



Central Consolidated School District #22

FY 09-10 Financial



Statements

For Year Ending June 30, 2010

With Independent Auditors' Report
With Independent Auditors' Report

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2010

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INTRODUCTION SECTION

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
OFFICIAL ROSTER
June 30, 2010

BOARD OF EDUCATION

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

SCHOOL OFFICIALS

Gregg Epperson	Superintendent
Tim Kienitz	Assistant Superintendent for Academic Enhancement
Sharon Jensen	Assistant Superintendent for Learning and Accountability
Byron Manning	Executive Director of Finance and Business Operations
Marlene Frazier	Executive Director of Curriculum and Instruction
Janet Slowman-Chee	Director of Special Education
Nancy Frazzini	Director of Human Resources
Brock Smith	Director of Student Nutrition
Jeff Hunt	Director of Transportation
Herbert Frazier	Director of Multi Ethnic Student Affairs and Bilingual Education
Dennis Fieldsted	Director of Construction and Maintenance



Griego Professional Services, LLC

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Hector 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 basic financial statements consisting of the governmental activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons of the general fund and major special revenue funds of Central Consolidated School District, New Mexico, as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental and fiduciary funds and the budgetary comparisons for the major capital project funds, debt service fund and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2010, as listed in the table of contents. These financial statements are the responsibility of Central Consolidated School District, New Mexico'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, New Mexico, as of June 30, 2010, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of Central Consolidated School District, New Mexico, as of June 30, 2010 and the respective changes in financial position thereof and the respective budgetary comparisons of major capital project funds, the debt service fund and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2010 on our consideration of Central Consolidated School District, New Mexico'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.

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The *Management's Discussion and Analysis* on pages 4 through 19 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 basic financial statements and the combining and individual fund financial statements. 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 Governmental and Non-Profit Organizations*, and is not a required part of the financial statements. The additional schedules listed as "Other Supplementary Information" 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. The statistical information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Grigo Professional Services, LLC

Albuquerque, New Mexico
November 4, 2010

FINANCIAL SECTION

CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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, 2010. 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 decreased by \$2.1 million. This represents a 1.2% decrease from fiscal year 2009, resulting primarily from the transfer of Riverview Golf Course to San Juan County.
- General revenues accounted for \$61.8 million, or 68.9% of all 2010 fiscal year revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$27.9 million, or 31.1% of total fiscal year 2010 revenues.
- The District had approximately \$86.7 million in expenses related to governmental activities of which \$27.9 million of these expenses were offset by program specific charges for services or grants and contributions. General revenues of \$61.8 million were adequate to provide for the remaining costs of these programs.
- Capital outlay expenditures decreased by \$4.4 million from last fiscal year, 2009, to the current fiscal year. The District has completed construction on the new Pre-K classrooms at Ruth N. Bond Elementary School and Naschitti Elementary School. The new putting and chipping greens at Riverview Golf Course were completed. Additionally, construction of a new field house at Shiprock High School was also completed as was a 20 year facility master plan for the construction direction of the District.
- The overall Fund Balance shown on the governmental fund financial statements decreased by \$2.2 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 and the decrease in State revenues.
- Total revenues, exclusive of revenues from general obligation bond proceeds, decreased by \$7.1 million when compared to the previous fiscal year. This represents a 7.3% decrease in revenue for the year. This is attributable to the downturn in the economy and the decrease in State funding levels.

- Total expenditures, including capital expenditures and debt service, decreased \$6.3 million in the current fiscal year when compared to the previous fiscal year. The decrease in capital expenditures and the reductions related to reduced state funding are the primary reasons for the decrease.
- The District's total debt decreased by \$4.0 million in the current fiscal year. This was primarily due to the net reduction of \$3.9 million in general obligation and revenue bonds. The increase in the deferred gain on refunding due to a new refunding and the increase in accrued compensated absences was basically offset by the decrease in the lease debt which was taken over by the County.

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 Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, the Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with *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, 2009 and June 30, 2010.

	June 30, 2009	June 30, 2010
Assets		
Cash	\$ 834,240	\$ 4,190,398
Investments	28,394,780	21,183,646
Other Current Assets	1,811,443	2,439,569
Capital Assets, Net	187,962,420	183,993,763
Total Assets	<u>219,002,883</u>	<u>211,807,376</u>
Liabilities		
Accounts Payable and Accrued Salaries and Benefits	5,465,658	5,044,602
Other Current Liabilities	7,041,180	6,845,444
Long-Term Liabilities	38,543,382	34,088,858
Total Liabilities	<u>51,050,220</u>	<u>45,978,904</u>
Net Assets		
Investment in Capital Assets, Net of Related Debt	148,032,399	146,158,618
Restricted	9,417,707	9,393,164
Unrestricted	10,502,557	10,276,690
Total Net Assets	<u>\$ 167,952,663</u>	<u>\$ 165,828,472</u>

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

- The reduction of \$4.0 million in capital assets, net of accumulated depreciation, through transfers of assets and additions, remodeling, and equipment purchases.

- The reduction of \$4.0 million in long-term debt.
- The decrease in total revenues by \$7.1 million and the decrease in total expenditures by \$6.3 million.

The District has total net assets of \$165,869,036 as of June 30, 2010 as compared to \$167,952,663 as of June 30, 2009.

Changes in Net Assets

The District's total revenues for the fiscal year ended June 30, 2010 were \$89.7 million and total revenues for the fiscal year ended June 30, 2009 were \$96.5 million. The total costs of all programs and services were \$86.7 million in 2010 and \$88.7 million in 2009. The following table presents a summary of the changes in net assets for the fiscal years ended June 30, 2009 and June 30, 2010.

	<u>June 30, 2009</u>	<u>June 30, 2010</u>
Revenues:		
Program Revenues:		
Charges for Services	\$ 2,540,255	\$ 2,434,504
Operating Grants and Contributions	19,586,129	24,103,404
Capital Grants and Contributions	5,385,186	1,376,063
General Revenues:		
Property Taxes	6,346,682	6,684,805
Federal and State Aid	62,150,062	54,985,079
Gain on Sale of District Assets	5,332	10,824
Investment Income	522,589	70,562
Total Revenues	<u>96,536,235</u>	<u>89,665,241</u>
Expenses:		
Instruction	51,831,313	48,785,325
Support Services - Students	6,261,256	8,180,943
Support Services - Instruction	1,330,036	1,559,209
Support Services - General Administration	1,526,254	1,551,466
Support Services - School Administration	5,827,363	5,402,983
Central Services	1,766,992	1,802,864
Operations and Maintenance of Plant	10,620,266	10,557,680
Student Transportation	3,526,069	2,828,595
Food Services	3,484,911	3,331,001
Community Services	878,079	890,267
Interest on Long-Term Obligations	1,695,508	1,804,099
Total Expenses	<u>88,748,047</u>	<u>86,694,432</u>
Other:		
Transfer of Riverview Golf Course	-	(5,095,000)
Increase (Decrease) in Net Assets	<u>\$ 7,788,188</u>	<u>\$ (2,124,191)</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, 2010.

