investment Pool (LGIP):	See Below	14,645,171	AAAm
Reserve Contingency Fund (LGIP)	See Below	358,151	
Federal Home Loan Bank	2/26/2010	1,007,292	AAA
Federal Home Loan Bank	4/10/2010	996,800	AAA
Freddie Mac	7/6/2009	1,000,000	AAA
Freddie Mac	8/3/2009	1,999,800	AAA
Fannie Mae	11/2/2009	1,998,400	AAA
Fannie Mae	1/22/2010	998,100	AAA
Fannie Mae	4/6/2010	996,700	AAA
Wells Fargo Money Market	7/1/2009	4,567,616	Not Rated
AIM Treasurer's Series Trust - Premier U.S. Government Portfolio	7/1/2009	770,091	AAAm
<b><u>Investment Description</u></b>		<b><u>Rating</u></b>	

**Interest Rate Risk** – The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk** – State law limits investments to bonds or negotiable securities of the U.S., the State, municipalities, or school district, securities issued by the U.S. Government (or its agencies, either direct obligations or backed and guaranteed by the U.S. Government) and repurchase agreements with banks, savings and loan associations or credit unions. The District has no investment policy that would further limit its investment choices.

**Concentration of Credit** – The District places no limit on the amount the District may invest in any one issuer. None of the above investments is over 5% of total investments except for the amount invested in the New MexiGROW Local Government Investment Pool and the money market fund invested with Well Fargo Investments.

**Local Government Investment Pool** – As of June 30, 2009, the District’s investment in the pool was as follows:

U.S. Government Obligations	AAA
Commercial Paper	A-1+
Money Market Funds	AAAm
New MexiGROW LGIP	AAAm

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

The State Treasurer New MexiGROW Local Government Investment Pool (“Pool”) is not SEC registered. Section 6-10-101 NMSA 1978 empowers the

State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the United States Government or are agencies sponsored by the United States Government. The Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other State investments.

The Pool does not have unit shares. Per Section 6-10-10 1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the Pool and the length of time the Pool amounts were invested.

Participation in the Pool is voluntary.

The New Mexico State Treasurer's Office invested a portion of the LGIP in The Reserve Primary Fund ("the Fund"), a money market fund, in fiscal years 2006, 2007, 2008 and 2009. On September 15, 2008, the balance of the LGIP's investment in the Fund was \$381.7 million. On September 16, 2008, The Reserve Primary Fund's net asset value fell below \$1.00 and holdings in the Fund were frozen. Since September 2008, The Reserve Primary Fund has returned approximately \$0.90 per share to shareholders. On February 26, 2009, The Reserve Primary Fund announced that it was withholding \$3.5 billion of the Fund's assets for anticipated and pending litigation against it, which amount could increase or decrease as the Fund evaluates information related to such litigation. As a result, the State Treasurer's Office cannot anticipate what the actual loss to the LGIP from The Reserve Primary Fund may be or when the actual loss may be realized. No actual loss has been realized to date. The total remaining Reserve Primary Fund position as of June 30, 2009, is \$39.5 million. The LGIP's remaining position in the Reserve Primary Fund is a non-performing asset.

The balance on The Reserve Contingency Fund reflects the District's remaining pro rata share of the LGIP's investment in The Reserve Primary Fund. The Reserve Contingency Fund, which is not rated, is a non-performing asset.

On May 5, 2009, the U.S. Securities and Exchange Commission ("SEC") filed a civil lawsuit in federal court against the operators of The Reserve Primary Fund, alleging fraud; seeking the pro rata distribution of the remaining Fund's assets; and seeking the release of the \$3.5 billion currently being withheld from investors pending the outcome of the lawsuits against The Reserve Primary Fund.

On May 20, 2009, the New Mexico Attorney General filed a civil complaint and injunction petition in state district court against The Reserve Primary Fund. The Attorney General's complaint alleges that the Fund setting aside \$3.5 billion to pay legal fees and expenses is a willful and intentional conversion of the investors' assets and a breach of contract. The complaint further alleges that the Fund's failure to honor redemption requests on September 16, 2008, is a breach of contract. Additionally, the Attorney General's injunction petition seeks the release of the investors' pro rata share of the \$3.5 billion The Reserve Primary Fund set aside for its anticipated and pending legal costs.

The New Mexico State Treasurer's Office believes that The Reserve Primary Fund will ultimately end up disturbing between 98.38% and 98.77% of the balance that the LGIP had in The Reserve Primary Fund as of September 15, 2008. This means that of the remaining undistributed balance as of June 30, 2009, we expect the LGIP to recover between 83.84% and 87.78%. Uncertainty remains, however, as to the timing of the distributions.

**Collateralization Schedule** – The following disclosure is required by State Auditor Rule 2.2.2.10 N (4)(b).

	<b>Carrying Amount</b>	<b>Bank Balance</b>
Wells Fargo Bank:		
Total Deposits	\$ 13,455,607	\$ 14,398,948
Less: FDIC Coverage	834,240	834,240
Uninsured Public Funds	<u>12,621,367</u>	<u>13,564,708</u>
Less: Government Securities	(8,997,092)	(8,997,092)
Money Market Sweep	<u>(4,567,616)</u>	<u>(4,567,616)</u>
	<u>(943,341)</u>	-
Pledged Collateral Held by the Pledging Bank's Trust Department in the District's Name		
Pledged Collateral (Over) the Requirement		<u>                    -</u>
		\$ <u>                    -</u>
Bank of Albuquerque:		
Total Deposits	\$ 770,091	\$ 770,091
Less: FDIC Coverage	<u>100,000</u>	<u>100,000</u>
Uninsured Public Funds	670,091	670,091
Less: Government Securities	<u>(770,091)</u>	<u>(770,091)</u>
Funds Requiring Collateralization	<u>(100,000)</u>	<u>(100,000)</u>

### 3. RECEIVABLES AND INTERFUND ACCOUNTS

Accounts receivable are recorded in the various funds. They consist of amounts receivable from governments and private agencies relating to various grant agreements and property taxes receivable.

Details of receivables as reflected on the Statement of Net Assets at June 30, 2009 are detailed hereunder:

	General	Other Major	Other Governmental	Total
Property Taxes	\$ 5,081	\$ 86,886	\$ 25,606	\$ 117,573
Oil and Gas Taxes	407	5,558	1,627	7,592
Due from Grantors	-	246,838	1,240,455	1,487,293
Due from Other Funds	1,888,611	-	-	1,888,611
Total	<u>\$ 1,894,099</u>	<u>\$ 339,282</u>	<u>\$ 1,267,688</u>	<u>\$ 3,501,069</u>

All amounts are considered collectible at June 30, 2009.

The General Operational Fund has \$1,479,396 due to it from IDEA-B Entitlement (\$246,838) and non-major funds (\$1,232,558). These are funds in which the District gets reimbursement from Federal, State, and Tribal Governments and as such have cash deficits at year end. All of these amounts are considered collectible within the next fiscal year.

#### 4. CAPITAL ASSETS

Capital assets balances and activity for the year ended June 30, 2009 are as follows:

Capital Assets Class	Adjusted Balance at July 1, 2008	Additions	Reclassifications and Deletions	Balance at June 30, 2009
Not Subject to Depreciation:				
Land	\$ 5,454,000	-	-	\$ 5,454,000
Construction-in-Progress	12,575,241	9,183,027	(21,265,432)	492,836
Total Non-Depreciable Assets	18,029,241	9,183,027	(21,265,432)	5,946,836
Subject to Depreciation:				
Library Collections	2,670,686	122,026	-	2,792,712
Land Improvements	9,375,962	1,010,215	-	10,386,177
Buildings and Improvements	211,429,872	1,129,074	21,265,432	233,824,378
Equipment and Vehicles	10,450,959	898,131	(49,306)	11,299,784
Total Depreciable Assets	233,927,479	3,159,446	21,216,126	258,303,051
Total Assets	251,956,720	12,342,473	(49,306)	264,249,887
Less Accumulated Depreciation:				
Library Collections	2,114,694	184,093	-	2,298,787
Land Improvements	4,302,926	387,888	-	4,690,814
Buildings and Improvements	57,010,842	4,735,786	-	61,746,628
Equipment and Vehicles	6,633,788	1,013,106	(49,306)	7,597,588
Total Depreciation	70,062,250	6,320,873	(49,306)	76,333,817
Governmental Activities				
Capital Assets, Net	\$ 181,894,470	6,021,600	-	\$ 187,916,070
Depreciation Expense by Function				
Instruction				5,031,611
Support Services - Instruction				2,104
Support Services - General Administration				82,355
Support Services - School Administration				7,900
Central Services				105,482
Operations and Maintenance of Plant				616,746
Student Transportation				457,781
Food Services				11,013
Community Services				5,881
Total Depreciation Expense				\$ 6,320,873

The District's construction-in-progress includes the following major projects:

	Project Budget	Construction-in- Progress	Project Balance	Estimated Completion Date
Riverview Golf Course Putting/Chipping Green	283,000	174,369	108,631	FY10
Naschitti PreK Classroom	417,950	31,321	386,629	FY10
Nataani Nez Elementary School	649,675	18,691	630,984	FY11
Ruth N Bond Classroom	355,000	225,956	129,044	FY10
Shiprock High School Field House	2,018,929	42,499	1,976,430	FY10
	<u>\$ 3,724,554</u>	<u>\$ 492,836</u>	<u>\$ 3,231,718</u>	

## 5. LONG-TERM DEBT

### A. Changes in Long-Term Liabilities

During the year ended June 30, 2009, the following changes occurred in the long-term liabilities.

	Balance at July 1, 2008	Additions	Deletions	Balance at June 30, 2009	Due Within One Year
General Obligation					
Bonds Payable	\$ 36,670,000	\$ -	\$ 2,850,000	\$ 33,820,000	\$ 3,045,000
Revenue Bonds Payable	7,875,085	-	484,810	7,390,275	500,744
Deferred Gain on Refunding	455,677	-	105,294	350,383	104,334
Total Bonds Payable	45,000,762	-	3,440,104	41,560,658	3,650,078
Lease Purchase Contracts	147,280	327,971	175,543	299,708	50,826
Accrued Compensated Absences	456,394	403,063	379,559	479,898	95,978
	<u>\$ 45,604,436</u>	<u>\$ 731,034</u>	<u>\$ 3,995,206</u>	<u>\$ 42,340,264</u>	<u>\$ 3,796,882</u>

### B. General Obligation Bonds

The District's general obligation bonds were issued for the purposes of creating, remodeling, making additions to and furnishing school buildings, and purchasing and improving school grounds and are payable solely from general property taxes that are levied against all taxable property in the District. The bonds are payable out of the Debt Service Fund (Fund 41000).

Interest payments are due semi-annually on August 1 or August 15 and February 1 or February 15. Interest rates on the bonds range from 2.467% to 5.50%. Principal payments in varying amounts are due annually on August 1 or August 15 through 2021.

The following is a schedule of the debt service requirements for all general obligation bonds as of June 30, 2009.



YEAR ENDING JUNE 30	PRINCIPAL	INTEREST	TOTAL
2010	3,045,000	1,367,677	4,412,677
2011	2,950,000	1,231,528	4,181,528
2012	3,030,000	1,085,338	4,115,338
2013	3,070,000	938,861	4,008,861
2014	2,800,000	800,822	3,600,822
2015-2019	13,225,000	2,278,238	15,503,238
2020-2022	5,700,000	263,775	5,963,775
<b>Total</b>	<b>\$33,820,000</b>	<b>\$7,966,239</b>	<b>\$41,786,239</b>

C. Revenue Bonds

During the year ended June 30, 2009, the District issued revenue bonds for the purpose of remodeling, demolishing, and building teacherages in Shiprock, Newcomb, and Naschitti. The District has pledged revenues from Impact Aid funds received into its General Operational Fund (Fund 1100) for the repayment of these bonds. Funds will be transferred from the General Operational Fund to the Debt Service Fund (Fund 41000) for payment of these bonds. During the current year \$745,0638 was transferred to the Debt Service Fund to meet debt obligations.

Interest payments are due semi-annually on August 1 and February 1. Interest rates on the bonds range from 3.21% to 3.98%. Principal payments in varying amounts are due annually on August 1 through 2020.

The following is a schedule of the debt service requirements for all revenue bonds as of June 30, 2009.

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST	TOTAL
2010	500,744	276,462	777,206
2011	517,652	259,076	776,728
2012	535,602	240,593	776,195
2013	554,711	220,914	775,625
2014	575,059	199,983	775,042
2015-2019	3,226,534	639,442	3,865,976
2020-2021	1,479,973	61,924	1,541,897
<b>Total</b>	<b>\$7,390,275</b>	<b>\$1,898,394</b>	<b>\$9,288,669</b>

D. Deferred Gain on Refunding and Bond Issuance Costs

During the year ended June 30, 2005, the District issued refunding bonds. The refunding of outstanding debt resulted in a gain that is being amortized through June 2014. The amortization is prorated through the years according to the payment schedule of the original bonds.

During the year ended June 30, 2008, the District sold a bond and expended

\$51,194 in bond issuance costs related to this debt. During the current fiscal year, \$3,835 of this amount was amortized, leaving a balance of \$46,350 which will be amortized over the life of the bonds.

E. Lease Purchase

In May of 2006 the District entered into a lease purchase agreement for golf carts at Riverview Golf Course. In October 2008, the District entered into a new lease for golf carts and paid off the old lease. The lease payments are made out of the Non-Instructional Student Support Fund (Fund 23000).

Contract Date	October 2008
Cost of Assets Purchased	\$327,971
Interest Rate	5.042%
Payment Terms	\$5,630/month
Maturity Date	12/15/2013
Balloon Payment	\$50,400

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST	TOTAL
2010	50,826	16,738	67,564
2011	53,988	13,577	67,565
2012	57,347	10,218	67,565
2013	60,914	6,651	67,565
2014	76,633	1,919	78,552
<b>Total</b>	<b>\$299,708</b>	<b>\$49,103</b>	<b>\$348,811</b>

F. Compensated Absences

All District employees who have twelve-month contracts are granted either twelve days of annual leave per annum, first year employees who are members of the International Union of Operating Engineers (IUOE), or eighteen days of annual leave per annum for all other employees. The maximum that can be accrued is 36 days. Employees will be compensated for unused vacation leave upon termination. The board reserves the right to negotiate a separate annual leave agreement with the superintendent. The current portion of compensated absences (estimated amount due within one year) is \$95,978. Total accrued compensated absences amounted to \$479,898 at June 30, 2009, \$383,920 which is considered long-term. Historically, the compensated absences have been paid out of the following funds in the percentages noted:

General Operating	Fund 11000	74.6%
Non-Instructional Support	Fund 23000	5.4%
Transportation	Fund 13000	4.8%
ESEA Title I	Fund 24101	4.3%
Impact Aid	Fund 25147	4.5%
IDEA-B Entitlement	Fund 24106	3.0%
Other Special Revenue Funds (6) (less than 2.0% each)		3.4%

## 6. REVENUES

### A. Property Tax Levies

Central Consolidated School District No. 22 receives property tax payments made by the property owners of the District from the San Juan County Treasurer for operational, public school capital improvements, and debt service purposes.

Property taxes are assessed on January 1st of each year, except on livestock, and are payable in two equal installments on November 10th of the year in which the tax bill is prepared and April 10th of the following year. Property taxes are considered delinquent if not paid within 30 days of their due date. Property taxes are collected by the County Treasurer and remitted to the District in the month following collection.

Although there are no restrictions placed on property taxes collected for operational purposes, restrictions do exist on the amounts collected under the Public School Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978) and the amounts collected as a result of issuing general obligation bonds.

Under the provisions of the Public School Capital Improvements Act, any local school board may adopt a resolution to submit to the qualified electors of the school district the question of whether or not a property tax should be imposed on the net taxable value of property allocated to the school district for the purpose of capital improvements. The resolution shall:

- (1) Identify the capital improvements;
- (2) Specify the rate of the proposed tax, which shall not exceed two dollars (\$2.00) on each \$1,000 of net taxable value of property;
- (3) Specify the date an election will be held;
- (4) Limit the imposition of the tax to no more than six property tax years.

If approved, any revenues produced by the tax and any state distribution resulting to the District under the act shall be expended only for the capital improvements specified in the authorized resolution. During the year ended June 30, 2007 the District's electorate approved the two-mill tax for an additional 6 years (2008, 2009, 2010, 2011, 2012, and 2013).

General obligation bonds may be issued for the purpose of erecting, remodeling, making additions to, and the furnishing of school buildings, or purchasing or improving school grounds or any combination of these purposes. Such bonds shall be fully negotiable and constitute negotiable instruments.

The school board shall establish adequate budgetary provisions, approved by the School Management Division, to promptly pay, as it becomes due, all principal and interest on general obligation bonds issued by the school district. The full

faith and credit of a school district shall be pledged to the payment of the principal and interest on general obligation bonds issued by the school district.

The Board of County Commissioners shall levy and collect upon all taxable property within a school district in the county such tax as is necessary to pay the interest and principal on general obligation bonds issued by the school district as the interest and principal become due, without limitation as to rate or amount.

During the year ended June 30, 2009, property taxes were imposed upon the net taxable value of property allocated to the school district in the following amounts (rate per \$1,000 of net taxable value):

	<u>Residential</u>	<u>Non-Residential</u>
Genral Operational Purposes	0.346	0.500
Public School Capital Improvements	2.000	2.000
General Obligation Bonds-Debt Service	6.837	6.837

Property tax revenue recognized by the District during the year ended June 30, 2009 amounted to the following:

	<u>Real Property Taxes</u>	<u>Oil and Gas Taxes</u>	<u>Total</u>
General Operational Purposes	\$ 324,481	\$ 6,375	\$ 330,856
Public School Capital Improvements	1,335,772	25,274	1,361,046
General Obligation Bonds-Debt Service	4,565,676	86,466	4,652,142
Totals	<u>\$ 6,225,929</u>	<u>\$ 118,115</u>	<u>\$ 6,344,044</u>

**B. State Equalization Guarantee**

Each school district in the State of New Mexico receives a "state equalization guarantee distribution" which is defined as "that amount of money distributed to each school district to insure that the school district's operating revenue, including its local and federal revenues, is at least equal to the school district's program cost" (as defined in Chapter 22, Section 8-25, NMSA 1978).

A school district's program costs are determined through the use of various formulas using "program units" which take into consideration (1) early childhood education; (2) basic education; (3) special education; (4) bilingual-multi cultural education; (5) size, etc. Payment is made from the public school fund under the authority of the chief (director of public school finance). The District received \$33,907,647 in state equalization guarantee distributions during the year ended June 30, 2009.

**C. Transportation Distribution**

Money in the transportation distribution of the public school fund shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades kindergarten through twelve

attending public school within the school district, and of three- and four-year-old children who meet the state board approved criteria and definition of developmentally disabled, and for transportation of students to and from their regular attendance centers and the place where vocational education program are being offered.

The transportation distribution is allocated to each school district according to an objective formula developed by the State Transportation Director and the Director of Public School Finance. In the event the sum of the proposed transportation allocations to each school district exceeds the amounts in the transportation distribution, the allocation for each school district will be reduced in the proportion that the local school district allocation bears to the total statewide transportation distribution.

The Department shall make periodic installment payments to school districts during the school year from the transportation distributions, based upon the allocations certified by the state transportation director.

The District received \$3,259,716 in transportation distributions during the year ended June 30, 2009.

D. SB-9 State Match

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

The District received \$457,460 in SB-9 state matching funds during the year ended June 30, 2009.

E. Public School Capital Outlay

Under the provisions of Chapter 22, Article 24, a public school capital outlay fund was created. The money in the fund may be used only for capital expenditures deemed by the Public School Capital Outlay Council necessary for an adequate educational program.

The Council shall approve an application for grant assistance from the fund when the Council determines that:

- (1) A critical capital outlay need exists;
- (2) The residents of the school districts have provided all available resources to the district to meet its capital outlay requirements;
- (3) The school district has used its resources in a prudent manner;
- (4) The District is in a county or counties that have participated in the reappraisal program and the reappraised values are on the tax rolls, or will be used for the tax year 1979 as certified by the property tax division;
- (5) The school district has provided insurance for buildings of the school district in accordance with the provisions of Section 13-5-3 NMSA 1978;
- (6) The school district is indebted at not less than seventy-five percent of the total debt authorized by law;
- (7) The school district has submitted a five-year facilities master plan that includes enrollment projections.

The Council shall consider all applications for assistance from the fund and after public hearing shall either approve or deny the application. Applications for grant assistance shall only be accepted by the Council after a district has complied with the provisions of this section. The Council shall list all applications in order of priority and all allocations shall be made on a priority basis; provided, however, except in the case of an emergency, that the order of priority shall first reflect those projects which have been previously funded but are not as yet completed, excluding expansion of those projects and contingent upon maintenance of the required local support.

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

During the year ended June 30, 2009, the District received a PSCOC award of \$478,360 for planning and design for new construction and remodeling of Nataani Nez Elementary School. The District is committing an additional \$636,482 for this phase. The District received \$4,669,832 in PSCOC payments towards the new Kirtland Middle School during the year ended June 30, 2009.

F. Instructional Materials

The New Mexico State Department of Education shall establish a separate instructional materials account for each school district, state institution, private school, or adult basic education center in the state having students in attendance entitled to the free use of instructional materials pursuant to the Instructional

Material Law (22-15-1 through 22-15-14 NMSA 1978).

On or before July 1 of each year, the Public Education Department shall allocate to each school district, state institution, or private school not less than ninety percent of its estimated entitlement as determined from the estimated forty-day membership for the next school year. A school district's, state institution's, or private school's entitlement is that portion of the total amount of the annual appropriation less a deduction for a reasonable reserve for transportation charges and emergency expenses that its forty-day membership bears to the forty-day membership of the entire state. The allocation of adult basic education shall be based on a full-time equivalency obtained by multiplying the total previous year's enrollment by .25.

On or before January 15 of each year, the Public Education Department shall recompute each entitlement using the forty-day membership for that year, except for adult basic education, and shall allocate the balance of the annual appropriation compensating for any over- or under-estimation of the first allocation.

An amount not to exceed fifty percent of the allocation of each individual instructional materials account may be used for instructional materials not included on the multiple list provided for in Section 22-15-8 NMSA 1978. The districts are allowed to carry forward unused instructional materials funds from year to year.

During the year ended June 30, 2009 the District received \$776,969 and expended \$526,810 for instructional materials under this program.

G. Federal Grants

The District receives revenues under Federal programs that are legally restricted to expenditures for specific purposes. These programs are reported as Special Revenue Funds. Each program operates under its own budget, which has been approved by the New Mexico Public Education Department. This department also administers these funds. The District also receives reimbursements under the National School Lunch and Breakfast Programs for its food services operations and received distributions of commodities through the New Mexico Human Services Department.

H. Indirect Costs

The District received cost reimbursements from the various Federal agencies for Federal programs it administers. The indirect costs are shown as expenditures of the Special Revenue Funds and as revenues in the General Operational Fund. Federal projects' indirect cost reimbursements are budgeted as revenue in the general operating account. The accompanying statements of budgeted and actual revenues and expenditures for Federal projects are based on the Federal budgets of each project, which included the budgeted indirect costs.

## 7. RETIREMENT PLAN

**Plan Description** – Substantially all of the District’s full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11 NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement, 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. The 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, New Mexico 87502. The report is also available on the ERB’s website at [www.nmerb.org](http://www.nmerb.org).

**Retirement Eligibility** – The benefit for retirement at age 60, or after 25 years of service before age 60, is an annual sum equal to the "final average salary" multiplied by the total number of years of service credit times 2.35%. A member is eligible to retire when: (1) The member's age plus New Mexico earned service credit equal 75; or (2) The member has acquired a total of 25 years of earned and allowed service credit, regardless of age; or (3) The member has five years of earned service credit and is 65 years of age.

A further requirement to be eligible to retire is that one must be a "member" having at least one year of employment after July 1, 1957 and at least five years of contributory employment. Eligible members who have one year of employment after July 1, 1957, but less than the required five, may contribute to the fund for each year needed. The cost of such contributions is 15.2% of the average salary of the last five years for each year of contributory employment needed plus 3% compound interest from July 1, 1957 to the date of payment.

When a member has completed five or more years of "earned service credit" and has made contributions for at least five years, the member may terminate employment, leave his/her contributions in the retirement fund, and retire.

A member having less than 25 years of service and who is under age 60, but is otherwise eligible to retire, may do so at a reduced benefit. The reduction is 2.4% for each year under age 60 down to age 55 plus 7.2% for each year under age 55.

**Funding Policy** – Plan members were required to contribute 7.9% of their gross salary. The District was required to contribute 11.65% of the gross covered salary. (These contribution amounts for both the plan members and the District were scheduled to increase over the next three years beginning with fiscal year 2010.) The contribution requirements of plan members and the District are established in Chapter 22, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The District’s contributions to ERB for the years ending June 30, 2009, 2008, and 2007 were \$5,320,087, \$5,135,303, and \$4,549,027, respectively, equal to the amount of the required contributions for each year.

Contribution rates were scheduled to change over the next three years as follows:



	<u>Employee</u>	<u>Employer</u>
FYE 6-30-2010	7.900%	12.40%
FYE 6-30-2011	7.900%	13.15%
FYE 6-30-2012	7.900%	13.90%

However, the legislature changed contribution rates for the next two years in order to relieve a state-wide budget deficit. For fiscal year 2010, the District will pay a contribution rate of 10.9% of the gross covered salary while the employee will contribute 9.4% of their gross salary. For fiscal year 2011, the employee contribution shall remain at 9.4% while the District contribution shall increase to 11.65%. For fiscal year 2012, rates are scheduled to revert to the previous schedule of 13.9% for the District and 7.9% for the employee.

## **8. RETIREE HEALTH CARE ACT CONTRIBUTIONS**

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

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

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

***Funding Policy*** – The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish 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 e 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 Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary. Each participating employee is required to contribute .65% of their salary. Employers joining the program after 1/1/1998 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, 2009, 2008, and 2007 were \$613,245, \$613,242, and \$580,568, respectively, which equal the required contributions for each year.

## 9. **DEFICIT FUND BALANCE**

The District is supported by various Federal and State grant subsidies received under the authority of grant and/or statute. All deficit fund balances at June 30, 2009, as listed below, are expected to be recovered during the fiscal year ended June 30, 2010.

### Special Revenue and Capital Project Funds:

<b>Fund</b>	<b>Description</b>	<b>Fund Balance</b>
21000	Food Services	\$ (105,687)
24101	ESEA Title I	(85,330)
24106	IDEA-B Entitlement	(353,801)
24109	IDEA-B Preschool	(12,975)
24143	Title III - Incentives	(3,000)
24153	English Language Acquisition	(135,690)
24154	Title II-A	(125,712)
24157	Title IV-A	(31,311)
24162	Title I - Program Improvement	(69,700)
24167	Reading First	(17,897)
24180	Carl Perkins HSTW	(4,752)
24201	Title I - ARRA	(1,460)
24206	IDEA-B - ARRA Entitlement	(329,452)
25131	Johnson O'Malley	(26,077)
26174	Parents Reaching Out	(7,358)
27149	Pre-K Initiative	(179,901)
27164	School Improvement Framework	(23,235)
27165	Outdoor Classroom	(359)
27166	Kindergarten - Three Plus	(82,502)
27169	Pre-K - Start Up	(17,257)
27170	Library GO Bonds	(1,930)
27504	NM Outdoor Classroom Initiative	(1,000)
28121	Pre-School CYFD	(280)
28178	GEAR-UP CHE	(46,300)
31400	Special Capital Outlay - State	(514,556)
		<u>(2,177,522)</u>

## **10. INTER-FUND TRANSFERS**

The District made two transfers from the Operational Fund (11000) during the current fiscal year. Debt Service (41000) received a transfer of \$745,063 for principal and interest payments on the special revenue bonds sold for the remodeling and construction of District teacherages. The revenue bonds are backed by the Impact Aid funds received by the District in the Operational Fund.

The IDEA-B Entitlement Fund (24106) received a transfer of \$232,555 to remedy a negative fund balance created when the District received budget authority from the State in excess of the cash available for the District. The District received this authority in 2007 and had expenditures equivalent to the authority. However, when the District attempted to recover those funds in fiscal year 2008, the State identified that it had given an incorrect budget authority to the District. It was determined in 2009 that the State would not provide the funds to cover this deficit, so it was determined to transfer the funds from the Operational Fund to cover this fund deficit.

Inter-fund transfers were made to Impact Aid – Indian Education (Fund 25147) in the amount of \$1,073 and Private Direct Grants (Fund 29102) in the amount of \$306. Inter-fund transfers were made from Enhancing Education through Technology (Fund 24133) in the amount of \$1,073, PNM Foundation Grant (Fund 26123) in the amount of \$58, Regional Quality Center (Fund 28180) in the amount of \$142, and McClune Charitable Foundation (Fund 29114) in the amount of \$106. This will close out Funds 24133, 26123, 28180, and 29114.

## **11. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and others; and natural disasters. The District has joined other local districts in a multi-line pool and a worker's compensation pool. These public entity risk pools operate as a common risk management and insurance program for worker's compensation and property and casualty coverage.

These pools are funded entirely by member contributions and are administered by the New Mexico Public Schools Insurance Authority (NMPSIA). The pools are authorized by joint powers agreements entered into by each district as a separate and independent government and legal entity pursuant to the provisions of NMSA 1978 Sections 11-1-1. Annual premiums are paid by the District to NMPSIA for coverage provided in the following areas:

1. Worker's compensation;
2. Property and automobile liability and physical damage;
3. Liability and civil rights and personal injury;
4. Contract school bus coverage; and
5. Crime

The District has not filed any claims for which the settlement amount exceeded the insurance coverage during the past three years. However, should a claim be filed against the District that exceeds the insurance coverage described above and should that claim be

allowable under New Mexico State Statutes, the District would be responsible for a loss in excess of the coverage amounts. As claims are filed, the New Mexico Public Schools Insurance Authority assesses and estimates the potential for loss.

To the best of management's knowledge and belief, all known and unknown claims will be covered by insurance. However, information regarding incurred but not reported claims is not available on a school district-by school district basis.

New Mexico Public Schools Insurance Authority has not provided information that would allow for a reconciliation of changes in the aggregate liabilities for claims for the current fiscal year and the prior fiscal year for a single school district within the pool.

**12. RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS STATEMENTS**

	<u>GENERAL OPERATIONAL FUND</u>	<u>ESEA TITLE I</u>	<u>IDEA-B ENTITLEMENT</u>	<u>IMPACT AID - INDIAN EDUCATION</u>
Revenues Over Expenditures				
- Budgetary Comparison				
Statements - Budgetary Basis	\$ 2,013,670	417,052	(163,071)	1,162,144
Adjustments:				
Increase (Decrease) in:				
Cash (Reclassification)	2,059,541	(425,008)	(148,091)	83,290
Investments	(800,390)			
Taxes Receivable	(3,681)			
Due from Grantor		(453,581)	(171,735)	
Due from Other Funds	(468,077)			
Inventory				
(Increase) Decrease in:				
Accounts Payable	(1,124,764)	(13,851)	(28,488)	(78,523)
Accrued Expenses	(21,320)	(113)		
Due to Other Funds		453,581	171,735	
Deferred Revenue	103	453,581	171,735	
Operating Transfers In (Out)	<u>(977,618)</u>		<u>232,555</u>	
Revenues Over Expenditures				
- Statement of Revenues, Expenditures, and Changes in Fund Balance	<u>\$ 677,464</u>	<u>431,661</u>	<u>64,640</u>	<u>1,166,911</u>

	<u>DEBT SERVICES</u>	<u>TOTAL MAJOR FUNDS</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTALS</u>
Revenues Over Expenditures				
- Budgetary Comparison				
Statements - Budgetary Basis	\$ (317,801)	3,111,994	(3,199,273)	(87,279)
Adjustments:				
Increase (Decrease) in:				
Cash (Reclassification)	997	1,570,729	198,172	1,768,901
Investments		(800,390)	127,671	(672,719)
Taxes Receivable	(50,229)	(53,910)	(14,906)	(68,816)
Due from Grantor		(625,316)	(61,965)	(687,281)
Due from Other Funds		(468,077)		(468,077)
Inventory			13,826	13,826
(Increase) Decrease in:				
Accounts Payable		(1,245,626)	(75,712)	(1,321,338)
Accrued Expenses		(21,433)	(19,080)	(40,513)
Due to Other Funds		625,316	(157,239)	468,077
Deferred Revenue	(50,264)	575,155	(993,872)	(418,717)
Operating Transfers In (Out)	<u>745,063</u>			
Revenues Over Expenditures				
- Statement of Revenues, Expenditures, and Changes in Fund Balance	<u>\$ 327,766</u>	<u>2,668,442</u>	<u>(4,194,449)</u>	<u>(1,526,007)</u>

### 13. FUNDS OMITTED FROM FINANCIAL STATEMENT PRESENTATION

Certain funds contain no year-end balances for balance sheet presentation; however, they had revenue, expenditure, or fund balance activity during the year. As such, the following funds presented on the Combining Statement of Revenues, Expenditures, and Changes in Fund Balances are not presented on the Combining Balance Sheet: Title V Innovation Strategies (Fund 24150), Carl Perkins Secondary (Fund 24174), Carl Perkins Secondary Prior Year – Unliquidated Obligations (Fund 24175), Carl Perkins Redistribution (Fund 24176), NM GRADS – Child Care (Fund 25149), NM Grads – Instructional (Fund 25162), PNM Foundation Grant (Fund 26123), Microsoft Settlement (Fund 26170), Family and Youth Resources (Fund 27140), Breakfast for Elementary Students (Fund 27155), Rural Revitalization (Fund 27503), Teen Pregnancy Grant (Fund 29103), and McCune Charitable Foundation (Fund 29114).

Certain funds have ending balance sheet balances with no revenue, expenditure or fund balance activity. Therefore, Impact Aid Construction - ARRA (Fund 25252) and 2008 Library Book (27549) are presented on the Combining Balance Sheet but are not presented on the Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.

Additionally, two funds contain revenue and fund balance activity for the year on a modified accrual basis but have no activity on a cash basis and have no ending balances. Therefore, Enhancing Education Thru Technology (Fund 24133) and PNM Foundation

Grant (Fund 26123) are presented on the Combining Statement of Revenues, Expenditures, and Changes in Fund Balances but are not presented on the Combining Balance Sheet or on the Statements of Revenues and Expenditures – Budget and Actual.

Promotion of the Arts Grant (Fund 25151) had a year-end fund balance and cash, so it is presented on the Combining Balance Sheet and the Combining Statement of Revenues, Expenditures, and Changes in Fund Balances but is not shown in the Statements of Revenues and Expenditures – Budget and Actual.

Finally, two funds, IDEA B – Preschool – ARRA (Fund 24209) and Save the Children (Fund 26143), had beginning budgets but had no activity or balances for the year, so they are presented on the Statements of Revenues and Expenditures – Budget and Actual but are not presented on the Combining Balance Sheet or on the Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.

#### **14. CONTINGENT LIABILITIES**

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

**Lawsuits** – The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District’s counsel, the resolution of these matters will not have a material effect on the financial condition of the District.

**Arbitrage** – Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense or expenditure prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no significant tax arbitrage rebate liability at year-end.

#### **15. SUBSEQUENT EVENTS**

Subsequent to year end, the District refunded \$2.35 million of the August 2000 series general obligation bonds. The bonds were refunded for \$2.4 million dollars in principal at 3.0%, with a true interest cost of 2.04% after premium. The total savings to the taxpayers of the District were \$303,725, with a net present value of 4.136%.

#### **16. FINANCIAL STATEMENT PREPARATION**

These financial statements were prepared by the staff of Central Consolidated School District No. 22.

**AUDITED SUPPLEMENTARY INFORMATION**

## **OTHER MAJOR FUNDS**



STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 41000 - DEBT SERVICES**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources					
Ad Valorem Taxes - School District	\$ 4,259,072	4,259,072	4,601,993	-	342,921
Oil and Gas Taxes	86,920	86,920	102,642	-	15,722
Investment Income	40,000	40,000	35,522	-	(4,478)
Premium/Discount on Issuance of Bonds	-	-	48,000	-	48,000
Total Revenues	<u>4,385,992</u>	<u>4,385,992</u>	<u>4,788,157</u>	<u>-</u>	<u>402,165</u>
Expenditures:					
Education, Current:					
Support Services - General Administration	50,000	50,000	46,020	-	3,980
Education, Non-Current:					
Debt Service Reserve	2,600,940	2,600,940	-	-	2,600,940
Spec. Rev. Debt Service Reserve	805,000	805,000	-	-	805,000
Bond Principal Payments	2,850,000	3,607,877	2,850,000	(757,877)	757,877
Spec. Rev. Bonds Principal Payments	484,810	484,810	484,810	-	-
Bond Interest Payments	1,452,532	1,452,532	1,452,543	-	(11)
Spec. Rev. Bonds Interest Payments	292,842	292,842	272,585	-	20,257
Total Expenditures	<u>8,536,124</u>	<u>9,294,001</u>	<u>5,105,958</u>	<u>(757,877)</u>	<u>4,188,043</u>
Revenues Over (Under) Expenditures	<u>(4,150,132)</u>	<u>(4,908,009)</u>	<u>(317,801)</u>	<u>757,877</u>	<u>(3,785,878)</u>
Other Financing Sources:					
Operating Transfers In	-	-	745,063	-	745,063
Revenues and Other Financing Sources Over (Under) Expenditures	<u>(4,150,132)</u>	<u>(4,908,009)</u>	<u>427,262</u>	<u>757,877</u>	<u>(3,040,815)</u>
Budgetary Notation - Cash Appropriated from Prior Year	\$ <u>4,150,132</u>	<u>4,908,009</u>			

## **NON-MAJOR FUNDS**

## NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Food Services (21000) – To account for funding provided pursuant to the Code of Federal Regulations, Title VII, Subtitle B, Sections 210, 215, and 220 designated for a school breakfast, lunch, and summer lunch program(s).

Athletics (22000) – To account for revenues and expenditures associated with the District's athletic programs. Funding authorized by NMAC 6.20.2 of the New Mexico Department of Education.

Non-Instructional Support (23000) – To account for revenues and expenditures associated with District non-instructional, non-athletic programs. Funding authorized by NMAC 6.20.2 of the New Mexico Department of Education.

IDEA-B 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 and, at the State's discretion, to two year old children with disabilities who will reach age three during the school year. Funding authorized by the Individuals with Disabilities Education Act, Part B, Section 619, as amended.

Enhancing Education Thru Technology (24133) – To account for a Federal grant which provides funding to State Education Agencies (SEAs) on a formula basis to support the development and implementation of systemic technology plans at the State, local, and school levels to improve the teaching and learning of all children. States are asked to address four goals: (1) All teachers will have the training and support they need to help all students learn through computers and through the information superhighway; (2) all teachers and students will have modern computers in their classrooms; (3) every classroom will be connected to the information superhighway; and (4) effective and engaging software and online resources will be an integral part of every school curriculum. To provide discretionary grants to LEAs in states which choose not to participate in the program. Funding is authorized by the Elementary and Secondary Education Act, Title III, Part A, Subpart 2, Public Law 103-382.

ELL Title III – Incentive Awards (24143) – To account for funding provided to Kirtland Elementary School as an incentive award in support of English Language Learners programs. Funding was authorized by the Elementary and Secondary Education Act (ESEA) as amended, Title III, Part A, Sections 3101, 3129.

Title V Innovation Strategies (24150) – To account for Federal flow-through funds under the Elementary and Secondary Education Act as amended by the No Child Left Behind Act of 2001, Title V Part A designated for Innovative Education Program Strategies. Activities funded under this program include expansion and improvement of school-based mental health services, early identification of drug use and violence, and individual or group counseling services provided to students, parents, and school

## NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS, Continued

personnel. Funding authorized by Elementary and Secondary Act of 1965, Title V, Part A, as amended, 20 U.S.C. 7301-7373.