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, 2009		June 30, 2010	
	Total Expenses	Net (Expense) Revenue	Total Expenses	Net (Expense) Revenue
Instruction	\$ 51,831,313	\$ (35,344,182)	\$ 48,785,325	\$ (33,940,182)
Support Services - Students	6,261,256	(4,932,795)	8,180,943	(4,525,258)
Support Services - Instruction	1,330,036	(1,230,560)	1,559,209	(1,437,449)
Support Services - General Administration	1,526,254	(1,012,733)	1,551,466	(989,901)
Support Services - School Administration	5,827,363	(4,645,163)	5,402,983	(4,284,411)
Central Services	1,766,992	(1,703,734)	1,802,864	(1,789,558)
Operations and Maintenance of Plant	10,620,266	(10,030,236)	10,557,680	(9,918,691)
Student Transportation	3,526,069	(38,411)	2,828,595	344,513
Food Services	3,484,911	37,790	3,331,001	197,135
Community Services	878,079	(640,945)	890,267	(632,560)
Interest on Long-Term Obligations	1,695,508	(1,695,508)	1,804,099	(1,804,099)
Total Expenses	\$ 88,748,047	\$ (61,236,477)	\$ 86,694,432	\$ (58,780,461)

- The cost of all governmental activities this year was \$86.7 million and \$88.7 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 \$27.9 million in 2010 and \$27.5 million in 2009.
- The net cost of governmental activities (\$58.7 million in 2010 and \$61.2 million in 2009) was financed by general revenues, which were primarily funded with Federal and State aid (\$55.0 million this year and \$62.2 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, 2010. As the District completed the year, it reported a combined fund balance of \$20.7 million, a decrease of \$2.2 million. This decrease was primarily due to capital outlay expenditures. Approximately \$4.2 million, or 20.3%, of the fund balance constitutes unreserved fund balance. The remaining fund balance of \$16.5 million, or 79.7%, 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 \$90.4 million, a decrease of \$7.1 million from the prior year, or 7.3%. There were \$0.77 million in other financing sources from operating transfers in during the current fiscal year. The total expenditures for the District were \$92.7 million, including lease purchase payments and operating transfers out, a decrease of \$6.3 million from the prior year.

The General Operational Fund is the principal operating fund of the District. The District experienced a decrease in fund balance of \$1,265,312 in the General Operational Fund for the fiscal year. This decrease was due to expenditures in excess of revenues of \$0.5 million and an operating cash transfer to debt service of \$0.77 million for payment of the revenue bond guaranteed by Impact Aid payments received by the Operational Fund.

Multi-Year Comparison of District Revenues and Expenditures

In 2010, the District experienced its first major decline in revenues, excluding bond revenues, over the past ten years. This decline is totally attributable to a decline in State revenues of over \$7.6 million from the previous year. In the previous year, the District experienced its first decline, but that decline was less than \$100,000. While the District had been experiencing declining enrollment, increases in the State Equalization Guarantee, the student unit allocation factor from the State, had been offsetting this decline. This was related to the general increase in the dollar value of student unit allocations by the State. The decline in State funding can be expected to continue through the next year as well.

The District reduced its expenditures as well by \$6.3 million overall, \$5.5 million in the Operational Fund, to maintain a sustainable budgetary position.

Year	Total Revenues*	% Change	% Change w/o Bond Revenues	Total Expenditures*	% Change	Bond Revenues
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%	-
2009-2010	90,405,994	-7.3%	-7.3%	92,694,908	-6.4%	-

* 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 refundings in 2004-2005 and 2009-2010 have been excluded both from revenues and expenditures.

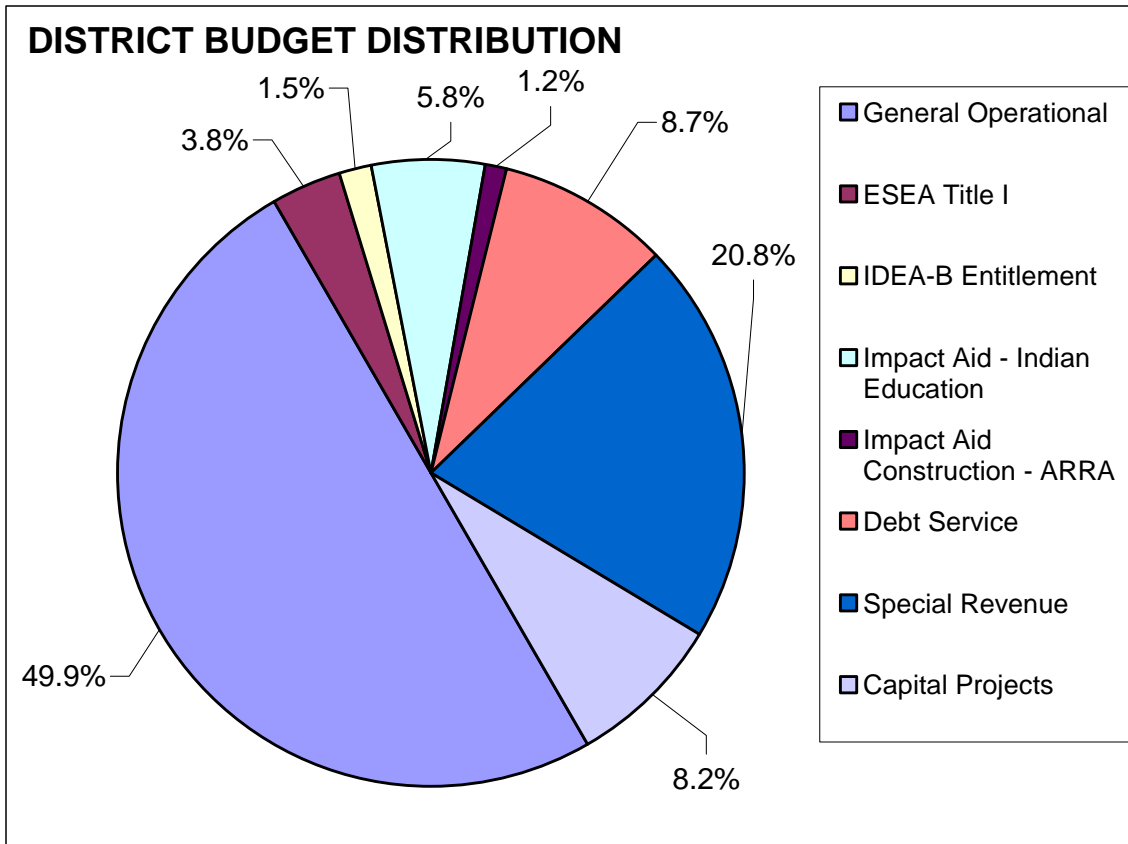
Budgetary Highlights

The budgeting process for the State of New Mexico is defined under New Mexico State Statues (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 was updated after an eight month process this past year. The committee made up of primarily community members established a priority list for major construction over the next ten to fifteen years.