English Language Acquisition (24153) – To account for a Federal grant which provides funds to support various activities relating to English language acquisition. Funding will be used to implement a District resource library of bilingual and English as-a-second language materials. Training regarding dual language, bilingual education, and indigenous language revitalization will be supported. Funding authorized by the Elementary and Secondary Education Act (ESEA) as amended, Title III, Part A, Sections 3101, 3129.

Title II-A (24154) – To account for a program funded by a Federal grant to provide sustained and intensive high-quality professional development activities to teachers, staff, and administrators so that they may teach challenging State content and performance standards in the core academic subjects. Funding authorized by Elementary and Secondary Act of 1965 as amended, Title II, Part A, Public Law 107-110.

Title IV-A (24157) – To account for a Federal grant which provides funds to support programs to meet the National Education Goal that, by the year 2000, every school in the United States will be free of drugs, violence, and the unauthorized presence of firearms and alcohol and to offer a disciplined environment conducive to learning. Funding authorized by Elementary and Secondary Education Act as amended, Title IV, Part A, Subpart 2, Sections 4121 and 4123, as amended, 20 U.S.C. 7131-7133.

Title I Program Improvement (24162) – To be used for allowable Title I purposes in order to assist with the implementation of approved school improvement or corrective action plans. Funding authorized by Elementary and Secondary Education Act of 1965; Title V, Part D, as amended.

Reading First (24167) – To account for federal funding supporting the application of scientifically based reading research and proven instructional and assessment tools consistent with this research to ensure that all children learn to read well by the end of the third grade.

Carl Perkins Secondary (24174) – To account for a federal program supporting career and technical skill training of secondary education students. Funding authorized by the Carl D. Perkins Career and Technical Education Act of 1998 Public as extended pursuant to the General Education Provisions Act Section 422(a).

Carl Perkins Secondary – Prior Year Unliquidated Obligations (24175) – To account for the liquidation of unliquidated obligations existing at year end in Fund 24174 described above.

Carl Perkins Redistribution (24176) – To account the redistribution of Carl Perkins funds reverted to the New Mexico Public Education Department. These funds are for the same purpose as described in Fund 24174 described above.

## NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS, Continued

Carl Perkins HSTW (24180) – To account for federal funding supporting career and technical skill training of secondary education students. Funding authorized by the Carl D. Perkins Career and Technical Education Act of 1998 Public Law 109-280.

ESEA Title I – ARRA (24201) – To account for supplemental ESEA Title I-A funding authorized in the of 2009 American Recovery and Reinvestment Act. Title I, Part A ARRA funds must be used consistent with the Title I, Part A statutory and regulatory requirements and applicable requirements in the General Education Provisions Act (GEPA) and the Education Department General Administrative Regulations (EDGAR).

IDEA-B Entitlement – ARRA (24206) – To account for supplemental IDEA Part B authorized in the 2009 American Recovery and Reinvestment Act. IDEA ARRA funds must be used consistent with the current IDEA, Part B statutory and regulatory requirements and applicable requirements in the General Education Provisions Act (GEPA) and the Education Department General Administrative Regulations (EDGAR)

IDEA-B Preschool – ARRA (24209) – To account for supplemental IDEA Part B - Pre School authorized in the 2009 American Recovery and Reinvestment Act. IDEA Part B - Preschool ARRA funds must be used consistent with the current IDEA, Part B statutory and regulatory requirements and applicable requirements in the General Education Provisions Act (GEPA) and the Education Department General Administrative Regulations (EDGAR).

IHS/Northern Navajo Medical Center (25122) – To account for a Federal grant to fund programs that improve the quality of the health of American Indians and Alaska Natives by providing a full range of curative, preventive, and rehabilitative health services; and to improve the management capability of American Indians and Alaska Natives to assume operation of all or part of an existing Indian Health Service direct-operated health care program. Funding is authorized by Public Law 83-568, 42 U.S.C. 2001-2004a; Indian Self-Determination and Education Assistance Act, Section 104 (b), Public Law 93-638, 25 U.S.C. 450; Section 9, Public Law 98-250; Public Law 100-472.

Johnson O'Malley (25131) – To account for a Federal grant to fund programs that meet the unique and specialized needs of eligible Indian students. Funding is authorized by the Johnson-O'Malley Act of April 16, 1934; as amended, 25 U.S.C. 452; Indian Self-Determination and Education Assistance Act, Public Law 93-638; 25 U.S.C. 455-457.

Impact Aid – Special Education (25145) – To account for a program funded by a Federal grant to provide financial assistance to local educational agencies (LEAs) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 8002, ESEA), where there are significant number of children who reside on Federal (including Indian) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Sections

## NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS, Continued

8003 and 8007, ESEA), where there is a sudden increase in school enrollment as the result of Federal activities (Section 8006, ESEA). To provide disaster assistance for reduced or increased operating costs for replacing or repairing damaged or destroyed support equipment and books and for repairing minor damage to facilities. Funding is authorized by the Elementary and Secondary Education Act, Title VIII, as amended.

NM Grads – Child Care (25149) – To account for a Department of Education grant through Children, Youth, and Families Department to provide for the maintenance and expansion of the teen parent programs. Funding is authorized by Higher Education Act, Title IV, Part A, Subpart 7, as amended, 20 U.S.C. 1070e.

Promotion of the Arts Grant (25151) – To account for funding provided by the National Endowment of the Arts as authorized by the National Foundation on the Arts and the Humanities Act of 1965, as amended, Public law 89-209, 20 U.S. C. 951 et seq. This funding was used to support the residency of playwright Sharon Hatch French and the production of “Joseph at the Village” at the Phil L. Thomas Performing Arts Center.

Medical Assistance Payments (Medicaid) (25152) – To account for Federal funds which are provided to provide financial assistance to states for payments of medical assistance on behalf of cash assistance recipients, children, pregnant women, and the aged who meet income and resource requirements and other categorically-eligible groups. In certain states that elect to provide such coverage, medically-needy persons who, except for income and resources, would be eligible for cash assistance, may be eligible for medical assistance payments under this program. Financial assistance is provided to states to pay for Medicare premiums, co-payments, and deductibles of qualified Medicare beneficiaries meeting certain income requirements. More limited financial assistance is available for certain Medicare beneficiaries with higher incomes. Funding is authorized by the Social Security Act, Title XIX, as amended; Public Laws 89-97, 90-248, and 91-56, 42 U.S.C. 1396 et seq., as amended; Public Laws 92-223, 92-603, 93-66, 93-233, 96-499, 97-35, 97-248, 98-369, 99-272, 99-509, 100-93, 100-202, 100-203, 100-360, 100-436, 100-485, 100-647, 101-166, 101-239, 101-508, 101-517, 102-170, 102-394, 103-66, 103-112, 103-333, 104-91, 104-191, 104-193, 104-208, and 104-134; Balanced Budget Act of 1997, Public Law 105-33.

NM Grads – Instructional (25162) – To account for continuation funding supporting the maintenance and expansion of the teen parent programs previously funded under the NM Grads program. Funding is authorized by Higher Education Act, Title IV, Part A, Subpart 7, as amended, 20 U.S.C. 1070e.

Indian Education Formula Grant (25184) – To account for a Federal program designed to support local educational agencies in their efforts to reform elementary and secondary school programs that serve Indian students in order to ensure that programs are based on challenging State content standards and student performance standards that are used for all students and are designed to assist Indian students meet those standards in reaching the National Education Goals. Funding is

## NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS, Continued

authorized by the Elementary and Secondary Education Act of 1965, Title IX, Part A, Subpart 1, as amended, Public Law 103-382, 20 U.S.C. 7811-7818; 25 U.S.C. 2001.

Navajo Nation Grants (25201) – To account for Federal grants to assist each state to develop and implement a statewide, comprehensive, coordinated, multidisciplinary, interagency system to provide early intervention services for infants and toddlers with disabilities and their families. Funding is authorized by the Individuals with Disabilities Act (IDEA), Part C, as amended, 20 U.S.C. 1471-1785.

Impact Aid Construction - ARRA (25252) - To account for supplemental Impact Aid Construction Funding authorized by the American Recovery and Reinvestment Act of 2009 (ARRA) under section 8007 of Title VIII of the Elementary and Secondary Education Act of 1965, as amended (ESEA). Awards must be used for construction activities, including the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, repairing, or extending school facilities; and inspecting and supervising the construction of school facilities.

Heifer International Grant (26119) – To account for a privately funded grant for the general purpose of providing Navajo students with opportunities to learn vocational skills and increase their self-esteem. Goals are to educate and provide new skills to ninety Native American FFA students and enable them to raise sheep resistant to scabies and to continue their tribal culture. Funding is authorized by Genetic Improvement for Scabies Resistant Sheep.

PNM Foundation Grant (26123) – To account for PNM funding supporting various grant requests. These are small classroom projects proposed by individual teachers within the district.

Save the Children (26143) – To account for funding from Save the Children. Save the Children is non-profit organization focusing on increasing literacy rates and improving nutrition and physical health of children. This grant supports summer school activities within the district

Microsoft Settlement (26170) – To account for funds received from Microsoft from the Microsoft Settlement.

Parents Reaching Out (26174) – To account for funding from the Parents Reaching Out organization. Parents Reaching Out is a non-profit organization supporting the district's efforts to serve families with young children receiving Early Intervention services as they move to Early Childhood programs or preschool.

New Mexico Community Foundation (26176) – To account for a smoking cessation grant provided by the New Mexico Community Foundation. The New Mexico Community Foundation (NMCF) is a statewide endowment building and grant-making organization. This grant is provided under NMCF's Youth Initiatives Project.

## NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS, Continued

Technology for Education (27117) – To account for State funding which is to be used for the development of classroom technology, including furnishing classrooms with computer hardware and software. Authorizing legislation is found in the Technology for Education Act [22-15A-1 to 22-15A-10, NMSA 1978, Compilation].

Incentives for School Improvements (27138) – To account for the revenues and expenditures of District school location awards. The purpose is to improve results of the New Mexico Achievement Assessment or the New Mexico High School Competency Exam. The funds are provided in accordance with the Incentives for School Improvement Act (NMSA 22-13A-5).

Family and Youth Resources (27140) – To account for state funding provided to increase accessibility of social and health care services for students and their families at public schools. The goal of the program is to forge mutual long-term relationships with public and private agencies and community-based, including faith-based organizations, civic and corporate organizations to help students attain high academic achievement by meeting certain nonacademic needs of students and their families.

Pre-K Initiative (27149) – To account for revenues and expenditures for Pre-Kindergarten programs that provide services to meet the total developmental needs of eligible 4-year-old children. The NMPED provided the funding for these direct services through appropriation by the New Mexico Legislature.

Beginning Teacher Mentoring (27154) – To account for funding authorized through the Joint Powers Agreement with the Public Education Department for a Program to engage in activities to develop, implement, and evaluate a beginning teacher mentoring program to ensure that beginning teachers, especially those who seek educator licensure through alternative routes, have structured support from accomplished and experienced teachers to help them improve their skills and knowledge.

Breakfast for Elementary Students (27155) – To account for state funding authorized under the General Appropriations Act of 2005. This program is managed by the NMPED, Student Nutrition Bureau. This funding provides breakfast at no cost to elementary students at designated schools, which helps students develop lifelong healthy eating habits, while ensuring each one is prepared for the learning process.

School Improvement Framework (27164) – To account for funding provided by the State of New Mexico Public Education Department to assist school districts in the implementation of the short cycle assessment plan.

Outdoor Classroom (27165) – To account for funding provided by the State of New Mexico supporting the Rural Revitalization Initiative managed by the New Mexico Public Education Rural Education Bureau.

Kindergarten – Three Plus (27166) – To account for funding provided by the State of New Mexico supporting the Extended School Year for children in Kindergarten



NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS, Continued

through the 3<sup>rd</sup> grade. This program is managed by the New Mexico Public Education Early Childhood Bureau.

Pre-K Start Up (27169) – To account for state funding provided to support the Start Up costs associated with the Pre-Kindergarten programs that provide services to meet the total developmental needs of eligible 4-year-old children. The NMPED provided the funding for these direct services through appropriation by the New Mexico Legislature.

Libraries GO Bond (27170) – To account for 2006 General Obligation Bond SB 301 funding provided to support the improvement of libraries in the State of New Mexico.

Rural Revitalization (27503) – To account for a mini-grant from State of New Mexico funding supporting the community school partnership in rural communities and programs to strengthen relationships among schools, families, and communities.

Outdoor Classroom (27504) – To account for a mini-grant from State of New Mexico funding supporting the community school partnership in rural communities and programs to strengthen relationships among schools, families, and communities.

2008 Library Book (27549) – To account for funding authorized under the 2008 Senate Bill 471. This funding was provided to support the improvement of libraries in the State of New Mexico. The acquisition of library books is the only authorized purchase with this funding.

Preschool - CYFD (28121) – To account for revenues and expenditures for a Children, Youth, and Family Development (CYFD) grant from the State of New Mexico to provide for the purpose of offering a pre-kindergarten educational program with a family literacy component.

New Mexico Arts (28131) – To account State of New Mexico funding supporting the Arts in Public Places program managed by New Mexico Arts a division of the New Mexico Department of Cultural Affairs.

GEAR-UP CHE (28178) – To account for funding provided to district schools that provide academic enrichment programs and early college and career awareness activities to middle and high school students and their parents. Funding is authorized pursuant to the Federal grant, Gaining Early Awareness Readiness for Undergraduate Programs, CFDA #84.334A.

Regional Quality Center (28180) – To account for funding supporting the pilot of a Regional Quality Center in the school district. The role of the Regional Quality Center is to create and sustain infrastructure supporting the systems approach to continuous improvement in academic performance. The Regional Quality Center concept was created by the Governor's Business Executives for Education (GBEE) as a component of their Strengthening Quality in Schools (SQS) initiative.

NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS, Continued

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

Teen Pregnancy Grant (29103) – To account for a mini-grant from the New Mexico Department of Health supporting student developed Teen Pregnancy Prevention training materials.

McCune Charitable Foundation (29114) – To account for a grant provided by the McCune Charitable Foundation to the Phil L. Thomas Performing Arts Center for season programming from February 2008 to February 2009.

School-Based Health Center (29130) – To support a Level Two School-Based Health Center that will provide quality direct care to students, children of students, and school staff, through the coordination of integrated primary care and behavioral health services. Funds have been allocated from the New Mexico Department of Health, Public Health Division, based on DOH Strategic Plan (07.01.05).

## NON-MAJOR CAPITAL PROJECTS FUNDS DESCRIPTIONS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Bond Building (31100) – To account for bond proceeds and the interest earned thereon. The proceeds are restricted for the purposes of making additions to and furnishing of school buildings, or purchasing or improving school grounds, or any combination thereof, as approved by the voters of the District. This is a capital projects fund.

Special Capital Outlay – State (31400) – To account for District-wide building improvement projects funded by the State. Funding authorized by NMAC 6.20.2 of the New Mexico Department of Education.

Special Capital Outlay – Federal (31500) – To account for funding provided by Federal sources designated for capital projects. Funding authorized by NMAC 6.20.2 of the New Mexico Department of Education.

Capital Improvements SB-9 (31700) – To account for erecting, remodeling, making additions to, and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof as identified by the local school board. Financing is provided by the State of New Mexico's State Equalization Matching and a special tax levy as authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

STATE OF NEW MEXICO  
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**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
As of June 30, 2009

	GENERAL FUND				SPECIAL REVENUE					
	Fund 12000	Fund 13000	Fund 14000	TOTAL GENERAL FUND	Fund 21000	Fund 22000	Fund 23000	Fund 24109	Fund 24143	
	TEACHERAGE	TRANSPORTATION	INSTRUCTIONAL MATERIALS		FOOD SERVICES	ATHLETICS	NON- INSTRUCTIONAL SUPPORT	IDEA-B PRESCHOOL	ELL TITLE III - INCENTIVE AWARDS	
<b>ASSETS</b>										
Assets:										
Cash	\$									
Investments		111,077	164,065	473,013	748,155		341,132	596,707		
Taxes Receivable										
Due from Grantor						69,895		9,766	3,000	
Inventory						107,569	91,416			
Total Assets	\$	111,077	164,065	473,013	748,155	177,464	341,132	688,123	9,766	3,000
<b>LIABILITIES AND FUND BALANCE</b>										
Liabilities:										
Accounts Payable	\$	4,498	68,987	995	74,480	88,212	7,264	79,136	3,209	
Accrued Salaries and Benefits		2,516	12,107		14,623	8,488		11,777		
Due to Other Funds						186,451		9,766	3,000	
Deferred Revenues								9,766	3,000	
Total Liabilities		7,014	81,094	995	89,103	283,151	7,264	90,913	22,741	6,000
Fund Balance:										
Reserved for Inventory						107,569		91,416		
Reserved for Subsequent Year's Expenditures		29,612	82,971	472,018	584,601		316,260	438,230		
Reserved for Debt Service								67,564		
Undesignated, Reported In General Fund		74,451			74,451					
Special Revenue Fund						(213,256)	17,608	(12,975)	(3,000)	
Capital Projects Fund										
Total Fund Balance		104,063	82,971	472,018	659,052	(105,687)	333,868	597,210	(12,975)	(3,000)
Total Liabilities and Fund Balance	\$	111,077	164,065	473,013	748,155	177,464	341,132	688,123	9,766	3,000

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**SPECIAL REVENUE**

	<u>Fund 24153</u>	<u>Fund 24154</u>	<u>Fund 24157</u>	<u>Fund 24162</u>	<u>Fund 24167</u>	<u>Fund 24180</u>	<u>Fund 24201</u>	<u>Fund 24206</u>	<u>Fund 25122</u>	<u>Fund 25131</u>
	<u>ENGLISH LANGUAGE ACQUISITION</u>	<u>TITLE II-A</u>	<u>TITLE IV-A</u>	<u>TITLE I PROGRAM IMPROVEMENT</u>	<u>READING FIRST</u>	<u>CARL PERKINS HSTW</u>	<u>TITLE I - ARRA</u>	<u>IDEA-B ENTITLEMENT - ARRA</u>	<u>IHS/ NORTHERN NAVAJO MEDICAL CENTER</u>	<u>JOHNSON O'MALLEY</u>
<b>ASSETS</b>										
Assets:										
Cash	\$				1,938				20,884	
Investments										
Taxes Receivable										
Due from Grantor	119,570	88,332	32,792	68,957	17,897	2,182				127,405
Inventory										
<b>Total Assets</b>	<b>\$ 119,570</b>	<b>88,332</b>	<b>32,792</b>	<b>68,957</b>	<b>19,835</b>	<b>2,182</b>			<b>20,884</b>	<b>127,405</b>
<b>LIABILITIES AND FUND BALANCE</b>										
Liabilities:										
Accounts Payable	\$ 16,119	35,852	394	743	19,826	2,570		24,886	589	24,882
Accrued Salaries and Benefits	1	1,528			9		1,460	12,654		4,226
Due to Other Funds	119,570	88,332	32,792	68,957	17,897	2,182		291,912		122,257
Deferred Revenues	119,570	88,332	30,917	68,957	17,897	2,182			20,295	2,117
<b>Total Liabilities</b>	<b>255,260</b>	<b>214,044</b>	<b>64,103</b>	<b>138,657</b>	<b>37,732</b>	<b>6,934</b>	<b>1,460</b>	<b>329,452</b>	<b>20,884</b>	<b>153,482</b>
Fund Balance:										
Reserved for Inventory										
Reserved for Subsequent Year's Expenditures										
Reserved for Debt Service										
Undesignated, Reported In General Fund										
Special Revenue Fund	(135,690)	(125,712)	(31,311)	(69,700)	(17,897)	(4,752)	(1,460)	(329,452)		(26,077)
Capital Projects Fund										
<b>Total Fund Balance</b>	<b>(135,690)</b>	<b>(125,712)</b>	<b>(31,311)</b>	<b>(69,700)</b>	<b>(17,897)</b>	<b>(4,752)</b>	<b>(1,460)</b>	<b>(329,452)</b>		<b>(26,077)</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 119,570</b>	<b>88,332</b>	<b>32,792</b>	<b>68,957</b>	<b>19,835</b>	<b>2,182</b>			<b>20,884</b>	<b>127,405</b>