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, Impact Aid Construction – ARRA, and Debt Services. In addition, fifty-eight (58) non-major Special Revenue Funds and five (5) non-major Capital Projects funds are also reported for their budgetary performance. Examples of non-major Special Revenue funds are Transportation, Food Services, Indian Education Formula Grant, and Impact Aid – Special Education. Examples of non-major Capital Project funds include Bond Building, Capital Improvements SB-9 (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 49.9% 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 (53.6%) and Federal Funds (Impact Aid) (43.8%). 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, 2010. Detail budget performance is examined through the Statements of Revenues and Expenditures – Budget and Actual.

MAJOR FUNDS EXPENDITURE TO BUDGET PERFORMANCE			
FUND	FINAL BUDGET	ACTUAL EXPENDITURES	VARIANCE
General Operational	\$ 55,807,366	\$ 49,462,385	\$ 6,344,981
ESEA Title I	4,273,857	\$ 3,416,219	857,638
IDEA-B Entitlement	1,717,037	\$ 1,549,248	167,789
Impact Aid - Indian Education	6,500,000	\$ 5,726,566	773,434
Impact Aid Construction - ARRA	1,394,434	\$ -	1,394,434
Debt Service	9,722,947	\$ 5,624,507	4,098,440

COMBINED MINOR FUNDS EXPENDITURE TO BUDGET PERFORMANCE			
FUND	BUDGET	EXPENDITURES	VARIANCE
Special Revenue	\$ 23,244,668	\$ 16,417,933	\$ 6,826,735
Capital Projects	9,132,684	5,733,865	3,398,819

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 \$49,049,078, which represents 54.3% of total District revenues of \$90,405,994 (inclusive of bond proceeds and operating transfers in).

The General Operational Fund had an initial approved budget of \$56,804,724 and a final budget of \$55,807,366. The decreased budget of \$997,358, a 1.8% decrease, 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.

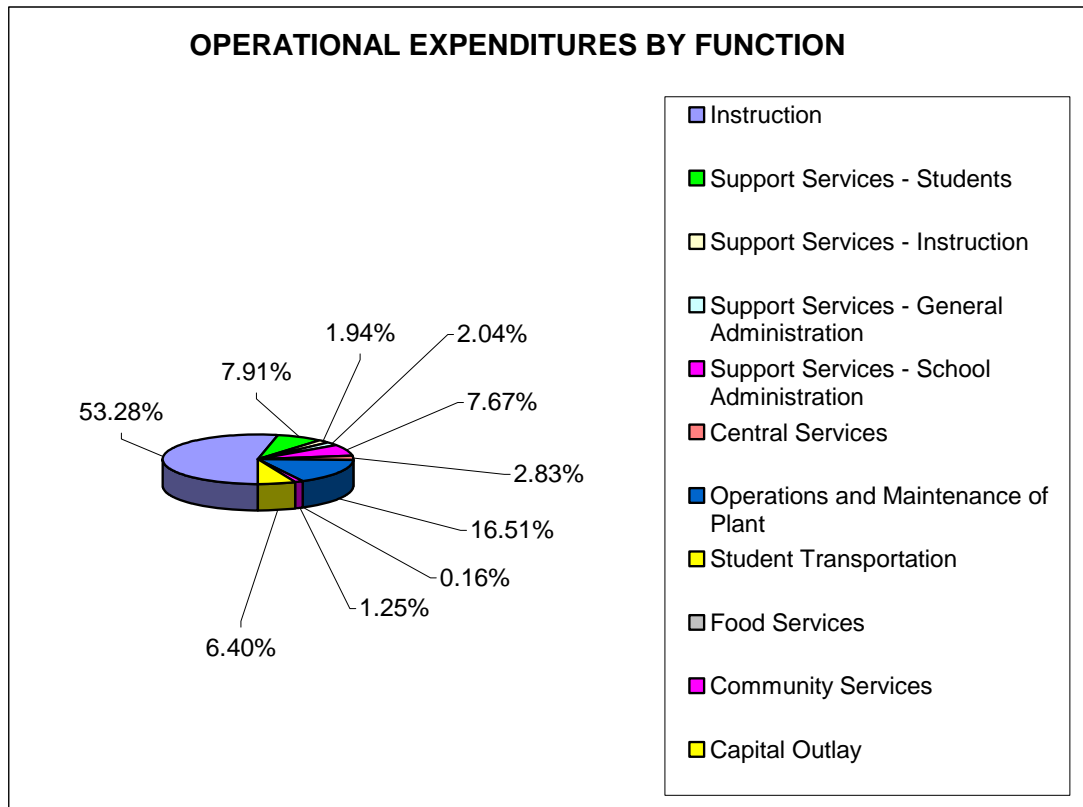
The variance between the final budget and actual expenditures is \$6,344,981, 11.4%, as shown above. Of this amount, \$495,973 is budgeted in reserve categories that can only be used in emergency situations with State approval. Additionally, \$1,516,000 of this amount is encumbered at year end for items which have not been received at year end. Finally, the budget includes \$777,000 for cash transfers to the Debt Service Fund for revenue bond payments. This leaves \$3.6 million, 6.4% 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 has decreased significantly and is expected to continue to decline. Additionally, the District receives a large portion of its cash from the Federal government in between December and 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 General Operational Fund has, on whole, experienced an increase in total revenues until this past year when it experienced a 22.4% decline in State revenues. Until the state

experienced this economic downturn, unit value allocations from the State had been increasing each year, as can be seen from the following table.

Operational Fund Revenues		
Year	Revenues	Increase
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%
2009-2010	49,049,078	-15.6%

The General Operational Fund represents the major expenditures for the education of the students within the District. During the year ended June 30, 2010, the General Operational Fund expended \$49,548,927 of which \$26,398,298 was expended on Direct Instruction. This represents 53.28% 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 76.16% 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 \$8,178,172, 16.51% 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 assessment put in the Capital Improvements SB-9 Fund (Fund 31700).

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 \$3,921,088, or 7.91% of General Operational expenditures.