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**SPECIAL REVENUE**

	<u>Fund 25145</u>	<u>Fund 25151</u>	<u>Fund 25152</u>	<u>Fund 25184</u>	<u>Fund 25201</u>	<u>Fund 25252</u>	<u>Fund 26119</u>	<u>Fund 26174</u>
	<u>IMPACT AID - SPECIAL EDUCATION</u>	<u>PROMOTION OF THE ARTS GRANT</u>	<u>MEDICAL ASSISTANCE PAYMENTS (MEDICAID)</u>	<u>INDIAN EDUCATION FORMULA GRANT</u>	<u>NAVAJO NATION GRANTS</u>	<u>IMPACT AID CONSTRUCTION - ARRA</u>	<u>HEIFER INTERNATIONAL GRANT</u>	<u>PARENTS REACHING OUT</u>
<b>ASSETS</b>								
Assets:								
Cash	\$ 241,102	938		145,608				
Investments			112,367			1,394,434	11,017	
Taxes Receivable								
Due from Grantor			38,798		98,000			12,494
Inventory								
Total Assets	\$ <u>241,102</u>	<u>938</u>	<u>151,165</u>	<u>145,608</u>	<u>98,000</u>	<u>1,394,434</u>	<u>11,017</u>	<u>12,494</u>
<b>LIABILITIES AND FUND BALANCE</b>								
Liabilities:								
Accounts Payable	\$ 79,416		10,627	91,264				6,179
Accrued Salaries and Benefits			560	1,923				
Due to Other Funds					97,991			12,429
Deferred Revenues				52,421	9	1,394,434		1,244
Total Liabilities	<u>79,416</u>		<u>11,187</u>	<u>145,608</u>	<u>98,000</u>	<u>1,394,434</u>		<u>19,852</u>
Fund Balance:								
Reserved for Inventory								
Reserved for Subsequent Year's Expenditures	143,887							
Reserved for Debt Service								
Undesignated, Reported In General Fund								
Special Revenue Fund	17,799	938	139,978				11,017	(7,358)
Capital Projects Fund								
Total Fund Balance	<u>161,686</u>	<u>938</u>	<u>139,978</u>				<u>11,017</u>	<u>(7,358)</u>
Total Liabilities and Fund Balance	\$ <u>241,102</u>	<u>938</u>	<u>151,165</u>	<u>145,608</u>	<u>98,000</u>	<u>1,394,434</u>	<u>11,017</u>	<u>12,494</u>

SEE INDEPENDENT AUDITORS' REPORTS  
The accompanying notes are an integral part of these financial statements

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**SPECIAL REVENUE**

	<u>Fund 26176</u>	<u>Fund 27117</u>	<u>Fund 27138</u>	<u>Fund 27149</u>	<u>Fund 27154</u>	<u>Fund 27164</u>	<u>Fund 27165</u>	<u>Fund 27166</u>	<u>Fund 27169</u>
	<u>NM COMMUNITY FOUNDATION</u>	<u>TECHNOLOGY FOR EDUCATION</u>	<u>INCENTIVES FOR SCHOOL IMPROVEMENTS</u>	<u>PRE-K INITIATIVE</u>	<u>BEGINNING TEACHER MENTORING</u>	<u>SCHOOL IMPROVEMENT FRAMEWORK</u>	<u>OUTDOOR CLASSROOM</u>	<u>KINDERGARTEN - THREE PLUS</u>	<u>PRE-K START UP</u>
<u>ASSETS</u>									
Assets:									
Cash	\$								
Investments		25,474	47,695	41,656	29,323				
Taxes Receivable									
Due from Grantor				176,235			359		
Inventory									
Total Assets	\$	<u>25,474</u>	<u>47,695</u>	<u>41,656</u>	<u>176,235</u>		<u>359</u>		
<u>LIABILITIES AND FUND BALANCE</u>									
Liabilities:									
Accounts Payable	\$	3,665	579	58,125				19,645	6,398
Accrued Salaries and Benefits		400						20,591	
Due to Other Funds				165,781		23,235	359	42,266	10,859
Deferred Revenues		<u>43,630</u>	<u>41,077</u>	<u>132,230</u>	<u>29,323</u>		<u>359</u>		
Total Liabilities		<u>47,695</u>	<u>41,656</u>	<u>356,136</u>	<u>29,323</u>	<u>23,235</u>	<u>718</u>	<u>82,502</u>	<u>17,257</u>
Fund Balance:									
Reserved for Inventory									
Reserved for Subsequent Year's Expenditures									
Reserved for Debt Service									
Undesignated, Reported In General Fund									
Special Revenue Fund		25,474		(179,901)		(23,235)	(359)	(82,502)	(17,257)
Capital Projects Fund									
Total Fund Balance		<u>25,474</u>		<u>(179,901)</u>		<u>(23,235)</u>	<u>(359)</u>	<u>(82,502)</u>	<u>(17,257)</u>
Total Liabilities and Fund Balance	\$	<u>25,474</u>	<u>47,695</u>	<u>41,656</u>	<u>176,235</u>		<u>359</u>		

**SPECIAL REVENUE**

	<u>Fund 27170</u>	<u>Fund 27504</u>	<u>Fund 27549</u>	<u>Fund 28121</u>	<u>Fund 28131</u>	<u>Fund 28178</u>	<u>Fund 28180</u>	<u>Fund 29102</u>	<u>Fund 29130</u>	<u>TOTAL</u>
	<u>LIBRARIES GO BOND</u>	<u>NM OUTDOOR CLASSROOM INITIATIVE</u>	<u>2008 LIBRARY BOOK</u>	<u>PRE-SCHOOL CYFD</u>	<u>NM ARTS</u>	<u>GEAR-UP CHE</u>	<u>REGIONAL QUALITY CENTER</u>	<u>PRIVATE DIRECT GRANTS</u>	<u>SCHOOL BASED HEALTH CTR</u>	<u>SPECIAL REVENUE</u>
<b>ASSETS</b>										
Assets:										
Cash	\$									410,470
Investments			20,547	9,183			4,591	11,195	24,587	2,669,908
Taxes Receivable										
Due from Grantor	1,930				3,245	40,695			12,200	923,752
Inventory										198,985
<b>Total Assets</b>	<b>\$ 1,930</b>		<b>20,547</b>	<b>9,183</b>	<b>3,245</b>	<b>40,695</b>	<b>4,591</b>	<b>11,195</b>	<b>36,787</b>	<b>4,203,115</b>
<b>LIABILITIES AND FUND BALANCE</b>										
Liabilities:										
Accounts Payable	\$			9,463		2,571	4,591	433	3,676	600,314
Accrued Salaries and Benefits						2,973			741	67,331
Due to Other Funds	1,930	1,000			3,245	40,756				1,325,070
Deferred Revenues	1,930		20,547			40,695				2,120,932
<b>Total Liabilities</b>	<b>3,860</b>	<b>1,000</b>	<b>20,547</b>	<b>9,463</b>	<b>3,245</b>	<b>86,995</b>	<b>4,591</b>	<b>433</b>	<b>4,417</b>	<b>4,113,647</b>
Fund Balance:										
Reserved for Inventory										198,985
Reserved for Subsequent Year's Expenditures									20,000	918,377
Reserved for Debt Service										67,564
Undesignated, Reported In General Fund										
Special Revenue Fund	(1,930)	(1,000)		(280)		(46,300)		10,762	12,370	(1,095,458)
Capital Projects Fund										
<b>Total Fund Balance</b>	<b>(1,930)</b>	<b>(1,000)</b>		<b>(280)</b>		<b>(46,300)</b>		<b>10,762</b>	<b>32,370</b>	<b>89,468</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 1,930</b>		<b>20,547</b>	<b>9,183</b>	<b>3,245</b>	<b>40,695</b>	<b>4,591</b>	<b>11,195</b>	<b>36,787</b>	<b>4,203,115</b>



STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
As of June 30, 2009

**CAPITAL PROJECTS**

	<u>Fund 31100</u>	<u>Fund 31400</u>	<u>Fund 31500</u>	<u>Fund 31700</u>	<u>TOTAL CAPITAL PROJECTS</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
	<u>BOND BUILDING</u>	<u>SPECIAL CAPITAL OUTLAY - STATE</u>	<u>SPECIAL CAPITAL OUTLAY - FEDERAL</u>	<u>CAPITAL IMPROVEMENTS SB-9</u>		
<b>ASSETS</b>						
Assets:						
Cash	\$ 365				365	410,835
Investments	1,731,786		2,163,915	1,718,759	5,614,460	9,032,523
Taxes Receivable				27,233	27,233	27,233
Due from Grantor		316,703			316,703	1,240,455
Inventory						198,985
<b>Total Assets</b>	<b>\$ 1,732,151</b>	<b>316,703</b>	<b>2,163,915</b>	<b>1,745,992</b>	<b>5,958,761</b>	<b>10,910,031</b>
<b>LIABILITIES AND FUND BALANCE</b>						
Liabilities:						
Accounts Payable	\$ 101,514	339,673	9,041	180,112	630,340	1,305,134
Accrued Salaries and Benefits						81,954
Due to Other Funds		316,703			316,703	1,641,773
Deferred Revenues		174,883		19,282	194,165	2,315,097
<b>Total Liabilities</b>	<b>101,514</b>	<b>831,259</b>	<b>9,041</b>	<b>199,394</b>	<b>1,141,208</b>	<b>5,343,958</b>
Fund Balance:						
Reserved for Inventory						198,985
Reserved for Subsequent Year's Expenditures	1,630,637		2,154,874	1,546,598	5,332,109	6,835,087
Reserved for Debt Service						67,564
Undesignated, Reported In General Fund						74,451
Special Revenue Fund						(1,095,458)
Capital Projects Fund		(514,556)			(514,556)	(514,556)
<b>Total Fund Balance</b>	<b>1,630,637</b>	<b>(514,556)</b>	<b>2,154,874</b>	<b>1,546,598</b>	<b>4,817,553</b>	<b>5,566,073</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 1,732,151</b>	<b>316,703</b>	<b>2,163,915</b>	<b>1,745,992</b>	<b>5,958,761</b>	<b>10,910,031</b>

SEE INDEPENDENT AUDITORS' REPORTS  
The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
For the Year Ended June 30, 2009

	GENERAL FUND				SPECIAL REVENUE			
	Fund 12000	Fund 13000	Fund 14000	TOTAL GENERAL FUND	Fund 21000	Fund 22000	Fund 23000	Fund 24109
	TEACHERAGE	TRANSPORTATION	INSTRUCTIONAL MATERIALS		FOOD SERVICES	ATHLETICS	NON- INSTRUCTIONAL SUPPORT	IDEA-B PRESCHOOL
Revenues:								
Federal Grants	\$							74,950
State Grants		3,259,716	776,969	4,036,685	3,189,151			
Local Sources:								
Property Taxes								
Local Grants			1,920	1,920				
Charges for Services	511,540			511,540	183,530	324,273	1,032,504	
Investment Income	1,020			1,020		8,538	18,890	
Miscellaneous	175	4,074		4,249	2,534	557	1,302	99
Total Revenues	512,735	3,263,790	778,889	4,555,414	3,375,215	333,368	1,052,696	75,049
Expenditures:								
Current:								
Instruction			499,644	499,644		242,916	1,086,454	56,000
Support Services - Students								
Support Services - Instruction			27,166	27,166				
Support Services - General Administration								644
Support Services - School Administration								
Operations and Maintenance of Plant	431,715			431,715				
Student Transportation		3,184,535		3,184,535				
Food Services					3,323,287			
Community Services								
Capital Outlay								
Total Expenditures	431,715	3,184,535	526,810	4,143,060	3,323,287	242,916	1,086,454	56,644
Revenues Over (Under) Expenditures	81,020	79,255	252,079	412,354	51,928	90,452	(33,758)	18,405
Other Financing Sources (Uses):								
Refund to Grantor							(64,911)	
Lease Purchase Payments							(64,911)	
Net Other Financing Sources (Uses)								
Net Change in Fund Balance	81,020	79,255	252,079	412,354	51,928	90,452	(98,669)	18,405
Fund Balance - Beginning of Year, as Previously Reported	23,043	3,716	219,939	246,698	(157,615)	243,416	695,879	(31,380)
Adjustments and Residual Equity Transfers								
Fund Balance - Beginning of Year, as Restated	23,043	3,716	219,939	246,698	(157,615)	243,416	695,879	(31,380)
Fund Balance - End of Year	\$ 104,063	82,971	472,018	659,052	(105,687)	333,868	597,210	(12,975)

STATE OF NEW MEXICO  
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**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
For the Year Ended June 30, 2009

**SPECIAL REVENUE**

	<u>Fund 24133</u>	<u>Fund 24143</u>	<u>Fund 24150</u>	<u>Fund 24153</u>	<u>Fund 24154</u>	<u>Fund 24157</u>	<u>Fund 24162</u>	<u>Fund 24167</u>	<u>Fund 24174</u>	<u>Fund 24175</u>
	<u>ENHANCING EDUCATION THRU TECH</u>	<u>ELL TITLE III - INCENTIVE AWARDS</u>	<u>TITLE V INNOVATION STRATEGIES</u>	<u>ENGLISH LANGUAGE ACQUISITION</u>	<u>TITLE II-A</u>	<u>TITLE IV-A</u>	<u>TITLE I PROGRAM IMPROVEMENT</u>	<u>READING FIRST</u>	<u>CARL PERKINS SECONDARY</u>	<u>CARL PERKINS SECONDARY PY UO</u>
Revenues:										
Federal Grants	\$		6,151	75,081	749,352	44,193	581,043	449,420	2,717	25,000
State Grants										
Local Sources:										
Property Taxes										
Local Grants										
Charges for Services										
Investment Income										
Miscellaneous					756	12		944		
Total Revenues			6,151	75,081	750,108	44,205	581,043	450,364	2,717	25,000
Expenditures:										
Current:										
Instruction		3,000		154,569	547,171	58,934	650,743	362,325		25,000
Support Services - Students				617	3,641	614				
Support Services - Instruction				7	1,214					
Support Services - General Administration				22,393	14,109	1,431		7,971		
Support Services - School Administration				6,360	81,991	5,545				
Operations and Maintenance of Plant										
Student Transportation					11,416					
Food Services										
Community Services										
Capital Outlay										
Total Expenditures		3,000		183,946	659,542	66,524	650,743	370,296		25,000
Revenues Over (Under) Expenditures		(3,000)	6,151	(108,865)	90,566	(22,319)	(69,700)	80,068	2,717	
Other Financing Sources (Uses):										
Refund to Grantor										
Lease Purchase Payments										
Net Other Financing Sources (Uses)										
Net Change in Fund Balance		(3,000)	6,151	(108,865)	90,566	(22,319)	(69,700)	80,068	2,717	
Fund Balance - Beginning of Year, as Previously Reported	1,073		(6,151)	(26,825)	(216,278)	(8,992)		(97,965)	(2,717)	
Adjustments and Residual Equity Transfers	(1,073)									
Fund Balance - Beginning of Year, as Restated			(6,151)	(26,825)	(216,278)	(8,992)		(97,965)	(2,717)	
Fund Balance - End of Year	\$	(3,000)		(135,690)	(125,712)	(31,311)	(69,700)	(17,897)		

STATE OF NEW MEXICO  
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**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
For the Year Ended June 30, 2009

**SPECIAL REVENUE**

	<u>Fund</u> <u>24176</u>	<u>Fund</u> <u>24180</u>	<u>Fund</u> <u>24201</u>	<u>Fund</u> <u>24206</u>	<u>Fund</u> <u>25122</u>	<u>Fund</u> <u>25131</u>	<u>Fund</u> <u>25145</u>	<u>Fund</u> <u>25149</u>	<u>Fund</u> <u>25151</u>
	<u>CARL</u> <u>PERKINS</u> <u>DISTRIBUTION</u>	<u>CARL</u> <u>PERKINS</u> <u>HSTW</u>	<u>TITLE I -</u> <u>ARRA</u>	<u>IDEA-B</u> <u>ENTITLEMENT -</u> <u>ARRA</u>	<u>IHS/ NORTHERN</u> <u>NAVAJO</u> <u>MEDICAL CENTER</u>	<u>JOHNSON</u> <u>O'MALLEY</u>	<u>IMPACT AID -</u> <u>SPECIAL</u> <u>EDUCATION</u>	<u>NM</u> <u>GRADS -</u> <u>CHILD CARE</u>	<u>PROMOTION</u> <u>OF THE ARTS</u> <u>GRANT</u>
Revenues:									
Federal Grants	\$ 74,931	13,757			175,845	588,858	848,348	5,000	
State Grants									
Local Sources:									
Property Taxes									
Local Grants									
Charges for Services									
Investment Income									
Miscellaneous		21			79	372	1,636		
Total Revenues	<u>74,931</u>	<u>13,778</u>			<u>175,924</u>	<u>589,230</u>	<u>849,984</u>	<u>5,000</u>	
Expenditures:									
Current:									
Instruction	57,544	18,131	1,460	261,385	7,868	230,426	1,101,479		
Support Services - Students				60,667	32,065	135,688		5,000	
Support Services - Instruction									
Support Services - General Administration	1,184	399		6,773		9,042	24,469		
Support Services - School Administration				627		44,493			
Operations and Maintenance of Plant							10,621		
Student Transportation									
Food Services									
Community Services									
Capital Outlay									
Total Expenditures	<u>58,728</u>	<u>18,530</u>	<u>1,460</u>	<u>329,452</u>	<u>39,933</u>	<u>419,649</u>	<u>1,136,569</u>	<u>5,000</u>	
Revenues Over (Under) Expenditures	<u>16,203</u>	<u>(4,752)</u>	<u>(1,460)</u>	<u>(329,452)</u>	<u>135,991</u>	<u>169,581</u>	<u>(286,585)</u>		
Other Financing Sources (Uses):									
Refund to Grantor		(12,071)							
Lease Purchase Payments									
Net Other Financing Sources (Uses)		<u>(12,071)</u>							
Net Change in Fund Balance	<u>16,203</u>	<u>(16,823)</u>	<u>(1,460)</u>	<u>(329,452)</u>	<u>135,991</u>	<u>169,581</u>	<u>(286,585)</u>		
Fund Balance - Beginning of Year, as Previously Reported	(16,203)	12,071			(135,991)	(195,658)	448,271		938
Adjustments and Residual Equity Transfers									
Fund Balance - Beginning of Year, as Restated	<u>(16,203)</u>	<u>12,071</u>			<u>(135,991)</u>	<u>(195,658)</u>	<u>448,271</u>		<u>938</u>
Fund Balance - End of Year	\$	<u>(4,752)</u>	<u>(1,460)</u>	<u>(329,452)</u>	<u>(26,077)</u>	<u>161,686</u>			<u>938</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
For the Year Ended June 30, 2009

**SPECIAL REVENUE**

	<u>Fund 25152</u>	<u>Fund 25162</u>	<u>Fund 25184</u>	<u>Fund 25201</u>	<u>Fund 26119</u>	<u>Fund 26123</u>	<u>Fund 26170</u>	<u>Fund 26174</u>
	<u>MEDICAL ASSISTANCE PAYMENTS (MEDICAID)</u>	<u>NM GRADS - INSTRUCTIONA</u>	<u>INDIAN EDUCATION FORMULA GRANT</u>	<u>NAVAJO NATION GRANTS</u>	<u>HEIFER INTERNATIONAL GRANT</u>	<u>PNM FOUNDATION GRANT</u>	<u>MICROSOFT SETTLEMENT</u>	<u>PARENTS REACHING OUT</u>
Revenues:								
Federal Grants	\$ 243,334	12,000	1,250,803	97,991				11,250
State Grants								
Local Sources:								
Property Taxes								
Local Grants					11,016		550,014	22,500
Charges for Services								
Investment Income								
Miscellaneous	261			9				35
Total Revenues	<u>243,595</u>	<u>12,000</u>	<u>1,250,803</u>	<u>98,000</u>	<u>11,016</u>		<u>550,014</u>	<u>33,785</u>
Expenditures:								
Current:								
Instruction		12,000	1,082,761		244		500,014	
Support Services - Students	141,110		37,427	98,000				
Support Services - Instruction								
Support Services - General Administration			26,307					
Support Services - School Administration			23,142				50,000	
Operations and Maintenance of Plant								
Student Transportation								
Food Services								
Community Services								41,431
Capital Outlay								
Total Expenditures	<u>141,110</u>	<u>12,000</u>	<u>1,169,637</u>	<u>98,000</u>	<u>244</u>		<u>550,014</u>	<u>41,431</u>
Revenues Over (Under) Expenditures	<u>102,485</u>		<u>81,166</u>		<u>10,772</u>			<u>(7,646)</u>
Other Financing Sources (Uses):								
Refund to Grantor								
Lease Purchase Payments								
Net Other Financing Sources (Uses)								
Net Change in Fund Balance	<u>102,485</u>		<u>81,166</u>		<u>10,772</u>			<u>(7,646)</u>
Fund Balance - Beginning of Year, as Previously Reported	37,493		(81,166)		245	58		288
Adjustments and Residual Equity Transfers						(58)		
Fund Balance - Beginning of Year, as Restated	37,493		(81,166)		245			288
Fund Balance - End of Year	\$ <u>139,978</u>				<u>11,017</u>			<u>(7,358)</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
For the Year Ended June 30, 2009

**SPECIAL REVENUE**

	<u>Fund 26176</u>	<u>Fund 27117</u>	<u>Fund 27138</u>	<u>Fund 27140</u>	<u>Fund 27149</u>	<u>Fund 27154</u>	<u>Fund 27155</u>	<u>Fund 27164</u>	<u>Fund 27165</u>
	<u>NM COMMUNITY FOUNDATION</u>	<u>TECHNOLOGY FOR EDUCATION</u>	<u>INCENTIVES FOR SCHOOL IMPROVEMENTS</u>	<u>FAMILY AND YOUTH RESOURCES</u>	<u>PRE-K INITIATIVE</u>	<u>BEGINNING TEACHER MENTORING</u>	<u>BREAKFAST FOR ELEM. STUDENTS</u>	<u>SCHOOL IMPROVEMENT FRAMEWORK</u>	<u>OUTDOOR CLASSROOM</u>
Revenues:									
Federal Grants	\$				44,005				
State Grants		65,036	(41,077)	45,000	818,359	770	147,486		2,611
Local Sources:									
Property Taxes									
Local Grants									
Charges for Services									
Investment Income									
Miscellaneous		197			634				
Total Revenues		<u>65,233</u>	<u>(41,077)</u>	<u>45,000</u>	<u>862,998</u>	<u>770</u>	<u>147,486</u>		<u>2,611</u>
Expenditures:									
Current:									
Instruction			44,223		694,622			38,235	
Support Services - Students	1,526			22,500					
Support Services - Instruction									
Support Services - General Administration					24,200				
Support Services - School Administration									
Operations and Maintenance of Plant		95,693							
Student Transportation					144,150				
Food Services							147,486		
Community Services									
Capital Outlay									
Total Expenditures	<u>1,526</u>	<u>95,693</u>	<u>44,223</u>	<u>22,500</u>	<u>862,972</u>		<u>147,486</u>	<u>38,235</u>	
Revenues Over (Under) Expenditures	<u>(1,526)</u>	<u>(30,460)</u>	<u>(85,300)</u>	<u>22,500</u>	<u>26</u>	<u>770</u>		<u>(38,235)</u>	<u>2,611</u>
Other Financing Sources (Uses):									
Refund to Grantor									
Lease Purchase Payments									
Net Other Financing Sources (Uses)									
Net Change in Fund Balance	<u>(1,526)</u>	<u>(30,460)</u>	<u>(85,300)</u>	<u>22,500</u>	<u>26</u>	<u>770</u>		<u>(38,235)</u>	<u>2,611</u>
Fund Balance - Beginning of Year, as Previously Reported	27,000	30,460	85,300	(22,500)	(179,927)	(770)		15,000	(2,970)
Adjustments and Residual Equity Transfers									
Fund Balance - Beginning of Year, as Restated	<u>27,000</u>	<u>30,460</u>	<u>85,300</u>	<u>(22,500)</u>	<u>(179,927)</u>	<u>(770)</u>		<u>15,000</u>	<u>(2,970)</u>
Fund Balance - End of Year	\$ <u>25,474</u>				<u>(179,901)</u>			<u>(23,235)</u>	<u>(359)</u>

STATE OF NEW MEXICO  
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**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
For the Year Ended June 30, 2009

**SPECIAL REVENUE**

	<u>Fund 27166</u>	<u>Fund 27169</u>	<u>Fund 27170</u>	<u>Fund 27503</u>	<u>Fund 27504</u>	<u>Fund 28121</u>	<u>Fund 28131</u>	<u>Fund 28178</u>	<u>Fund 28180</u>	<u>Fund 29102</u>
	<u>KINDERGARTEN - THREE PLUS</u>	<u>PRE-K START UP</u>	<u>LIBRARIES GO BOND</u>	<u>RURAL REVITALIZATION</u>	<u>NM OUTDOOR CLASSROOM INITIATIVE</u>	<u>PRE-SCHOOL CYFD</u>	<u>NM ARTS</u>	<u>GEAR-UP CHE</u>	<u>REGIONAL QUALITY CENTER</u>	<u>PRIVATE DIRECT GRANTS</u>
Revenues:										
Federal Grants	\$									
State Grants	759,291		57,137	9,997		137,210	6,257	84,450	97,800	
Local Sources:										
Property Taxes										
Local Grants										36,206
Charges for Services										
Investment Income										
Miscellaneous	564	144				159		14	140	3
Total Revenues	<u>759,855</u>	<u>144</u>	<u>57,137</u>	<u>9,997</u>		<u>137,369</u>	<u>6,257</u>	<u>84,464</u>	<u>97,940</u>	<u>36,209</u>
Expenditures:										
Current:										
Instruction	792,683	17,686			1,000	49	6,257	82,909		23,069
Support Services - Students	21,363							1,586		
Support Services - Instruction	950		1,930							
Support Services - General Administration						3,021		1,855	2,106	
Support Services - School Administration	43,813								95,694	
Operations and Maintenance of Plant	7,132									
Student Transportation	47,030									
Food Services										
Community Services				9,997		130,992				7,151
Capital Outlay										
Total Expenditures	<u>912,971</u>	<u>17,686</u>	<u>1,930</u>	<u>9,997</u>	<u>1,000</u>	<u>134,062</u>	<u>6,257</u>	<u>86,350</u>	<u>97,800</u>	<u>30,220</u>
Revenues Over (Under) Expenditures	<u>(153,116)</u>	<u>(17,542)</u>	<u>55,207</u>		<u>(1,000)</u>	<u>3,307</u>		<u>(1,886)</u>	<u>140</u>	<u>5,989</u>
Other Financing Sources (Uses):										
Refund to Grantor										
Lease Purchase Payments										
Net Other Financing Sources (Uses)										
Net Change in Fund Balance	<u>(153,116)</u>	<u>(17,542)</u>	<u>55,207</u>		<u>(1,000)</u>	<u>3,307</u>		<u>(1,886)</u>	<u>140</u>	<u>5,989</u>
Fund Balance - Beginning of Year, as Previously Reported	70,614	285	(57,137)			(3,587)		(44,414)	2	4,467
Adjustments and Residual Equity Transfers									(142)	306
Fund Balance - Beginning of Year, as Restated	<u>70,614</u>	<u>285</u>	<u>(57,137)</u>			<u>(3,587)</u>		<u>(44,414)</u>	<u>(140)</u>	<u>4,773</u>
Fund Balance - End of Year	\$ <u>(82,502)</u>	\$ <u>(17,257)</u>	\$ <u>(1,930)</u>		\$ <u>(1,000)</u>	\$ <u>(280)</u>		\$ <u>(46,300)</u>		<u>10,762</u>

STATE OF NEW MEXICO  
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**NON-MAJOR GOVERNMENTAL FUNDS**  
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For the Year Ended June 30, 2009

**SPECIAL REVENUE**

	<u>Fund 29103</u>	<u>Fund 29114</u>	<u>Fund 29130</u>	<u>TOTAL SPECIAL REVENUE</u>
	<u>TEEN PREGNANCY GRANT</u>	<u>MCCUNE CHARITABLE FOUNDATION</u>	<u>SCHOOL BASED HEALTH CTR</u>	
Revenues:				
Federal Grants	\$			8,563,180
State Grants			12,200	2,202,527
Local Sources:				
Property Taxes				
Local Grants	1,500		58,825	680,061
Charges for Services				1,540,307
Investment Income				27,428
Miscellaneous			50	10,522
Total Revenues	<u>1,500</u>		<u>71,075</u>	<u>13,024,025</u>
Expenditures:				
Current:				
Instruction	1,500			8,162,657
Support Services - Students			58,141	619,945
Support Services - Instruction				4,101
Support Services - General Administration				145,904
Support Services - School Administration				351,665
Operations and Maintenance of Plant				113,446
Student Transportation				202,596
Food Services				3,470,773
Community Services				189,571
Capital Outlay				
Total Expenditures	<u>1,500</u>		<u>58,141</u>	<u>13,260,658</u>
Revenues Over (Under) Expenditures			<u>12,934</u>	<u>(236,633)</u>
Other Financing Sources (Uses):				
Refund to Grantor				(12,071)
Lease Purchase Payments				(64,911)
Net Other Financing Sources (Uses)				<u>(76,982)</u>
Net Change in Fund Balance			<u>12,934</u>	<u>(313,615)</u>
Fund Balance - Beginning of Year, as Previously Reported		106	19,436	404,156
Adjustments and Residual Equity Transfers		<u>(106)</u>		<u>(1,073)</u>
Fund Balance - Beginning of Year, as Restated			19,436	403,083
Fund Balance - End of Year	\$		<u>32,370</u>	<u>89,468</u>



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**CAPITAL PROJECTS**

	<u>Fund 31100</u>	<u>Fund 31400</u>	<u>Fund 31500</u>	<u>Fund 31700</u>	<u>TOTAL CAPITAL PROJECTS</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
	<u>BOND BUILDING</u>	<u>SPECIAL CAPITAL OUTLAY - STATE</u>	<u>SPECIAL CAPITAL OUTLAY - FEDERAL</u>	<u>CAPITAL IMPROVEMENTS SB-9</u>		
Revenues:						
Federal Grants	\$		56,355		56,355	8,619,535
State Grants		5,314,111		457,460	5,771,571	12,010,783
Local Sources:						
Property Taxes				1,361,046	1,361,046	1,361,046
Local Grants						681,981
Charges for Services						2,051,847
Investment Income	32,618			34,330	66,948	95,396
Miscellaneous						14,771
Total Revenues	<u>32,618</u>	<u>5,314,111</u>	<u>56,355</u>	<u>1,852,836</u>	<u>7,255,920</u>	<u>24,835,359</u>
Expenditures:						
Current:						
Instruction						8,662,301
Support Services - Students						619,945
Support Services - Instruction						31,267
Support Services - General Administration				13,465	13,465	159,369
Support Services - School Administration						351,665
Operations and Maintenance of Plant						545,161
Student Transportation						3,387,131
Food Services						3,470,773
Community Services						189,571
Capital Outlay	4,307,389	5,571,944	118,251	1,538,059	11,535,643	11,535,643
Total Expenditures	<u>4,307,389</u>	<u>5,571,944</u>	<u>118,251</u>	<u>1,551,524</u>	<u>11,549,108</u>	<u>28,952,826</u>
Revenues Over (Under) Expenditures	<u>(4,274,771)</u>	<u>(257,833)</u>	<u>(61,896)</u>	<u>301,312</u>	<u>(4,293,188)</u>	<u>(4,117,467)</u>
Other Financing Sources (Uses):						
Refund to Grantor						(12,071)
Lease Purchase Payments						(64,911)
Net Other Financing Sources (Uses)						<u>(76,982)</u>
Net Change in Fund Balance	<u>(4,274,771)</u>	<u>(257,833)</u>	<u>(61,896)</u>	<u>301,312</u>	<u>(4,293,188)</u>	<u>(4,194,449)</u>
Fund Balance - Beginning of Year, as Previously Reported	5,905,408	(256,723)	2,216,770	1,245,286	9,110,741	9,761,595
Adjustments and Residual Equity Transfers						<u>(1,073)</u>
Fund Balance - Beginning of Year, as Restated	5,905,408	(256,723)	2,216,770	1,245,286	9,110,741	9,760,522
Fund Balance - End of Year	\$ <u>1,630,637</u>	<u>(514,556)</u>	<u>2,154,874</u>	<u>1,546,598</u>	<u>4,817,553</u>	<u>5,566,073</u>

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	<u>Fund 12000</u>	<u>Fund 13000</u>	<u>Fund 14000</u>	<u>Fund 21000</u>	<u>Fund 22000</u>	<u>Fund 23000</u>	<u>Fund 24109</u>
	<u>TEACHERAGE</u>	<u>TRANSPORTATION</u>	<u>INSTRUCTIONAL MATERIALS</u>	<u>FOOD SERVICES</u>	<u>ATHLETICS</u>	<u>NON- INSTRUCTIONAL SUPPORT</u>	<u>IDEA-B PRESCHOOL</u>
Revenues Over Expenditures							
- Budgetary Comparison							
Statements - Budgetary Basis	82,260	81,103	253,272	(56,967)	97,241	(28,360)	18,405
Adjustments:							
Increase (Decrease) in:							
Cash (Reclassification)	(3,205)	(74,403)		(12,559)	(25)	(14,767)	(20,493)
Investments	3,833	72,669			112	19,175	
Taxes Receivable							
Due from Grantor				28,701			(21,615)
Due from Other Funds							
Inventory				17,043		(3,217)	
(Increase) Decrease in:							
Accounts Payable	(1,993)	2,764	(1,193)	(2,341)	(6,875)	(66,406)	(1,122)
Accrued Expenses	125	(2,878)			(1)	(5,094)	
Due to Other Funds				36,857			21,615
Deferred Revenue				41,194			21,615
Operating Transfers In (Out)							
Refunds to Grantor	_____	_____	_____	_____	_____	_____	_____
Revenues Over Expenditures							
- Statement of Revenues,							
Expenditures, and Changes							
in Fund Balance	<u>81,020</u>	<u>79,255</u>	<u>252,079</u>	<u>51,928</u>	<u>90,452</u>	<u>(98,669)</u>	<u>18,405</u>

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STATE OF NEW MEXICO  
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	Fund 24143	Fund 24150	Fund 24153	Fund 24154	Fund 24157	Fund 24162	Fund 24167
	TITLE III - INCENTIVES	TITLE V INNOVATION STRATEGIES	ENGLISH LANGUAGE ACQUISITION	TITLE II-A	TITLE IV-A	TITLE I PROGRAM IMPROVEMENT	READING FIRST
Revenues Over Expenditures							
- Budgetary Comparison							
Statements - Budgetary Basis	(3,000)	6,151	(108,847)	94,240	(24,141)	(68,957)	80,068
Adjustments:							
Increase (Decrease) in:							
Cash (Reclassification)	3,000	(6,151)	100,385	(119,437)	23,838	68,957	(100,882)
Investments							
Taxes Receivable							
Due from Grantor	3,000	(6,151)	92,727	(127,946)	23,800	68,957	(80,059)
Due from Other Funds							
Inventory							
(Increase) Decrease in:							
Accounts Payable			(7,676)	(12,183)	(91)	(743)	2,926
Accrued Expenses							
Due to Other Funds	(3,000)	6,151	(92,727)	127,946	(23,800)	(68,957)	97,956
Deferred Revenue	(3,000)	6,151	(92,727)	127,946	(21,925)	(68,957)	80,059
Operating Transfers In (Out)							
Refunds to Grantor							
Revenues Over Expenditures							
- Statement of Revenues,							
Expenditures, and Changes							
in Fund Balance	<u>(3,000)</u>	<u>6,151</u>	<u>(108,865)</u>	<u>90,566</u>	<u>(22,319)</u>	<u>(69,700)</u>	<u>80,068</u>

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	<u>Fund 24174</u>	<u>Fund 24176</u>	<u>Fund 24180</u>	<u>Fund 24201</u>	<u>Fund 24206</u>	<u>Fund 25122</u>	<u>Fund 25131</u>
	<u>CARL PERKINS SECONDARY</u>	<u>CARL PERKINS DISTRIBUTION</u>	<u>CARL PERKINS HSTW</u>	<u>TITLE I - ARRA</u>	<u>IDEA B - ARRA ENTITLEMENT</u>	<u>IHS/ NORTHERN NAVAJO MEDICAL CENTER</u>	<u>JOHNSON O'MALLEY</u>
Revenues Over Expenditures							
- Budgetary Comparison							
Statements - Budgetary Basis	2,717	11,979	(2,327)		(314,646)	153,326	43,657
Adjustments:							
Increase (Decrease) in:							
Cash (Reclassification)	(2,717)	(12,427)	2,327		314,646	(134,615)	(57,828)
Investments							
Taxes Receivable							
Due from Grantor	(2,717)	(11,979)	2,182			(132,602)	(48,057)
Due from Other Funds							
Inventory							
(Increase) Decrease in:							
Accounts Payable		4,672	(2,570)		(24,886)	4,973	(1,603)
Accrued Expenses				(1,460)	(12,654)		6,862
Due to Other Funds	2,717	11,979	(2,182)		(291,912)	132,602	53,205
Deferred Revenue	2,717	11,979	(2,182)			112,307	173,345
Operating Transfers In (Out)							
Refunds to Grantor			(12,071)				
Revenues Over Expenditures							
- Statement of Revenues,							
Expenditures, and Changes							
in Fund Balance	<u>2,717</u>	<u>16,203</u>	<u>(16,823)</u>	<u>(1,460)</u>	<u>(329,452)</u>	<u>135,991</u>	<u>169,581</u>

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	Fund 25145	Fund 25152	Fund 25184	Fund 25201	Fund 25252	Fund 26119	Fund 26143
	IMPACT AID - SPECIAL EDUCATION	MEDICAL ASSISTANCE PAYMENTS (MEDICAID)	INDIAN EDUCATION FORMULA GRANT	NAVAJO NATION GRANTS	ARRA CONSTRUCTION	HEIFER INTERNATIONAL GRANT	SAVE THE CHILDREN
Revenues Over Expenditures							
- Budgetary Comparison							
Statements - Budgetary Basis	(286,672)	62,309	139,801	(97,991)	1,394,434	10,772	
Adjustments:							
Increase (Decrease) in:							
Cash (Reclassification)	23,750	(6,523)	(31,789)	96,410			(2,748)
Investments		9,897					
Taxes Receivable							
Due from Grantor		38,798	(81,166)	98,000			
Due from Other Funds							
Inventory							
(Increase) Decrease in:							
Accounts Payable	(23,650)	(1,996)	(53,987)	1,581			2,748
Accrued Expenses	(13)		(1,604)				
Due to Other Funds			81,166	(97,991)			
Deferred Revenue			28,745	(9)	(1,394,434)		
Operating Transfers In (Out)							
Refunds to Grantor							
Revenues Over Expenditures							
- Statement of Revenues,							
Expenditures, and Changes							
in Fund Balance	<u>(286,585)</u>	<u>102,485</u>	<u>81,166</u>			<u>10,772</u>	

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	Fund <u>26174</u>	Fund <u>26176</u>	Fund <u>27117</u>	Fund <u>27138</u>	Fund <u>27140</u>	Fund <u>27149</u>	Fund <u>27154</u>
	<b>PARENTS REACHING OUT</b>	<b>NM COMMUNITY FOUNDATION</b>	<b>TECHNOLOGY FOR EDUCATION</b>	<b>INCENTIVES FOR SCHOOL IMPROVEMENTS</b>	<b>FAMILY AND YOUTH RESOURCES</b>	<b>PRE-K INITIATIVE</b>	<b>BEGINNING TEACHER MENTORING</b>
Revenues Over Expenditures							
- Budgetary Comparison							
Statements - Budgetary Basis	(13,738)	(1,526)	13,682	(45,997)	22,500	(26,799)	30,093
Adjustments:							
Increase (Decrease) in:							
Cash (Reclassification)	12,513		(5,600)		(22,500)	4,327	(770)
Investments			3,457	579			
Taxes Receivable							
Due from Grantor	12,494				(22,500)	(2,344)	(770)
Due from Other Funds							
Inventory							
(Increase) Decrease in:							
Accounts Payable	(5,242)		1,631	1,195		(34,086)	
Accrued Expenses						(219)	
Due to Other Funds	(12,429)				22,500	12,798	770
Deferred Revenue	(1,244)		(43,630)	(41,077)	22,500	46,349	(28,553)
Operating Transfers In (Out)							
Refunds to Grantor							
Revenues Over Expenditures							
- Statement of Revenues,							
Expenditures, and Changes							
in Fund Balance	<u>(7,646)</u>	<u>(1,526)</u>	<u>(30,460)</u>	<u>(85,300)</u>	<u>22,500</u>	<u>26</u>	<u>770</u>