Support Services – School Administration expenditures totaled \$3,801,777, 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.

The District spent \$3,171,531, 6.40%, from Capital Outlay for construction and general maintenance needs in the District, including fencing, carpeting, tile, painting, minor construction projects, and for the purchase of general vehicles for District use.

The District expended 2.83%, \$1,402,885, 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 – General Administration expenditures totaled \$1,010,806, or 2.04% 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.

Support Services – Instruction accounted for \$963,383 of General Operational Fund expenditures, or 1.94% 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, training for the above individuals, and all costs associated with the libraries.

Community Services, which include day-care services at both Career Prep High School and Newcomb High School and the Parents as Teachers (PAT) program throughout the District, accounted for \$617,171, 1.25% 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 \$83,816, 0.17% 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, 2010, the district had invested \$266.1 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 \$1.9 million from last year’s reported assets.

The District had \$1.9 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 \$82.2 million. Total depreciation expense for the year was \$6.4 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, 2010.

	Amount
Land	\$ 359,000
Library Collections	420,205
Land Improvements	8,446,788
Buildings and Improvements	168,572,637
Equipment and Vehicles	3,767,299
Construction in Progress	2,347,145
Total	\$ 183,913,074

Major additions to capital assets this year (additions in excess of \$100,000) included building improvements at the following schools – completion of new putting and chipping greens at Riverview Golf Course, completion of a new pre-K classrooms at Naschitti Elementary School and Ruth N. Bond Elementary School, the completion of a new field house at Shiprock High School, and District-wide HVAC, fencing, and paving projects.

In the District's fiscal year 2011 budget, a major renovation of the Kirtland swimming pool will be completed as will the installation of new field turf on the football and softball fields at Newcomb High School, and a major repair to the track at Newcomb High School. The District will also begin construction on a new gymnasium at Newcomb High School; begin construction on sewer lines to connect the Kirtland schools and offices to the new sewer system in Kirtland; begin the architectural work for the renovation of the three remaining elementary schools in Shiprock; and start the process for the construction of a new elementary school in Naschitti.

During the past year, the District transferred ownership of Riverview Golf Course to San Juan County. This resulted in the removal of \$5.1 million of net assets from the District's books. The District received guarantees from the county that District golf teams could still use the course during season at no charge; school age children would continue to receive sharply discounted rates for play; the First Tee Program would still be hosted at the course; the District would receive two free tournament uses each year for the golf teams and two free uses for cross country meets; as well as other benefits to the District that it had when owning the golf course.

The District also closed down the Nataani Nez Elementary School in Shiprock because of the recommendations coming from the Facility Master Planning Steering Committee which worked on the 20 year facility plan. Declining enrolment in the Shiprock area made it feasible to consolidate the students from four elementary schools to three elementary schools. Grade configuration changes were also instituted throughout the District to make better use of existing facilities.

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 \$30,400,000 in general obligation bonds outstanding, \$3,450,000 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, 2010, the District's general obligation debt limit was \$40,400,906, and the District was bonded to 75.2% 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 issued \$12.0 million of those bonds subsequent to year end.

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, 2010.

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST	TOTAL
2011	3,450,000	1,168,528	4,618,528
2012	3,130,000	1,018,813	4,148,813
2013	3,220,000	873,861	4,093,861
2014	2,475,000	747,946	3,222,946
2015	2,100,000	653,196	2,753,196
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	259,275	2,659,275
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
Total	\$30,400,000	\$6,330,662	\$36,730,662

The District has issued special revenue bonds with an outstanding balance at June 30, 2010 of \$6,889,531. Principal amounts of \$517,652 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, 2010.

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST	TOTAL
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
Total	\$6,889,531	\$1,621,932	\$8,511,463

Additional information on the District's long-term debt can be found in Note 5 on pages 49-52 of this report.

FACTORS BEARING ON THE DISTRICT'S FUTURE

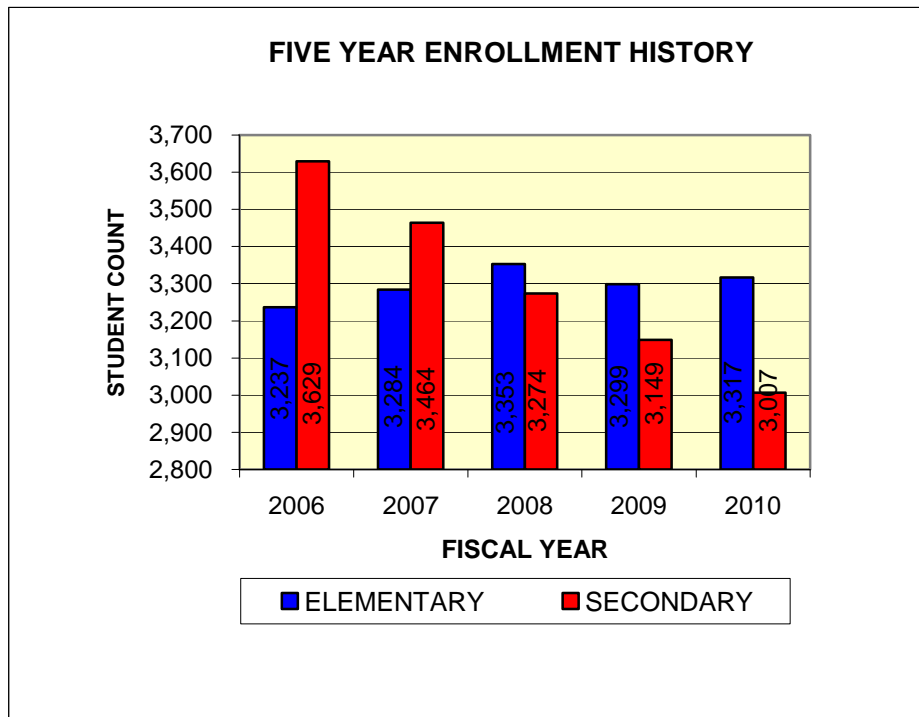
At the time these financial statements were prepared and audited, the district was aware of the following circumstances that could significantly affect its financial health in the future.