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	Fund <u>27164</u>	Fund <u>27165</u>	Fund <u>27166</u>	Fund <u>27169</u>	Fund <u>27170</u>	Fund <u>27504</u>	Fund <u>27549</u>
	<u>SCHOOL IMPROVEMENT FRAMEWORK</u>	<u>OUTDOOR CLASSROOM</u>	<u>KINDERGARTEN - THREE PLUS</u>	<u>PRE-K START UP</u>	<u>LIBRARIES GO BOND</u>	<u>NM OUTDOOR CLASSROOM INITIATIVE</u>	<u>LIBRARY 2008 SB 471</u>
Revenues Over Expenditures							
- Budgetary Comparison							
Statements - Budgetary Basis	(38,235)	2,252	(152,271)	(10,861)	55,207	(1,000)	20,547
Adjustments:							
Increase (Decrease) in:							
Cash (Reclassification)	23,235	(2,252)	71,396	9,545	(55,207)	1,000	
Investments							
Taxes Receivable							
Due from Grantor		(2,252)			(55,207)		
Due from Other Funds							
Inventory							
(Increase) Decrease in:							
Accounts Payable		359	(27,633)	(5,367)			
Accrued Expenses			(2,342)				
Due to Other Funds	(23,235)	2,252	(42,266)	(10,859)	55,207	(1,000)	
Deferred Revenue		2,252			55,207		(20,547)
Operating Transfers In (Out)							
Refunds to Grantor	_____	_____	_____	_____	_____	_____	_____
Revenues Over Expenditures							
- Statement of Revenues,							
Expenditures, and Changes							
in Fund Balance	<u>(38,235)</u>	<u>2,611</u>	<u>(153,116)</u>	<u>(17,542)</u>	<u>55,207</u>	<u>(1,000)</u>	<u>_____</u>

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	<u>Fund 28106</u>	<u>Fund 28121</u>	<u>Fund 28131</u>	<u>Fund 28178</u>	<u>Fund 28180</u>	<u>Fund 29102</u>	<u>Fund 29130</u>
	<u>NATURAL HEALERS</u>	<u>PRE-SCHOOL CYFD</u>	<u>NM ARTS DIVISION</u>	<u>GEAR-UP CHE</u>	<u>REGIONAL QUALITY CENTER</u>	<u>PRIVATE DIRECT GRANTS</u>	<u>SCHOOL BASED HEALTH CTR</u>
Revenues Over Expenditures							
- Budgetary Comparison							
Statements - Budgetary Basis		3,746	(3,245)	(1,753)	140	6,423	(917)
Adjustments:							
Increase (Decrease) in:							
Cash (Reclassification)		(9,213)	3,245	(191)	(2,712)		(2,052)
Investments		9,073			4,591		4,285
Taxes Receivable							
Due from Grantor		(3,587)	3,245	(279)			12,200
Due from Other Funds							
Inventory							
(Increase) Decrease in:							
Accounts Payable		(3,837)		1,375	(1,879)	(434)	(2,365)
Accrued Expenses		(49)		(1,535)			1,783
Due to Other Funds		3,587	(3,245)	218			
Deferred Revenue		3,587		279			
Operating Transfers In (Out)							
Refunds to Grantor							
Revenues Over Expenditures							
- Statement of Revenues,							
Expenditures, and Changes							
in Fund Balance		<u>3,307</u>		<u>(1,886)</u>	<u>140</u>	<u>5,989</u>	<u>12,934</u>

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	<u>Fund 31100</u>	<u>Fund 31400</u>	<u>Fund 31500</u>	<u>Fund 31700</u>	<u>TOTAL NON-MAJOR GOVERNMENTAL FUNDS</u>
	<u>BOND BUILDING</u>	<u>SPECIAL CAPITAL OUTLAY - STATE</u>	<u>SPECIAL CAPITAL OUTLAY - FEDERAL</u>	<u>CAPITAL IMPROVEMENTS SB-9</u>	
Revenues Over Expenditures					
- Budgetary Comparison					
Statements - Budgetary Basis	(4,809,192)	(153,162)	(75,373)	440,379	(3,199,273)
Adjustments:					
Increase (Decrease) in:					
Cash (Reclassification)	(12,498)	153,162			198,172
Investments					127,671
Taxes Receivable				(14,906)	(14,906)
Due from Grantor		153,162			(61,965)
Due from Other Funds					
Inventory					13,826
(Increase) Decrease in:					
Accounts Payable	546,919	(246,491)	13,477	(123,683)	(75,712)
Accrued Expenses				(1)	(19,080)
Due to Other Funds		(153,162)			(157,239)
Deferred Revenue		(11,342)		(477)	(993,872)
Operating Transfers In (Out)					
Refunds to Grantor					(12,071)
Revenues Over Expenditures					
- Statement of Revenues,					
Expenditures, and Changes					
in Fund Balance	<u>(4,274,771)</u>	<u>(257,833)</u>	<u>(61,896)</u>	<u>301,312</u>	<u>(4,194,449)</u>

SEE INDEPENDENT AUDITORS' REPORTS  
The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 12000 - TEACHERAGE**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources:					
Rents	\$ 560,000	560,000	511,540	-	(48,460)
Investment Income	2,500	2,500	1,020	-	(1,480)
Prior Year Voided Checks	-	-	175	-	175
Total Revenues	<u>562,500</u>	<u>562,500</u>	<u>512,735</u>	<u>-</u>	<u>(49,765)</u>
Expenditures:					
Education, Current:					
Operations and Maintenance of Plant	527,500	527,500	430,475	-	97,025
Education, Non-Current:					
Capital Outlay	<u>35,000</u>	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
Total Expenditures	<u>562,500</u>	<u>562,500</u>	<u>430,475</u>	<u>-</u>	<u>132,025</u>
Revenues Over (Under) Expenditures	\$ <u>-</u>	<u>-</u>	<u>82,260</u>	<u>-</u>	<u>82,260</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 13000 - TRANSPORTATION**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources:					
Transportation Distribution	\$ 3,007,084	2,659,650	2,875,826	(347,434)	216,176
Transportation Distribution	-	132,899	-	132,899	(132,899)
Transportation Distribution	-	467,167	383,890	467,167	(83,277)
	<u>3,007,084</u>	<u>3,259,716</u>	<u>3,259,716</u>	<u>252,632</u>	<u>-</u>
Local Sources:					
Prior Year Voided Checks	-	-	4,074	-	4,074
Total Revenues	<u>3,007,084</u>	<u>3,259,716</u>	<u>3,263,790</u>	<u>252,632</u>	<u>4,074</u>
Expenditures:					
Education, Current:					
Student Transportation	<u>3,007,084</u>	<u>3,269,815</u>	<u>3,182,687</u>	<u>(262,731)</u>	<u>87,128</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(10,099)</u>	<u>81,103</u>	<u>(10,099)</u>	<u>91,202</u>
Budgetary Notation - Cash Appropriated from Prior Year	<u>\$ -</u>	<u>10,099</u>		<u>10,099</u>	

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 14000 - INSTRUCTIONAL MATERIALS**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources:					
Instructional Materials - Credit 50%	\$ 284,685	284,685	368,736	-	84,051
Instructional Materials - Cash 50%	284,685	284,685	368,736	-	84,051
Library Materials	36,086	36,086	39,497	-	3,411
	<u>605,456</u>	<u>605,456</u>	<u>776,969</u>	<u>-</u>	<u>171,513</u>
Local Sources:					
Insurance/Individual Recoveries	-	-	1,920	-	1,920
Total Revenues	<u>605,456</u>	<u>605,456</u>	<u>778,889</u>	<u>-</u>	<u>173,433</u>
Expenditures:					
Education, Current:					
Instruction	781,370	781,370	498,331	-	283,039
Support Services - Instruction	64,086	64,086	27,286	-	36,800
Total Expenditures	<u>845,456</u>	<u>845,456</u>	<u>525,617</u>	<u>-</u>	<u>319,839</u>
Revenues Over (Under) Expenditures	<u>(240,000)</u>	<u>(240,000)</u>	<u>253,272</u>	<u>-</u>	<u>493,272</u>
Budgetary Notation - Cash Appropriated from Prior Year	<u>\$ 240,000</u>	<u>240,000</u>			

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 21000 - FOOD SERVICES**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources:					
Direct Federal Grants	\$ 2,956,170	2,956,170	2,894,395	-	(61,775)
Donated Commodities	269,000	269,000	224,861	-	(44,139)
	<u>3,225,170</u>	<u>3,225,170</u>	<u>3,119,256</u>	<u>-</u>	<u>(105,914)</u>
Local Sources:					
Prior Year Voided Checks	-	-	2,534	-	2,534
Fees - Adults	227,465	227,465	183,530	-	(43,935)
Total Revenues	<u>3,452,635</u>	<u>3,452,635</u>	<u>3,305,320</u>	<u>-</u>	<u>(149,849)</u>
Expenditures:					
Education, Current:					
Food Services	<u>3,514,957</u>	<u>3,514,957</u>	<u>3,362,287</u>	<u>-</u>	<u>152,670</u>
Revenues Over (Under) Expenditures	<u>(62,322)</u>	<u>(62,322)</u>	<u>(56,967)</u>	<u>-</u>	<u>2,821</u>
Budgetary Notation - Cash Appropriated from Prior Year	<u>\$ 62,322</u>	<u>62,322</u>			

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 22000 - ATHLETICS**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources:					
Fees - Activities	\$ 266,250	266,250	324,273	-	58,023
Prior Year Voided Checks	-	-	557	-	557
Investment Income	6,000	6,000	8,538	-	2,538
Total Revenues	<u>272,250</u>	<u>272,250</u>	<u>333,368</u>	<u>-</u>	<u>61,118</u>
Expenditures:					
Education, Current:					
Instructiona	<u>442,250</u>	<u>516,030</u>	<u>236,127</u>	<u>(73,780)</u>	<u>279,903</u>
Revenues Over (Under) Expenditures	<u>(170,000)</u>	<u>(243,780)</u>	<u>97,241</u>	<u>(73,780)</u>	<u>341,021</u>
Budgetary Notation - Cash Appropriated from Prior Year	<u>\$ 170,000</u>	<u>243,780</u>		<u>73,780</u>	

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 23000 - NON-INSTRUCTIONAL SUPPORT**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources:					
Fees - Activities	\$ 2,000	2,000	253	-	(1,747)
Fees - Users	1,087,930	1,087,930	1,032,251	-	(55,679)
Prior Year Voided Checks	-	-	1,302	-	1,302
Investment Income	40,000	40,000	18,890	-	(21,110)
Total Revenues	<u>1,129,930</u>	<u>1,129,930</u>	<u>1,052,696</u>	<u>-</u>	<u>(77,234)</u>
Expenditures:					
Education, Current:					
Instructional	<u>1,753,955</u>	<u>1,736,418</u>	<u>1,081,056</u>	<u>17,537</u>	<u>655,362</u>
Revenues Over (Under) Expenditures	<u>(624,025)</u>	<u>(606,488)</u>	<u>(28,360)</u>	<u>17,537</u>	<u>578,128</u>
Budgetary Notation - Cash Appropriated from Prior Year	<u>\$ 624,025</u>	<u>606,488</u>			

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24109 - IDEA-B PRESCHOOL**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
<b>Revenues:</b>					
Prior Year Voided Checks	\$ -	-	99	-	99
Federal Sources	-	56,644	74,950	56,644	18,306
Total Revenues	-	56,644	75,049	56,644	18,405
<b>Expenditures:</b>					
Education, Current:					
Instruction	-	56,000	56,000	(56,000)	-
Support Services - General Administration	-	644	644	(644)	-
Total Expenditures	-	56,644	56,644	(56,644)	-
Revenues Over (Under) Expenditures	\$ -	-	18,405	-	18,405



STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24143 - ELL TITLE III - INCENTIVE AWARDS**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	3,000	-	3,000	(3,000)
Expenditures:					
Education, Current:					
Instruction	-	3,000	3,000	(3,000)	-
Revenues Over (Under) Expenditures	\$ -	-	(3,000)	-	(3,000)

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24150 - TITLE V INNOVATION STRATEGIES**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ 2,500	-	6,151	(2,500)	6,151
Expenditures:					
Education, Current:					
Instruction	2,500	-	-	2,500	-
Revenues Over (Under) Expenditures	\$ -	-	6,151	-	6,151

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24153 - ENGLISH LANGUAGE ACQUISITION**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ 154,915	183,927	75,081	29,012	(108,846)
Expenditures:					
Education, Current:					
Instruction	125,538	154,550	154,550	(29,012)	-
Support Services - Students	-	617	617	(617)	-
Support Services - Instruction	-	7	7	(7)	-
Support Services - General Administration	27,779	22,393	22,393	5,386	-
Support Services - School Administration	1,598	6,360	6,360	(4,762)	-
Total Expenditures	154,915	183,927	183,927	(29,012)	-
Revenues Over (Under) Expenditures	\$ -	-	(108,846)	-	(108,846)

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24154 - TITLE II-A**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	<b>Revenues:</b>				
Prior Year Voided Checks	\$ -	-	756	-	756
Federal Sources	785,237	785,237	749,352	-	(35,885)
Total Revenues	<u>785,237</u>	<u>785,237</u>	<u>750,108</u>	<u>-</u>	<u>(35,129)</u>
<b>Expenditures:</b>					
Education, Current:					
Instruction	600,000	600,000	543,497	-	56,503
Support Services - Students	-	3,644	3,641	(3,644)	3
Support Services - Instruction	-	1,215	1,214	(1,215)	1
Support Services - General Administration	16,904	16,904	14,109	-	2,795
Support Services - School Administration	168,333	138,474	81,991	29,859	56,483
Student Transportation	-	25,000	11,416	(25,000)	13,584
Total Expenditures	<u>785,237</u>	<u>785,237</u>	<u>655,868</u>	<u>-</u>	<u>129,369</u>
Revenues Over (Under) Expenditures	\$ <u>-</u>	<u>-</u>	<u>94,240</u>	<u>-</u>	<u>94,240</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24157 - TITLE IV-A**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	<b>Revenues:</b>				
Prior Year Voided Checks	\$ -	-	12	-	12
Federal Sources	62,561	89,283	42,318	26,722	(46,965)
Total Revenues	<u>62,561</u>	<u>89,283</u>	<u>42,330</u>	<u>26,722</u>	<u>(46,953)</u>
<b>Expenditures:</b>					
Education, Current:					
Instruction	52,526	78,691	58,881	(26,165)	19,810
Support Services - Students	-	617	614	(617)	3
Support Services - General Administration	1,347	1,904	1,431	(557)	473
Support Services - School Administration	8,688	8,071	5,545	617	2,526
Total Expenditures	<u>62,561</u>	<u>89,283</u>	<u>66,471</u>	<u>(26,722)</u>	<u>22,812</u>
Revenues Over (Under) Expenditures	\$ <u>-</u>	<u>-</u>	<u>(24,141)</u>	<u>-</u>	<u>(24,141)</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24162 - TITLE I PROGRAM IMPROVEMENT**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	650,000	581,043	650,000	(68,957)
Expenditures:					
Education, Current:					
Instruction	-	650,000	650,000	(650,000)	-
Revenues Over (Under) Expenditures	\$ -	-	(68,957)	-	(68,957)

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24167 - READING FIRST**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Prior Year Voided Checks	\$ -	-	944	-	944
Federal Sources	370,296	370,296	449,420	-	79,124
Total Revenues	<u>370,296</u>	<u>370,296</u>	<u>450,364</u>	<u>-</u>	<u>80,068</u>
Expenditures:					
Education, Current:					
Instruction	362,325	362,325	362,325	-	-
Support Services - General Administrator	7,971	7,971	7,971	-	-
Total Expenditures	<u>370,296</u>	<u>370,296</u>	<u>370,296</u>	<u>-</u>	<u>-</u>
Revenues Over (Under) Expenditures	\$ <u>-</u>	<u>-</u>	<u>80,068</u>	<u>-</u>	<u>80,068</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24174 - CARL PERKINS - SECONDARY**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	-	2,717	-	2,717
Expenditures:					
Education, Current:					
Instruction	-	-	-	-	-
Revenues Over (Under) Expenditures	\$ -	-	2,717	-	2,717



STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24175 - CARL PERKINS SECONDARY - PY UNLIQUIDATED OBLIGATIONS**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	25,000	25,000	25,000	-
Expenditures:					
Education, Current:					
Instruction	-	25,000	25,000	(25,000)	-
Revenues Over (Under) Expenditures	\$ -	-	-	-	-

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24176 - CARL PERKINS - DISTRIBUTION**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	62,953	74,931	62,953	11,978
Expenditures:					
Education, Current:					
Instruction	-	61,768	61,768	(61,768)	-
Support Services - General Administrator	-	1,185	1,184	(1,185)	1
Total Expenditures	-	62,953	62,952	(62,953)	1
Revenues Over (Under) Expenditures	\$ -	-	11,979	-	11,979

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24180 - CARL PERKINS HSTW**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Prior Year Voided Checks	\$ -	-	21	-	21
Federal Sources	18,530	18,530	13,757	-	(4,773)
Total Revenues	18,530	18,530	13,778	-	(4,752)
Expenditures:					
Education, Current:					
Instruction	18,131	18,131	15,706	-	2,425
Support Services - General Administrator	399	399	399	-	-
Total Expenditures	18,530	18,530	16,105	-	2,425
Revenues Over (Under) Expenditures	\$ -	-	(2,327)	-	(2,327)

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24201 - TITLE I - ARRA**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	1,122,894	-	1,122,894	(1,122,894)
Expenditures:					
Education, Current:					
Instruction	-	1,031,348	-	(1,031,348)	1,031,348
Support Services - General Administration	-	24,172	-	(24,172)	24,172
Support Services - General Administration	-	56,145	-	(56,145)	56,145
Total Expenditures	-	1,111,665	-	(1,111,665)	1,111,665
Revenues Over (Under) Expenditures	\$ -	11,229	-	11,229	(11,229)

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24206 - IDEA-B ENTITLEMENT - ARRA**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ -	967,581	-	967,581	(967,581)
Expenditures:					
Education, Current:					
Instruction	-	608,322	253,493	(608,322)	354,829
Support Services - Students	-	339,259	54,380	(339,259)	284,879
Support Services - General Administration	-	20,000	6,773	(20,000)	13,227
Total Expenditures	-	967,581	314,646	(967,581)	652,935
Revenues Over (Under) Expenditures	\$ -	-	(314,646)	-	(314,646)

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 24209 - IDEA B PRESCHOOL - ARRA**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	36,221	-	36,221	(36,221)
Expenditures:					
Education, Current:					
Instruction	-	35,450	-	(35,450)	35,450
Support Services - General Administration	-	771	-	(771)	771
Total Expenditures	-	36,221	-	(36,221)	36,221
Revenues Over (Under) Expenditures	\$ -	-	-	-	-

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 25122 - IHS/NORTHERN NAVAJO MEDICAL CENTER**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	<b>Revenues:</b>				
Prior Year Voided Checks	\$ -	-	79	-	79
Federal Sources	-	213,706	196,140	213,706	(17,566)
Total Revenues	-	213,706	196,219	213,706	(17,487)
<b>Expenditures:</b>					
Education, Current:					
Instruction	5,000	15,762	8,235	(10,762)	7,527
Support Services - Students	70,000	272,944	34,658	(202,944)	238,286
Total Expenditures	75,000	288,706	42,893	(213,706)	245,813
Revenues Over (Under) Expenditures	(75,000)	(75,000)	153,326	-	228,326
Budgetary Notation - Cash Appropriated from Prior Year	\$ 75,000	75,000			