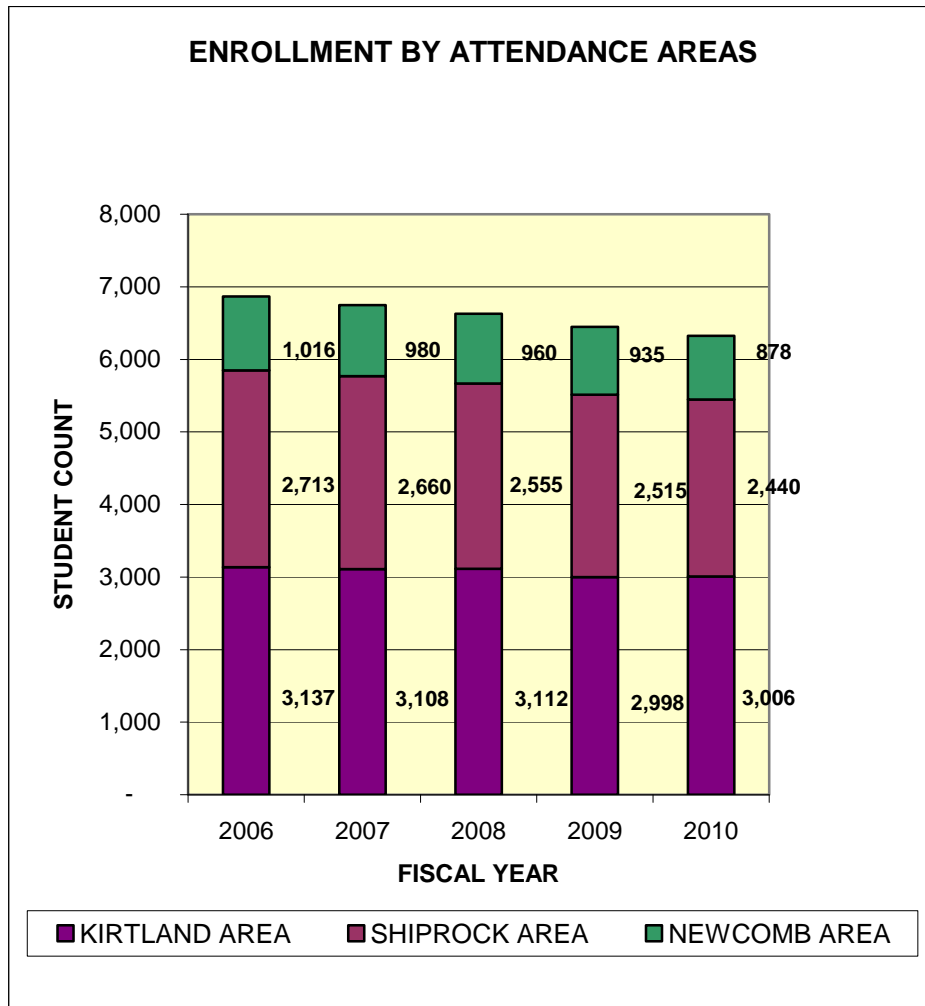
- The District had been experiencing a decline in student enrollment. Over the previous five year period, the District's average enrollment, as measured by the 40th, 80th, and 120th day counts, has decreased by 542 students. The District has

incurred losses in each of the last five years, including a loss of 124 students in this current fiscal year. However, it is estimated that the District has hit the bottom of the decline and will experience slight growth over each of the next five years. The District has experience a growth of 62 students as measured by the preliminary 40th day count for the 2010 fiscal year as compared to the 40th day count for the 2009 fiscal year. The county birth rates indicate that the District will continue to see a slight increase in enrollment over the next five years.

The overall decline in enrollment is principally attributable to the secondary age groups now as it has experienced a decline over each of the past five years while elementary enrollment has increased in three of the five previous fiscal years. Over the five year period, elementary has seen an increase of 80 students while secondary has seen a decrease of 622 students. The smaller family sizes and/or fewer families with school age children residing within the District, has worked its way to the secondary schools. The slight upswing in elementary students correlates with county birth records that indicate that historically the District receives approximately 24% of county births. The surrounding school districts in the area are also experiencing similar enrollment trends. The kindergarten enrollment is up 46 students over the previous year which was up 40 students over the year before that.

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





In April 2010, the District took the annual statewide test which measures the national No Child Left Behind requirement for Annual Yearly Progress (AYP). The District had two schools meet state requirements for AYP – Newcomb Elementary School and Kirtland Early Childhood Center – down from three schools the previous year. The remaining fifteen schools failed on one or more areas of the test. The other three school districts in the county only had two schools combined made AYP on the April 2010 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 NET ASSETS
As of June 30, 2010

	Governmental Activities
	<u> </u>
ASSETS	
Current Assets:	
Cash	\$ 4,190,398
Investments	21,183,646
Taxes Receivable, Net	152,897
Due from Other Governmental Units	2,153,627
Inventory	133,045
	<u>27,813,613</u>
Non-Current Assets:	
Bond Issuance Costs, Net	80,689
Land	359,000
Construction in Progress	2,347,145
Depreciable Non-Current Assets:	
Library Collections, Buildings, Equipment, and Improvements	263,431,647
Less: Accumulated Depreciation	<u>(82,224,718)</u>
	<u>183,993,763</u>
	<u>211,807,376</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable and Accrued Salaries and Benefits	5,044,602
Accrued Interest	588,696
Deferred Revenue	1,983,973
Current Portion of Compensated Absences Payable	105,303
Current Portion of Deferred Gain on Bond Refunding	199,820
Current Portion of Long-Term Obligations	<u>3,967,652</u>
Total Current Liabilities	<u>11,890,046</u>
Long-Term Liabilities:	
Compensated Absences Payable	421,185
Deferred Gain on Bond Refunding	345,794
Non-Current Portion of Long-Term Obligations	<u>33,321,879</u>
Total Long-Term Liabilities	<u>34,088,858</u>
	<u>45,978,904</u>
NET ASSETS	
Investment in Capital Assets, Net of Related Debt	146,158,618
Restricted For :	
Debt Service	4,872,913
Capital Projects	3,002,829
Subsequent Year's Expenditures	1,517,422
Unrestricted	<u>10,276,690</u>
	<u>\$ 165,828,472</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
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2010

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 48,785,325	1,316,708	12,152,372	1,376,063	\$ (33,940,182)
Support Services - Students	8,180,943		3,655,685		(4,525,258)
Support Services - Instruction	1,559,209		121,760		(1,437,449)
Support Services - General Administration	1,551,466	315,050	246,515		(989,901)
Support Services - School Administration	5,402,983		1,118,572		(4,284,411)
Central Services	1,802,864		13,306		(1,789,558)
Operations and Maintenance of Plant	10,557,680	562,667	76,322		(9,918,691)
Student Transportation	2,828,595	1,065	3,172,043		344,513
Food Services	3,331,001	239,014	3,289,122		197,135
Community Services	890,267		257,707		(632,560)
Interest on Long-Term Obligations	1,804,099				(1,804,099)
Total Governmental Activities	\$ 86,694,432	2,434,504	24,103,404	1,376,063	(58,780,461)
General Revenues:					
Taxes					
Property Taxes, Levied for General Purposes					350,221
Property Taxes, Levied for Debt Service					4,895,027
Property Taxes, Levied for Capital Projects					1,439,557
Federal and State Aid Not Restricted to Specific Purpose					
General					54,289,666
Capital					695,413
Gain on Sale of District Assets					10,824
Investment Income					70,562
Subtotal, General Revenues					61,751,270
Transfer of Riverview Golf Course to San Juan County					(5,095,000)
Change in Net Assets					(2,124,191)
Net Assets - Beginning of Year					167,952,663
Net Assets - End of Year					\$ 165,828,472