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 25131 - JOHNSON O'MALLEY**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Prior Year Voided Checks	\$ -	-	372	-	372
Federal Sources	390,517	515,301	463,570	124,784	(51,731)
Total Revenues	<u>390,517</u>	<u>515,301</u>	<u>463,942</u>	<u>124,784</u>	<u>(51,359)</u>
Expenditures:					
Education, Current:					
Instruction	183,313	298,820	226,787	(115,507)	72,033
Support Services - Students	140,895	142,495	135,565	(1,600)	6,930
Support Services - General Administration	8,406	10,048	9,042	(1,642)	1,006
Support Services - School Administration	57,903	63,938	48,891	(6,035)	15,047
Total Expenditures	<u>390,517</u>	<u>515,301</u>	<u>420,285</u>	<u>(124,784)</u>	<u>95,016</u>
Revenues Over (Under) Expenditures	\$ <u>-</u>	<u>-</u>	<u>43,657</u>	<u>-</u>	<u>43,657</u>



STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 25145 - IMPACT AID - SPECIAL EDUCATION**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Prior Year Voided Checks	\$ -	-	1,636	-	1,636
Federal Sources	797,120	728,710	848,348	(68,410)	119,638
Total Revenues	<u>797,120</u>	<u>728,710</u>	<u>849,984</u>	<u>(68,410)</u>	<u>121,274</u>
Expenditures:					
Education, Current:					
Instruction	1,126,346	1,140,940	1,101,566	(14,594)	39,374
Support Services - School Administration	25,582	25,582	24,469	-	1,113
Operations and Maintenance of Plant	10,621	10,621	10,621	-	-
Total Expenditures	<u>1,162,549</u>	<u>1,177,143</u>	<u>1,136,656</u>	<u>(14,594)</u>	<u>40,487</u>
Revenues Over (Under) Expenditures	<u>(365,429)</u>	<u>(448,433)</u>	<u>(286,672)</u>	<u>(83,004)</u>	<u>161,761</u>
Budgetary Notation - Cash Appropriated from Prior Year	\$ <u>365,429</u>	<u>448,433</u>		<u>83,004</u>	

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 25149 - NM GRADS - CHILD CARE**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	5,000	5,000	5,000	-
Expenditures:					
Education, Current:					
Instruction	-	5,000	5,000	(5,000)	-
Revenues Over (Under) Expenditures	\$ -	-	-	-	-

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 25152 - MEDICAL ASSISTANCE PAYMENTS (MEDICAID)**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Prior Year Voided Checks	\$ -	-	261	-	261
Federal Sources	142,488	142,488	204,536	-	62,048
Total Revenues	<u>142,488</u>	<u>142,488</u>	<u>204,797</u>	<u>-</u>	<u>62,309</u>
Expenditures:					
Education, Current:					
Support Services - Students	<u>142,488</u>	<u>142,488</u>	<u>142,488</u>	<u>-</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>-</u>	<u>62,309</u>	<u>-</u>	<u>62,309</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 25162 - NM GRADS - INSTRUCTIONAL**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	12,000	12,000	12,000	-
Expenditures:					
Education, Current:					
Instruction	-	12,000	12,000	(12,000)	-
Revenues Over (Under) Expenditures	\$ -	-	-	-	-

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 25184 - INDIAN EDUCATION FORMULA GRANT**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ 1,222,057	1,222,057	1,303,224	-	81,167
Expenditures:					
Education, Current:					
Instruction	1,065,596	1,102,596	1,079,007	(37,000)	23,589
Support Services - Students	89,045	52,045	37,427	37,000	14,618
Support Services - General Administration	26,307	26,307	26,307	-	-
Support Services - School Administration	41,109	41,109	20,682	-	20,427
Total Expenditures	1,222,057	1,222,057	1,163,423	-	58,634
Revenues Over (Under) Expenditures	\$ -	-	139,801	-	139,801

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 25201 - NAVAJO NATION GRANTS**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Prior Year Voided Checks	\$ -	-	9	-	9
Federal Sources	-	98,000	-	98,000	(98,000)
Total Revenues	-	98,000	9	98,000	(97,991)
Expenditures:					
Education, Current:					
Support Services - Students	-	98,000	98,000	(98,000)	-
Revenues Over (Under) Expenditures	\$ -	-	(97,991)	-	(97,991)

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 25252 - IMPACT AID CONSTRUCTION - ARRA**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	1,394,434	1,394,434	1,394,434	-
Expenditures:					
Education, Current:					
Support Services - Instruction	-	1,394,434	-	(1,394,434)	1,394,434
Revenues Over (Under) Expenditures	\$ -	-	1,394,434	2,788,868	(1,394,434)

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 26119 - HEIFER INTERNATIONAL GRANT**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources	\$ -	11,016	11,016	11,016	-
Expenditures:					
Education, Current:					
Instruction	-	11,260	244	(11,260)	11,016
Revenues Over (Under) Expenditures	-	(244)	10,772	(244)	11,016
Budgetary Notation - Cash Appropriated from Prior Year	\$ -	244			



STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 26143 - SAVE THE CHILDREN**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources	\$ 100,000	-	-	(100,000)	-
Expenditures:					
Education, Current:					
Instruction	100,000	-	-	100,000	-
Revenues Over (Under) Expenditures	\$ -	-	-	-	-

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 26170 - MICROSOFT SETTLEMENT**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Local Sources	\$ -	550,015	550,014	550,015	(1)
Expenditures:					
Education, Current:					
Instruction	-	500,015	500,014	(500,015)	1
Support Services - School Administration	-	50,000	50,000	(50,000)	-
Total Expenditures	-	550,015	550,014	(550,015)	1
Revenues Over (Under) Expenditures	\$ -	-	-	-	-

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 26174 - PARENTS REACHING OUT**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Prior Year Voided Checks	\$ -	-	35	-	35
Local Sources	-	45,000	22,500	-	-
Total Revenues	-	45,000	22,535	-	35
Expenditures:					
Education, Current:					
Community Services	-	45,000	36,273	(45,000)	8,727
Revenues Over (Under) Expenditures	\$ -	-	(13,738)	(45,000)	8,762

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 26176 - NM COMMUNITY FOUNDATION**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources	\$ -	-	-	-	-
Expenditures:					
Education, Current:					
Community Services	4,500	4,500	-	-	4,500
Support Services - Students	22,500	22,500	1,526	-	20,974
Total Expenditures	27,000	27,000	1,526	-	25,474
Revenues Over (Under) Expenditures	\$ (27,000)	(22,500)	(1,526)	-	25,474
Budgetary Notation - Cash Appropriated from Prior Year	\$ 27,000	22,500			

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 27117 - TECHNOLOGY FOR EDUCATION**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	<b>Revenues:</b>				
Prior Year Voided Checks	\$ -	-	197	-	197
State Sources	-	121,024	108,666	121,024	(12,358)
Total Revenues	-	121,024	108,863	121,024	(12,161)
<b>Expenditures:</b>					
Education, Current:					
Operations and Maintenance of Plant	-	121,024	95,181	(121,024)	25,843
Revenues Over (Under) Expenditures	\$ -	-	13,682	-	13,682

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 27138 - INCENTIVES FOR SCHOOL IMPROVEMENTS**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ -	34,602	-	34,602	(34,602)
Expenditures:					
Education, Current:					
Instruction	18,000	52,602	45,997	(34,602)	6,605
Community Services	2,000	2,000	-	-	2,000
Total Expenditures	20,000	54,602	45,997	(34,602)	8,605
Revenues Over (Under) Expenditures	(20,000)	(20,000)	(45,997)	-	(25,997)
Budgetary Notation - Cash Appropriated from Prior Year	\$ 20,000	20,000			

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 27140 - FAMILY AND YOUTH RESOURCES**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ -	22,500	45,000	22,500	22,500
Expenditures:					
Education, Current:					
Support Services - Students	-	22,500	22,500	(22,500)	-
Revenues Over (Under) Expenditures	\$ -	-	22,500	-	22,500

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 27149 - PRE-K INITIATIVE**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Prior Year Voided Checks	\$ -	-	634	-	634
State Sources	40,000	921,618	818,359	881,618	(103,259)
Total Revenues	40,000	921,618	818,993	881,618	(102,625)
Expenditures:					
Education, Current:					
Instruction	40,000	753,268	677,442	(713,268)	75,826
Support Services - General Administration	-	24,200	24,200	(24,200)	-
Student Transportation	-	144,150	144,150	(144,150)	-
Total Expenditures	40,000	921,618	845,792	(881,618)	75,826
Revenues Over (Under) Expenditures	\$ -	-	(26,799)	1,763,236	(178,451)



STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 27154 - BEGINNING TEACHER MENTORING**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ -	30,093	30,093	30,093	-
Expenditures:					
Education, Current:					
Instruction	-	30,093	-	(30,093)	30,093
Revenues Over (Under) Expenditures	\$ -	-	30,093	-	30,093

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 27155 - BREAKFAST FOR ELEMENTARY STUDENTS**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ -	147,487	147,486	147,487	(1)
Expenditures:					
Education, Current:					
Food Services	-	147,487	147,486	(147,487)	1
Revenues Over (Under) Expenditures	\$ -	-	-	-	-

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 27164 - SCHOOL IMPROVEMENT FRAMEWORK**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ 10,000	38,235	-	28,235	(38,235)
Expenditures:					
Education, Current:					
Instruction	10,000	38,235	38,235	(28,235)	-
Revenues Over (Under) Expenditures	\$ -	-	(38,235)	-	(38,235)

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 27165 - OUTDOOR CLASSROOM**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ -	2,389	2,611	2,389	222
Expenditures:					
Education, Current:					
Instruction	-	2,389	359	(2,389)	2,030
Revenues Over (Under) Expenditures	\$ -	-	2,252	-	2,252

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 27166 - KINDERGARTEN - THREE PLUS**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	<b>Revenues:</b>				
Prior Year Voided Checks	\$ -	-	564	-	564
State Sources	777,204	912,126	759,291	134,922	(152,835)
Total Revenues	<u>777,204</u>	<u>912,126</u>	<u>759,855</u>	<u>134,922</u>	<u>(152,271)</u>
<b>Expenditures:</b>					
Education, Current:					
Instruction	678,883	793,265	793,265	(114,382)	-
Support Services - Students	35,296	19,506	19,506	15,790	-
Instruction	-	950	950	(950)	-
Instruction	63,025	44,243	44,243	18,782	-
Instruction	-	7,132	7,132	(7,132)	-
Instruction	-	47,030	47,030	(47,030)	-
Total Expenditures	<u>777,204</u>	<u>912,126</u>	<u>912,126</u>	<u>(134,922)</u>	<u>-</u>
Revenues Over (Under) Expenditures	\$ <u>-</u>	<u>-</u>	<u>(152,271)</u>	<u>-</u>	<u>(152,271)</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 27169 - PRE-K START-UP**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Prior Year Voided Checks	\$ -	-	144	-	144
State Sources	-	20,000	-	20,000	(20,000)
Total Revenues	-	20,000	144	20,000	(19,856)
Expenditures:					
Education, Current:					
Instruction	-	20,000	11,005	(20,000)	8,995
Revenues Over (Under) Expenditures	\$ -	-	(10,861)	-	(10,861)

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 27170 - LIBRARIES - GO BOND**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ 5,000	7,502	57,137	2,502	49,635
Expenditures:					
Education, Current:					
Instruction	5,000	7,502	1,930	(2,502)	5,572
Revenues Over (Under) Expenditures	\$ -	-	55,207	-	55,207

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 27503 - RURAL REVITALIZATION**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources	\$ -	10,000	9,997	10,000	(3)
Expenditures:					
Education, Current:					
Community Services	-	10,000	9,997	(10,000)	3
Revenues Over (Under) Expenditures	\$ -	-	-	-	-



STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 27504 - NEW MEXICO OUTDOOR CLASSROOM INITIATIVE**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ -	1,000	-	1,000	(1,000)
Expenditures:					
Education, Current:					
Instruction	-	1,000	1,000	(1,000)	-
Revenues Over (Under) Expenditures	\$ -	-	(1,000)	-	(1,000)

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 27549 - 2008 LIBRARY BOOK**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ -	20,547	20,547	20,547	-
Expenditures:					
Education, Current:					
Instruction	-	20,547	-	(20,547)	20,547
Revenues Over (Under) Expenditures	\$ -	-	20,547	-	20,547

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 28121 - PRESCHOOL - CYFD**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	<b>Revenues:</b>				
Prior Year Voided Checks	\$ -	-	159	-	159
State Sources	-	140,356	137,210	140,356	(3,146)
Total Revenues	-	140,356	137,369	140,356	(2,987)
<b>Expenditures:</b>					
Education, Current:					
Support Services - General Administration	-	3,021	3,021	(3,021)	-
Community Services	-	137,335	130,602	(137,335)	6,733
Total Expenditures	-	140,356	133,623	(140,356)	6,733
Revenues Over (Under) Expenditures	\$ -	-	3,746	-	3,746

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 28131 - NM ARTS**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ -	6,257	3,012	6,257	(3,245)
Expenditures:					
Education, Current:					
Instruction	-	6,257	6,257	(6,257)	-
Revenues Over (Under) Expenditures	\$ -	-	(3,245)	-	(3,245)

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 28178 - GEAR-UP CHE**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	<b>Revenues:</b>				
Prior Year Voided Checks	\$ -	-	14	-	14
State Sources	20,000	136,716	84,450	116,716	(52,266)
Total Revenues	<u>20,000</u>	<u>136,716</u>	<u>84,464</u>	<u>116,716</u>	<u>(52,252)</u>
<b>Expenditures:</b>					
Education, Current:					
Instruction	12,100	115,160	82,776	(103,060)	32,384
Support Services - Students	7,900	18,757	1,586	(10,857)	17,171
Support Services - General Administration	-	2,799	1,855	(2,799)	944
Total Expenditures	<u>20,000</u>	<u>136,716</u>	<u>86,217</u>	<u>(116,716)</u>	<u>50,499</u>
Revenues Over (Under) Expenditures	\$ <u>-</u>	<u>-</u>	<u>(1,753)</u>	<u>-</u>	<u>(1,753)</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 28180 - REGIONAL QUALITY CENTER**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	<b>Revenues:</b>				
Prior Year Voided Checks	\$ -	-	140	-	140
State Sources	-	97,800	97,800	97,800	-
Total Revenues	-	97,800	97,940	97,800	140
<b>Expenditures:</b>					
Education, Current:					
Instruction	-	2,106	2,106	(2,106)	-
Support Services - School Administration	-	95,694	95,694	(95,694)	-
Total Expenditures	-	97,800	97,800	(97,800)	-
Revenues Over (Under) Expenditures	\$ -	-	140	-	140

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 29102 - PRIVATE DIRECT GRANTS**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
<b>Revenues:</b>					
Prior Year Voided Checks	\$ -	-	3	-	3
Local Sources	-	36,206	36,206	36,206	-
Total Revenues	-	36,206	36,209	36,206	3
<b>Expenditures:</b>					
Education, Current:					
Instruction	2,977	26,810	22,809	(23,833)	4,001
Support Services - Students	1,000	-	-	1,000	-
Support Services - Students	-	12,000	6,977	(12,000)	5,023
Education, Non-Current:					
Capital Outlay	12,023	-	-	12,023	-
Total Expenditures	16,000	38,810	29,786	(22,810)	9,024
Revenues Over (Under) Expenditures	(16,000)	(2,604)	6,423	13,396	9,027
Budgetary Notation - Cash Appropriated from Prior Year	\$ 16,000	2,604			

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 29103 - TEEN PREGNANCY GRANT**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources	-	1,500	1,500	1,500	-
Expenditures:					
Education, Current:					
Instruction	-	1,500	1,500	(1,500)	-
Revenues Over (Under) Expenditures	\$ -	-	-	-	-



STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 29130 - SCHOOL BASED HEALTH CENTER**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Prior Year Voided Checks	\$ -	-	50	-	50
State Sources	-	62,244	58,825	62,244	(3,419)
Total Revenues	-	62,244	58,875	62,244	(3,369)
Expenditures:					
Education, Current:					
Support Services - Students	30,000	92,244	59,792	(62,244)	32,452
Revenues Over (Under) Expenditures	(30,000)	(30,000)	(917)	-	29,083
Budgetary Notation - Cash Appropriated from Prior Year	\$ 30,000	30,000			

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 31100 - BOND BUILDING**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources:					
Investment Income	\$ 100,000	100,000	45,116	-	(54,884)
Expenditures:					
Education, Non-Current:					
Capital Outlay	5,774,724	6,640,979	4,854,308	(866,255)	1,786,671
Revenues Over (Under) Expenditures	(5,774,724)	(6,640,979)	(4,809,192)	(866,255)	1,786,671
Budgetary Notation - Cash Appropriated from Prior Year	\$ 5,774,724	6,640,979		866,255	

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 31400 - SPECIAL CAPITAL OUTLAY - STATE**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ 1,317,900	2,078,397	502,459	760,497	(1,575,938)
Expenditures:					
Education, Non-Current:					
Capital Outlay	1,317,900	2,078,397	655,621	(760,497)	1,422,776
Revenues Over (Under) Expenditures	\$ -	-	(153,162)	-	(153,162)

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 31500 - SPECIAL CAPITAL OUTLAY - FEDERAL**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	-	56,355	-	56,355
Expenditures:					
Education, Non-Current:					
Capital Outlay	2,209,860	2,239,288	131,728	(29,428)	2,107,560
Revenues Over (Under) Expenditures	(2,209,860)	(2,239,288)	(75,373)	(29,428)	2,163,915
Budgetary Notation - Cash Appropriated from Prior Year	\$ 2,209,860	2,239,288		29,428	

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FUND 31700 - CAPITAL IMPROVEMENTS SB-9**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP BASIS)**  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
<b>Revenues:</b>					
State Sources					
State Flow-Through Grants	\$ -	457,460	457,460	457,460	-
Local Sources					
Ad Valorem Taxes - School District	1,296,600	1,296,600	1,346,426	-	49,826
Oil and Gas Taxes	35,649	35,649	30,003	-	(5,646)
Investment Income	25,000	25,000	34,330	-	9,330
	<u>1,357,249</u>	<u>1,357,249</u>	<u>1,410,759</u>	<u>-</u>	<u>53,510</u>
Total Revenues	<u>1,357,249</u>	<u>1,814,709</u>	<u>1,868,219</u>	<u>457,460</u>	<u>53,510</u>
<b>Expenditures:</b>					
Education, Current:					
Support Services - General Administration	15,000	15,000	13,464	-	1,536
Education, Non-Current:					
Capital Outlay	2,486,789	3,078,442	1,414,376	(591,653)	1,664,066
Total Expenditures	<u>2,501,789</u>	<u>3,093,442</u>	<u>1,427,840</u>	<u>(591,653)</u>	<u>1,665,602</u>
Revenues Over (Under) Expenditures	<u>(1,144,540)</u>	<u>(1,278,733)</u>	<u>440,379</u>	<u>(134,193)</u>	<u>1,719,112</u>
Budgetary Notation - Cash Appropriated from Prior Year	\$ <u>1,144,540</u>	<u>1,278,733</u>		<u>134,193</u>	

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**FIDUCIARY FUNDS DESCRIPTION**  
For the Year Ended June 30, 2009

Agency Funds - Agency funds are used to account for assets held by the District as an agent for individuals, private organizations, or other governments. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. These funds relate primarily to the various activities of the individual schools.

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**ALL AGENCY FUNDS**  
As of June 30, 2009

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Net Increase</u> <u>(Decrease)</u>	<u>Balance</u> <u>June 30, 2009</u>
<b><u>Assets</u></b>					
Cash and Investments	\$ <u>723,335</u>	<u>795,123</u>	<u>797,091</u>	<u>(1,968)</u>	<u>721,367</u>
<b><u>Liabilities</u></b>					
Deposits Held for Others	\$ <u>723,335</u>	<u>795,123</u>	<u>797,091</u>	<u>(1,968)</u>	<u>721,367</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**STATEMENT OF CHANGES IN DEPOSITS HELD FOR OTHERS -  
ALL AGENCY FUNDS**  
As of June 30, 2009

	Balance <u>July 1, 2008</u>	Additions	Deletions	Balance <u>June 30, 2009</u>
Central Activity - District	\$ 133,336	1,203	32,978	101,561
Kirtland Central High School	224,768	258,426	244,582	238,612
Kirtland Middle School	28,659	35,680	25,684	38,655
Kirtland Elementary School	22,942	42,198	40,517	24,623
Grace B. Wilson Elementary School	31,938	13,514	9,811	35,641
Ruth N. Bond Elementary School	16,695	38,857	31,466	24,086
Ojo Amarillo Elementary School	16,821	14,781	14,386	17,216
Kirtland Early Childhood Center	1,675	3,690	1,587.00	3,778
Shiprock High School	126,928	173,450	192,420	107,958
Career Prep High School	13,289	23,685	22,665	14,309
Tse Bit Ai Middle School	26,173	64,345	57,091	33,427
Mesa Elementary School	2,620	8,805	8,210	3,215
Nataani Nez Elementary School	15,040	25,524	21,094	19,470
Nizhoni Elementary School	4,489	5,379	5,782	4,086
Eva B. Stokely Elementary School	1,692	5,035	4,353	2,374
Newcomb High School	20,638	30,978	30,148	21,468
Newcomb Middle School	14,955	13,974	13,043	15,886
Newcomb Elementary School	14,871	20,623	26,639	8,855
Naschitti Elementary School	5,806	14,976	14,635	6,147
	<u>\$ 723,335</u>	<u>795,123</u>	<u>797,091</u>	<u>721,367</u>

SEE INDEPENDENT AUDITORS' REPORTS

The accompanying notes are an integral part of these financial statements



**OTHER SUPPLEMENTARY INFORMATION**

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended June 30, 2009

<b><u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u></b>	<b><u>Federal CFDA Number</u></b>	<b><u>Pass-Through Number</u></b>	<b><u>Federal Expenditures</u></b>
<b>Major Programs:</b>			
U. S. Department of Education Direct Grants:			
Impact Aid:			
General	84.041	11000	\$ 21,202,708
Special Education	84.041	25145	1,136,569
Indian Add-on	84.041	25147	4,140,342
Native American School Repair and Renovation Grants	84.352B	31500	118,251
Total U.S. Department of Education Direct Grants			<u>26,597,870</u>
US Department of Education Passed Through New Mexico State Public Education Department:			
Title I Cluster:			
ESEA Title I	84.010	24101	3,064,889
Title I Program Improvement	84.010	24162	650,743
Total Title I Cluster			<u>3,715,632</u>
U.S. Department of Agriculture:			
Passed through New Mexico Public Education Department:			
National School Breakfast	10.553	21000	747,003
National School Lunch	10.555	21000	2,172,874
Passed through New Mexico Department of Human Services:			
Commodities	10.550	21000	219,880
Total Department of Agriculture			<u>3,139,757</u>
Total Major Programs			<u>33,453,259</u>
<b>Non-Major Programs:</b>			
U. S. Department of Education Passed Through New Mexico State Public Education Department:			
IDEA-B Cluster:			
IDEA-B Entitlement	84.027	24106	1,683,977
IDEA-B Pre-School	84.173	24109	56,644
IDEA-B Entitlement - ARRA	84.391	24206	329,452
Total IDEA-B Cluster			<u>2,070,073</u>
ELL Title III - Incentive Awards	84.365	24143	3,000
English Language Acquisition	84.365A	24153	183,946
Teacher/Principal Training and Recruiting (Title II-A)	84.367A	24154	659,542
Safe and Drug Free Schools and Communities (Title IV-A)	84.186A	24157	66,524
Reading First	84.357	24167	370,296
Carl Perkins Secondary Prior Year - Unliquidated Obligations	84.048A	24175	25,000
Carl Perkins Distribution	84.048A	24176	58,728
Carl Perkins HSTW	84.048A	24180	18,530
Indian Education Formula Grant	84.060	25184	1,169,637
Total Department of Education Non-Major Programs			<u>2,555,203</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended June 30, 2009

	<u>Federal CFDA Number</u>	<u>Pass- Through Number</u>	<u>Federal Expenditures</u>
U. S. Department of Health & Human Services Indirect Grants			
Passed through Navajo Nation:			
IHS/Navajo Nation Medical Center	93.228	25122	39,933
Passed through New Mexico Public Education Department:			
NM GRADS - Child Care	93.596	25149	5,000
NM GRADS - Instructional	93.558/93.590	25162	<u>12,000</u>
Total Department of Health & Human Services Indirect Grants			<u>56,933</u>
U.S. Department of Interior - Bureau of Indian Affairs Direct Grant:			
Johnson O'Malley	15.130	25131	<u>419,649</u>
Total Non-Major Programs			<u>5,101,858</u>
Total Expenditures of Federal Awards			<u>\$ 38,555,117</u>

Notes to Schedule of Expenditures of Federal Awards:

1 Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of Central Consolidated Schools for the fiscal year ended June 30, 2009 and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

2 Non-Cash Assistance

Included above - U.S. Department of Agriculture - Food Distribution 219,880

3 Federal Insurance

None

4 Federal Loans and/or Loan Guarantees

None

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**SCHEDULE OF PLEDGED COLLATERAL**  
For the Year Ended June 30, 2008

<u>Security Description</u>	<u>Security Number</u>	<u>CUSIP Number</u>	<u>Market Value</u>	<u>Maturity Date</u>
Wells Fargo Bank:				
			\$	
Ginnie Mae Mortgage Backed Security	256327	3137MVU8	1,385,913	07-1-2036
Ginnie Mae Mortgage Backed Security	781316	36225BN95	<u>1,172,099</u>	07-15-2031
			\$ <u><u>2,558,012</u></u>	

These securities are held by Wells Fargo Bank in the name of the District in a vault at the following address:  
Wells Fargo Bank  
608 2nd Ave. South  
Minneapolis, MN 55402

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**CASH RECONCILIATION**  
For the Year Ended June 30, 2009

	<u>Operational</u>	<u>Teacherage</u>	<u>Transportation</u>	<u>Instructional Materials</u>	<u>Food Services</u>
Audited Cash and Investments, June 30, 2008	\$ 5,340,592	28,170	84,501	219,741	69,504
Add:					
2008-2009 Revenues	56,612,923	512,560	3,259,716	778,889	3,302,786
Prior Year Checks Voided	80,367	175	4,074		2,534
Cash Reclassification of Outstanding Liabilities	753,740	628	(1,734)		24,298
Net Loans from Other Funds					(36,857)
Operating Transfer In					
Total Cash and Investments Available	<u>62,787,622</u>	<u>541,533</u>	<u>3,346,557</u>	<u>998,630</u>	<u>3,362,265</u>
Less:					
2008-2009 Expenditures	54,637,588	430,456	3,182,492	525,617	3,362,265
Net Loans to Other Funds	(468,080)				
Refund to Grantor					
Operating Transfer Out	<u>977,618</u>				
Cash and Investments, June 30, 2009	<u>\$ 7,640,496</u>	<u>111,077</u>	<u>164,065</u>	<u>473,013</u>	

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**CASH RECONCILIATION, continued**  
For the Year Ended June 30, 2009

	<u>Athletics</u>	<u>Non-Instructional Support</u>	<u>Federal Grants</u>	<u>State and Local Grants</u>	<u>Bond Building</u>
Audited Cash and Investments, June 30, 2008	\$ 243,805	621,256	6,327,951	312,512	6,553,841
Add:					
2008-2009 Revenues	332,811	1,051,394	16,829,190	3,001,720	32,618
Prior Year Checks Voided	557	1,302	16,860	1,940	
Cash Reclassification of Outstanding Liabilities	87	4,408	240,599	48,323	
Net Loans from Other Funds			(580,084)	(4,298)	
Operating Transfer In			232,555		
Total Cash and Investments Available	<u>577,260</u>	<u>1,678,360</u>	<u>23,067,071</u>	<u>3,360,197</u>	<u>6,586,459</u>
Less:					
2008-2009 Expenditures	236,128	1,081,653	14,328,831	3,134,929	4,854,308
Net Loans to Other Funds					
Refund to Grantor			12,070		
Operating Transfer Out					
Cash and Investments, June 30, 2009	<u>\$ 341,132</u>	<u>596,707</u>	<u>8,726,170</u>	<u>225,268</u>	<u>1,732,151</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**CASH RECONCILIATION, continued**  
For the Year Ended June 30, 2009

	Special Capital <u>Outlay - State</u>	Special Capital <u>Outlay - Federal</u>	Capital Improvements SB-9	Debt Services	<u>Totals</u>
Audited Cash and Investments, June 30, 2008	\$	2,239,288	1,278,733	4,908,008	28,227,902
Add:					
2008-2009 Revenues	502,459	56,355	1,868,219	4,789,154	92,930,794
Prior Year Checks Voided					107,809
Cash Reclassification of Outstanding Liabilities					1,070,349
Net Loans from Other Funds	153,162				(468,077)
Operating Transfer In				745,063	977,618
Total Cash and Investments Available	<u>655,621</u>	<u>2,295,643</u>	<u>3,146,952</u>	<u>10,442,225</u>	<u>122,846,395</u>
Less:					
2008-2009 Expenditures	655,621	131,728	1,428,193	5,105,958	93,095,767
Net Loans to Other Funds					(468,080)
Refund to Grantor					12,070
Operating Transfer Out					977,618
Cash and Investments, June 30, 2009	<u>\$</u>	<u>2,163,915</u>	<u>1,718,759</u>	<u>5,336,267</u>	<u>29,229,020</u>

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**JOINT POWERS AGREEMENTS**  
June 30, 2009

**MEDICAID PROGRAM AS A PROVIDER OF SCHOOL-BASED HEALTH SERVICES**

Participants: Central Consolidated School District No. 22 and New Mexico Human Services Department

Responsible Parties: Central Consolidated School District No. 22 and New Mexico Human Services Department

Description: To participate in the Medicaid program as a provider of school-based health services

Period: 4/24/03 until indefinite

Project Cost: 100% reimbursement of cost to Medicaid-eligible children

District Contribution: Undetermined

Audit Responsibility: Central Consolidated School District No. 22



STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**BANK DEPOSITORIES**  
June 30, 2009

The following information is presented to comply with Section 12-6-5 NMSA 1978.

The following is a list of individual deposit accounts and investments held by Central Consolidated School District No. 22 as of June 30, 2009. Accounts were held at Wells Fargo Bank, Bank of America, and the New Mexico State Treasurer.

<u>Account Name</u>	<u>Account Type</u>	<u>Balance Per Bank</u>	<u>Deposits in Transit</u>	<u>Outstanding Checks/Transfers</u>	<u>Adjustments</u>	<u>Balance Per Books</u>
Wells Fargo Bank:						
Fiduciary Accounts:						
Central Activity	1	\$ 25,526	4,183	(16,363)		\$ 13,346
Investment	2	708,021				708,021
Total		<u>733,547</u>	<u>4,183</u>	<u>(16,363)</u>		<u>721,367</u>
District Accounts:						
Operational	1	820,579	(7,963)	(4,809,700)	3,887,983	(109,101)
Athletic	1	13,661		(1,161)	(12,500)	-
Investment	2,3	13,564,708				13,564,708
Total		<u>14,398,948</u>	<u>(7,963)</u>	<u>(4,810,861)</u>	<u>3,875,483</u>	<u>13,455,607</u>
Total Wells Fargo Bank		\$ <u>15,132,495</u>	<u>(3,780)</u>	<u>(4,827,224)</u>	<u>3,875,483</u>	\$ <u>14,176,974</u>
Bank of Albuquerque	3	\$ <u>770,091</u>				\$ <u>770,091</u>
New Mexico State Treasurer	4	\$ <u>15,003,322</u>				\$ <u>15,003,322</u>
Total All Accounts and Investment:						\$ <u>29,950,387</u>
Tie-in to Financial Statements:						
Cash and Investments - Statement of Net Assets						\$ 29,229,020
Cash and Investments - Statement of Fiduciary Net Assets						<u>721,367</u>
Total Cash and Investment:						\$ <u>29,950,387</u>

The adjustment to the Operation account includes the \$3,875,483 for reclassification of liabilities and \$12,500 for the reclassification between the Operational and Athletic accounts.

Account Type

- 1-Checking
- 2-Money Market Account
- 3-Government Agency Notes
- 4-State Pool Investment

SEE INDEPENDENT AUDITORS' REPORTS

The accompanying notes are an integral part of these financial statements



# Griego Professional Services, LLC

Certified Public Accountants

## **REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Hector H. Balderas  
New Mexico State Auditor  
The Office of Management and Budget  
To the Board of Education  
Central Consolidated School District No. 22  
Shiprock, New Mexico

We have audited the financial statements of the governmental activities, each major fund, budgetary comparisons for the general fund and major special revenue funds and the aggregate remaining fund information of Central Consolidated School District No. 22 (“District”), as of and for the year ended June 30, 2009, which collectively comprise the District’s basic financial statements as listed in the table of contents, and have issued our report thereon dated November 3, 2009. We also have audited the financial statements of each of the District’s major capital project funds, the debt service fund, non-major governmental and fiduciary funds, including budgetary comparisons, presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, as listed in the table of contents, and have issued our report thereon dated November 3, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Central Consolidated School District No. 22, New Mexico’s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affect the entity’s ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity’s financial statements that is more than inconsequential will not be prevented or detected by the agency’s internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

P.O. Box 37379 • Albuquerque, NM 87176-7379  
8500 Menaul Blvd. NE, Ste. B295 • Albuquerque, NM 87112  
Phone (505) 856-2741 - Fax (505) 856-7510

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Central Consolidated School District No. 22, New Mexico's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted a matter that are required to be reported under *Government Auditing Standards January 2009 Revision* paragraphs 5.14 and 5.16, and Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as item FS 09-01.

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

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

*Grigo Professional Services, LLC*

Albuquerque, New Mexico  
November 3, 2009



# Griego Professional Services, LLC

Certified Public Accountants

## **REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Hector H. Balderas  
New Mexico State Auditor  
The Office of Management and Budget  
To the Board of Education  
Central Consolidated School District No. 22  
Shiprock , New Mexico

### Compliance

We have audited the compliance of Central Consolidated School District No. 22, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. Central Consolidated School District No. 22's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Central Consolidated School District No. 22's management. Our responsibility is to express an opinion on Central Consolidated School District No. 22's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Central Consolidated School District No. 22's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Central Consolidated School District No. 22's compliance with those requirements.

In our opinion, Central Consolidated School District No. 22, New Mexico complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

### Internal Control Over Compliance

The management of Central Consolidated School District No. 22, New Mexico is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Central Consolidated School District No. 22, New Mexico's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance and accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

P.O. Box 37379 • Albuquerque, NM 87176-7379  
8500 Menaul Blvd. NE, Ste. B295 • Albuquerque, NM 87112  
Phone (505) 856-2741 - Fax (505) 856-7510

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the District's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

*Grigo Professional Services, LLC*

Albuquerque, New Mexico  
November 3, 2009

**Section I – Summary of Audit Results**

*Financial Statements:*

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

*Federal Awards:*

- |   |  |             |                        |               |  |        |            |        |         |               |                      |  |
|---|--|-------------|------------------------|---------------|--|--------|------------|--------|---------|---------------|----------------------|--|
| 1. Internal control over major programs:  |  |             |                        |               |  |        |            |        |         |               |                      |  |
| a. Material weakness identified?  |  | No          |                        |               |  |        |            |        |         |               |                      |  |
| b. Significant deficiencies identified not considered to be material weaknesses?                                      |  | No          |                        |               |  |        |            |        |         |               |                      |  |
| c. Control deficiencies identified not considered to be significant deficiencies?                                     |  | No          |                        |               |  |        |            |        |         |               |                      |  |
| 2. Type of auditors' report issued on compliance for major programs   |  | Unqualified |                        |               |  |        |            |        |         |               |                      |  |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? |  | No          |                        |               |  |        |            |        |         |               |                      |  |
| 4. Identification of major programs:  |  |             |                        |               |  |        |            |        |         |               |                      |  |
|   | <table border="0"> <tr> <td style="text-align: center;"><u>CFDA</u></td> <td style="text-align: center;"><u>Federal Program</u></td> </tr> <tr> <td style="text-align: center;"><u>Number</u></td> <td></td> </tr> <tr> <td style="text-align: center;">84.041</td> <td style="text-align: center;">Impact Aid</td> </tr> <tr> <td style="text-align: center;">84.010</td> <td style="text-align: center;">Title I</td> </tr> <tr> <td style="text-align: center;">10.553/10.555</td> <td style="text-align: center;">School Lunch Program</td> </tr> </table> | <u>CFDA</u> | <u>Federal Program</u> | <u>Number</u> |  | 84.041 | Impact Aid | 84.010 | Title I | 10.553/10.555 | School Lunch Program |  |
| <u>CFDA</u>   | <u>Federal Program</u>   |             |                        |               |  |        |            |        |         |               |                      |  |
| <u>Number</u>   |  |             |                        |               |  |        |            |        |         |               |                      |  |
| 84.041  | Impact Aid   |             |                        |               |  |        |            |        |         |               |                      |  |
| 84.010  | Title I  |             |                        |               |  |        |            |        |         |               |                      |  |
| 10.553/10.555   | School Lunch Program   |             |                        |               |  |        |            |        |         |               |                      |  |
| 5. Dollar threshold used to distinguish between type A and type B programs:   |  | \$1,156,654 |                        |               |  |        |            |        |         |               |                      |  |
| 6. Auditee qualified as low-risk auditee?   |  | Yes         |                        |               |  |        |            |        |         |               |                      |  |

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Year Ended June 30, 2009

**Section II – Financial Statement Findings**

**FS 09-01 – Communication and Monitoring Controls - Audit Committee**

*Condition:* The School has not utilized an audit committee which includes key members of management and at least one board member.

*Criteria:* State Board of Education Title 6, section 6.20.2.11 states “The internal control structure shall demonstrate that the school district identifies applicable laws and regulations, and that procedures are designed to provide reasonable assurance that the school district complies with those laws and regulations. Internal control procedures shall be established, implemented and documented through school district correspondence, manuals, training, and other additional methods. Appropriate internal control procedures shall be adopted by the local board within a school district to safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies. The internal control structure shall address all school district transactions.” Effective internal controls structure requires the five component of internal control be addressed. Inadequate design of monitoring controls used to assess the design and operating effectiveness of the entity's internal control over time.

*Effect:* The internal control structure must include proper information and monitoring procedures. Not maintaining this structure may result in possible fraudulent activity or misinformation to those in charge of governance; resulting in poor operational decisions.

*Cause:* The School has not established or utilized a formalized audit committee to ensure proper monitoring controls are implemented.

*Auditor's Recommendation:* We recommend the School implement and utilize an audit committee to solidify internal control components of communication and monitoring. The audit committee should include no less than one board member. This is particularly important given recent developments with New Mexico School districts.

*Management's Response:* The District agrees and will establish an audit committee.

STATE OF NEW MEXICO  
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Year Ended June 30, 2009

**Section III – Federal Award Findings and Questioned Costs**

None

**Section IV – Prior Year Audit Findings**

FS 07-01 Timeliness of Deposits - Resolved

FS 07-02 Internal Control Structure Standards – Resolved

FS 08-01 Disaster Recovery Plan – Resolved

**Section V – Other Disclosures**

Auditor Prepared Financials

The financial statements presented in this report were prepared by the by the staff of Central Consolidated School District No 22.

Exit Conference

The contents of this report were discussed on November 6, 2009. The following individuals were in attendance.

CENTRAL CONSOLIDATED SCHOOLS

Gregg Epperson, Superintendent

Bernice Benally, Board Member

Byron Manning, Executive Director of Finance  
and Business Operations

Gary Martinez, Director of Accounting

Kathy Hamilton, Accounting Supervisor

Griego Professional Services, LLC

J.J. Griego, CPA