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, 2010

	Fund 11000	Fund 24101	Fund 24106	Fund 25147	Fund 25252	Fund 41000	OTHER GOVERNMENTAL FUNDS	TOTALS
	GENERAL OPERATIONAL FUND	ESEA TITLE I	IDEA-B ENTITLEMENT	IMPACT AID - INDIAN EDUCATION	IMPACT AID CONSTRUCTION - ARRA	DEBT SERVICES		
ASSETS								
Assets:								
Cash	\$ 3,657,058	125,168		269,528			138,644	4,190,398
Investments	3,236,386	131,083		6,097,199	1,394,434	5,348,205	4,976,339	21,183,646
Taxes Receivable	6,612					113,404	32,880	152,897
Due from Grantor			198,383				1,955,244	2,153,627
Due from Other Funds	1,573,775							1,573,775
Inventory							133,045	133,045
Total Assets	\$ 8,473,831	256,251	198,383	6,366,727	1,394,434	5,461,609	7,236,152	29,387,388
LIABILITIES AND FUND BALANCE								
Liabilities:								
Accounts Payable	\$ 3,555,146	136,120	113,793	270,245	103,096	7,436	598,446	4,784,282
Accrued Salaries and Benefits	163,124	4,406	17,485	8,406		(7,436)	74,335	260,320
Due to Other Funds			67,105				1,506,670	1,573,775
Deferred Revenues	4,825	115,725	14,690		1,291,338	83,906	586,551	2,097,036
Total Liabilities	3,723,095	256,251	213,073	278,651	1,394,434	83,906	2,766,002	8,715,413
Fund Balance:								
Reserved for Inventory							104,774	104,774
Reserved for Subsequent Year's Expenditures	4,549,165			2,447,973			4,097,309	11,094,447
Reserved for Debt Service Undesignated, Reported In General Fund	201,571					5,377,703		5,377,703
Special Revenue Fund Capital Projects Fund			(14,690)	3,640,103			122,067	323,638
							(115,488)	3,509,925
							261,488	261,488
Total Fund Balance	4,750,736		(14,690)	6,088,076		5,377,703	4,470,150	20,671,975
Total Liabilities and Fund Balance	\$ 8,473,831	256,251	198,383	6,366,727	1,394,434	5,461,609	7,236,152	29,387,388

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, 2010

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

Total fund balances - governmental funds		\$	20,671,975
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	266,137,792		
Accumulated depreciation is	<u>(82,224,718)</u>		183,913,074
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			113,063
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			80,689
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	(37,289,531)		
Compensated absences	(526,488)		
Deferred gain on bond refunding, net of amortization	(545,614)		
Accrued interest payable	<u>(588,696)</u>		<u>(38,950,329)</u>
Total net assets - governmental activities		\$	<u>165,828,472</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, 2010

	Fund 11000	Fund 24101	Fund 24106	Fund 25147	Fund 25252	Fund 41000	OTHER GOVERNMENTAL FUNDS	TOTALS
	GENERAL OPERATIONAL FUND	ESEA TITLE I	IDEA-B ENTITLEMENT	IMPACT AID - INDIAN EDUCATION	IMPACT AID CONSTRUCTION - ARRA	DEBT SERVICES		
Revenues:								
Federal Grants	\$ 22,216,892	3,467,713	1,900,999	5,383,171	103,096		13,656,220	46,728,091
State Grants	26,326,153						7,586,163	33,912,316
Local Sources:								
Property Taxes	349,141					4,876,445	1,434,508	6,660,094
Local Grants							136,087	136,087
Charges for Services	113,669						1,994,107	2,107,776
Investment Income	19,522					4,173	46,867	70,562
Miscellaneous	23,701						1,904	25,605
Total Revenues	<u>49,049,078</u>	<u>3,467,713</u>	<u>1,900,999</u>	<u>5,383,171</u>	<u>103,096</u>	<u>4,880,618</u>	<u>24,855,856</u>	<u>89,640,531</u>
Expenditures:								
Current:								
Instruction	26,398,298	1,216,650	1,030,141	2,385,955			10,904,123	41,935,167
Support Services - Students	3,921,088	1,274,063	433,280	897,586			1,648,745	8,174,762
Support Services - Instruction	963,383			460,073			132,093	1,555,549
Support Services - General Administration	1,010,806	77,976	27,984	140,583		47,876	147,140	1,452,365
Support Services - School Administration	3,801,777	664,652	66,766	500,655			342,278	5,376,128
Central Services	1,402,885	7,359		272,647			6,000	1,688,891
Operations and Maintenance of Plant	8,178,172	4,654		1,071,997			555,829	9,810,652
Student Transportation	81,236	105,124	3,717				3,162,035	3,352,112
Food Services	2,580						3,317,675	3,320,255
Community Services	617,171	31,905		3,021			232,478	884,575
Debt Service:								
Bond Issuance Costs						49,822		49,822
Debt Principal						3,970,744		3,970,744
Debt Interest						1,605,887		1,605,887
Capital Outlay	3,171,531				103,096		5,426,658	8,701,285
Total Expenditures	<u>49,548,927</u>	<u>3,382,383</u>	<u>1,561,888</u>	<u>5,732,517</u>	<u>103,096</u>	<u>5,674,329</u>	<u>25,875,054</u>	<u>91,878,194</u>
Revenues Over (Under) Expenditures	<u>(499,849)</u>	<u>85,330</u>	<u>339,111</u>	<u>(349,346)</u>		<u>(793,711)</u>	<u>(1,019,198)</u>	<u>(2,237,663)</u>
Other Financing Sources (Uses):								
Premium on Bond Refunding						40,564		40,564
Proceeds on Bond Refunding						2,400,000		2,400,000
Refinancing on Bond Refunding						(2,350,000)		(2,350,000)
Operating Transfers In						765,463		765,463
Operating Transfers Out	(765,463)							(765,463)
Refund to Grantor							(25,474)	(25,474)
Lease Purchase Payments							(51,251)	(51,251)
Net Other Financing Sources (Uses)	<u>(765,463)</u>					<u>856,027</u>	<u>(76,725)</u>	<u>13,839</u>
Net Change in Fund Balance	<u>(1,265,312)</u>	<u>85,330</u>	<u>339,111</u>	<u>(349,346)</u>		<u>62,316</u>	<u>(1,095,923)</u>	<u>(2,223,824)</u>
Fund Balance - Beginning 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>
Fund Balance - End of Year	<u>\$ 4,750,736</u>	<u>(85,330)</u>	<u>(14,690)</u>	<u>6,088,076</u>		<u>5,377,703</u>	<u>4,470,150</u>	<u>20,671,975</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, 2010

Total net change in fund balances - governmental funds \$ (2,223,824)

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	(6,382,233)	
Capital reclassifications and deletions	(956,908)	
Capital outlays	8,431,145	
Excess of capital outlays over depreciation expense	1,092,004	1,092,004

District transferred ownership of Riverview Golf Course to San Juan County (5,095,000)

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	(46,590)	
Accrued interest payable	64,949	18,359

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	3,970,744	
Lease purchase principal payments	37,831	

Legal responsibility for long term lease for golf carts was transferred to San Juan County in conjunction with the transfer of Riverview Golf Course 261,877

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. 34,339

Bonds are refunded when a financial advantage would result to the District. The resulting savings is capitalized as a deferred gain and is amortized over the life of the new bonds. This amortization will be recorded in the Statement of Activities.

Capitalization of bond refunding interest savings	(353,725)	
Amortization of deferred gain on refunding activity	108,494	4,059,560

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		24,710
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Change in net assets of governmental activities \$ (2,124,191)

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources:					
Impact Aid	\$ 21,202,708	21,202,708	21,532,710	-	330,002
Indirect Costs - Federal Direct Grants	190,000	190,000	153,333	-	(36,667)
Indirect Costs - Federal Flowthrough Grants	200,000	200,000	159,935	-	(40,065)
Access Board (E-rate)	375,000	375,000	370,914	-	(4,086)
	<u>21,967,708</u>	<u>21,967,708</u>	<u>22,216,892</u>	<u>-</u>	<u>249,184</u>
State Sources:					
State Equalization Guarantee	28,425,547	26,344,551	26,324,371	(2,080,996)	(20,180)
Indirect Costs - State Flowthrough Grants	-	-	749	-	749
Indirect Costs - State Direct Grants	-	-	1,033	-	1,033
	<u>28,425,547</u>	<u>26,344,551</u>	<u>26,326,153</u>	<u>(2,080,996)</u>	<u>(18,398)</u>
Local Sources:					
Ad Valorem Taxes - School District	320,738	320,738	343,653	-	22,915
Oil and Gas Taxes	9,659	9,659	5,442	-	(4,217)
Investment Income	250,000	250,000	101,343	-	(148,657)
Fees - Activities	1,000	1,000	612	-	(388)
Fees - Educational	10,000	10,000	30,979	-	20,979
Fees - Users	225,000	225,000	-	-	(225,000)
Fees - Summer School	3,500	3,500	-	-	(3,500)
Royalties	-	-	103	-	103
Contributions/Donations - Private Sources	27,500	27,500	38,586	-	11,086
Insurance Recoveries	15,000	15,000	43,389	-	28,389
Refunds of Prior Year's Expenditures	-	-	12,877	-	12,877
Sale of District Assets	-	-	10,824	-	10,824
	<u>862,397</u>	<u>862,397</u>	<u>587,808</u>	<u>-</u>	<u>(274,589)</u>
Total Revenues	<u>51,255,652</u>	<u>49,174,656</u>	<u>49,130,853</u>	<u>(2,080,996)</u>	<u>(43,803)</u>
Expenditures:					
Education, Current:					
Instruction	29,203,312	28,423,257	26,445,785	780,055	1,977,472
Support Services - Students	4,493,174	4,578,675	3,928,068	(85,501)	650,607
Support Services - Instruction	1,150,857	1,130,710	982,114	20,147	148,596
Support Services - General Administration	1,006,666	1,341,546	1,038,556	(334,880)	302,990
Support Services - School Administration	4,316,195	4,202,952	3,796,345	113,243	406,607
Central Services	1,853,360	1,866,265	1,417,471	(12,905)	448,794
Operations and Maintenance of Plant	10,357,021	9,203,934	8,076,703	1,153,087	1,127,231
Student Transportation	203,881	101,277	80,830	102,604	20,447
Other Support Services	495,973	150,827	-	345,146	150,827
Food Services	10,000	8,500	2,580	1,500	5,920
Community Services	657,664	659,164	618,114	(1,500)	41,050
Education, Non-Current:					
Capital Outlay	3,056,621	4,140,259	3,075,819	(1,083,638)	1,064,440
Total Expenditures	<u>56,804,724</u>	<u>55,807,366</u>	<u>49,462,385</u>	<u>997,358</u>	<u>6,344,981</u>
Revenues Over (Under) Expenditures	<u>(5,549,072)</u>	<u>(6,632,710)</u>	<u>(331,532)</u>	<u>(1,083,638)</u>	<u>6,301,178</u>
Other Financing Uses:					
Operating Transfers Out	-	-	(765,463)	-	(765,463)
Revenues Over (Under) Expenditures and Other Financing Uses	<u>(5,549,072)</u>	<u>(6,632,710)</u>	<u>(1,096,995)</u>	<u>(1,083,638)</u>	<u>5,535,715</u>
Budgetary Notation - Cash Appropriated from Prior Year	<u>\$ 5,549,072</u>	<u>6,632,710</u>		<u>1,083,638</u>	

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ 3,738,834	4,273,857	3,583,438	535,023	(690,419)
Expenditures:					
Education, Current:					
Instruction	2,107,292	2,002,601	1,245,533	104,691	757,068
Support Services - Students	656,310	1,291,365	1,276,203	(635,055)	15,162
Support Services - General Administration	77,976	77,976	77,976	-	-
Support Services - School Administration	665,500	725,133	666,762	(59,633)	58,371
Support Services - School Administration	-	7,364	7,359	(7,364)	5
Operations and Maintenance of Plant	-	4,654	4,654	(4,654)	-
Student Transportation	172,297	105,305	105,124	66,992	181
Community Services	59,459	59,459	32,608	-	26,851
Total Expenditures	3,738,834	4,273,857	3,416,219	(535,023)	857,638
Revenues Over (Under) Expenditures	\$ -	-	167,219	-	167,219

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ 1,343,307	1,717,037	1,717,306	373,730	269
Expenditures:					
Education, Current:					
Instruction	916,007	1,066,007	1,022,621	(150,000)	43,386
Support Services - Students	405,800	551,030	428,160	(145,230)	122,870
Support Services - General Administration	20,000	29,000	27,984	(9,000)	1,016
Support Services - School Administration	1,500	67,283	66,766	(65,783)	517
Student Transportation	-	3,717	3,717	(3,717)	-
Total Expenditures	1,343,307	1,717,037	1,549,248	(373,730)	167,789
Revenues Over (Under) Expenditures	\$ -	-	168,058	-	168,058

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ 5,300,674	5,300,674	5,383,171	-	82,497
Expenditures:					
Education, Current:					
Instruction	3,601,671	2,601,671	2,387,927	1,000,000	213,744
Support Services - Students	1,039,935	984,935	897,586	55,000	87,349
Support Services - Instruction	497,517	497,517	457,998	-	39,519
Support Services - General Administration	178,000	178,000	141,053	-	36,947
Support Services - School Administration	516,714	516,714	500,933	-	15,781
Central Services	280,515	280,515	266,317	-	14,198
Operations and Maintenance of Plant	222,650	1,077,650	1,071,731	(855,000)	5,919
Community Services	12,998	212,998	3,021	(200,000)	209,977
Education, Non-Current					
Capital Outlay	150,000	150,000	-	-	150,000
Total Expenditures	6,500,000	6,500,000	5,726,566	-	773,434
Revenues Over (Under) Expenditures	(1,199,326)	(1,199,326)	(343,395)	-	855,931
Budgetary Notation - Cash Appropriated from Prior Year	\$ 1,199,326	1,199,326			

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	-	-	-	-
Expenditures:					
Education, Current:					
Support Services - Instruction	-	1,394,434	-	(1,394,434)	1,394,434
Revenues Over (Under) Expenditures	-	(1,394,434)	-	1,394,434	(1,394,434)
Budgetary Notation - Cash Appropriated from Prior Year	\$ -	1,394,434			

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
As of June 30, 2010

	<u>Agency Funds</u>
<u>Assets</u>	
Cash and Investments	\$ <u>720,638</u>
<u>Liabilities</u>	
Deposits Held for Others	\$ <u>720,638</u>

NOTES TO FINANCIAL STATEMENTS

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

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, 2010.

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 the School Board. The 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 Public Education Commission 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.

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 inspection and supervising the construction of school facilities.

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

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.

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, 2010. 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 Capital Improvements 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.

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, 2010 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 assets 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, 2010 was \$4,961,283. The amount subject to collateralization and to custodial credit risk was \$4,961,283.

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, 2010 was \$15,411,885. The amount held by the trust department in the District's name and subject to custodial credit risk was \$15,411,885.

The bank balance of investments with paying agent at June 30, 2010 was \$771,024. The amount held by the custodial and collateral agent not in the District's name and subject to custodial credit risk was \$771,024. The securities are collateralized by cash reserves of The Bank of New York Mellon.

As of June 30, 2010, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>	<u>S&P Ratings</u>
New MexiGROW Local Government Investment Pool (LGIP):	See Below	\$ 4,942,912	AAAm
Reserve Contingency Fund (LGIP)	See Below	57,824	
United States Treasury	2/28/2011	5,033,958	AAA
United States Treasury	3/31/2011	5,032,092	AAA
United States Treasury	1/13/2011	3,995,708	AAA
Wells Fargo Government Money Market	7/1/2010	1,350,127	AAA
Dreyfus Cash Management - Institutional	7/1/2010	257,107	AAAm
Federated Government Obligation FD#5	7/1/2010	256,958	AAAm
Fidelity Inst. Money Market - Gov't #57	7/1/2010	256,959	AAAm

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. Investments which are over 5% of total investments the amount invested in the New MexiGROW Local Government Investment Pool, the money market fund invested with Well Fargo Investments, and the three treasuries held by Wells Fargo Investments.

Local Government Investment Pool – As of June 30, 2010, the District’s investment in the pool was as follows:

<u>Investment Description</u>	<u>Rating</u>
U.S. Government Obligations	AAA
Commercial Paper	A-1+
United States Treasuries	AAA
Collateralized Bank Account Securities	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.

The Pool is rated AAAM for credit risk by Standard & Poor's. The weighted average maturity (WAM) of the Pool on June 30, 2010 was 50 days. All investments are in U.S. dollar denominated assets and are not subject to foreign currency risk.

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.

On July 15, 2010, the Reserve announced that it will begin its seventh distribution to Primary Fund Shareholders on or about July 16, 2010. The distribution, in the amount of approximately \$215 million, represents approximately 67% of the Fund's remaining asset value of \$323 million as of the close of business on July 9, 2010. Including this seventh distribution, \$50.7 billion of Fund Assets as of the close of business on September 15, 2008, will have been returned to investors. There is \$108 million still remaining with the Reserve at this time and STO has no information about timing nor amounts of potential future distributions. 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 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.

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

	Carrying Amount	Bank Balance
Wells Fargo Bank:		
Total Deposits	\$ 18,819,566	\$ 19,591,655
Less: FDIC Coverage	<u>(250,000)</u>	<u>(250,000)</u>
Uninsured Public Funds	18,569,566	19,341,655
Less: Government Securities	(14,061,758)	(14,061,758)
Governmentt Money Market Sweep	<u>(1,350,127)</u>	<u>(1,350,127)</u>
Funds Requiring Collateralization	<u><u>3,157,681</u></u>	<u><u>3,929,770.00</u></u>
50% Collateralization Required -		
50% of Uninsured Funds		1,964,885
Pledged Collateral at Bank's Trust		
Department in the District's Name		<u>(3,491,670)</u>
Pledged Collateral (Over) the		
Requirement		<u><u>\$ (1,526,785)</u></u>
Bank of New York Mellon		
Total Deposits	\$ 771,024	\$ 771,024
Less: Government Securities	<u>(256,958)</u>	<u>(256,958)</u>
Uninsured Public Funds	514,066	514,066
50% Collateralization Required -		
50% of Uninsured Funds	257,033	257,033
Pledged Collateral - Cash Reserves of		
The Bank of New York Mellon Held in the		
Bank's name	<u>(771,024)</u>	<u>(771,024)</u>
Pledged Collateral (Over) the		
Requirement	<u><u>\$ (513,991)</u></u>	<u><u>\$ (513,991)</u></u>
Bank of the Southwest		
Total Deposits	\$ 781,513	\$ 781,513
Less: FDIC Coverage	<u>(250,000)</u>	<u>(250,000)</u>
Uninsured Public Funds	<u>531,513</u>	<u>531,513</u>
50% Collateralization Required -		
50% of Uninsured Funds	265,757	265,757
Letters of Credit from Federal Home		
Loan Bank Pledged in District's Name	<u>(435,000)</u>	<u>(435,000)</u>
Letters of Credit (Over) the Requirement	<u><u>\$ (169,243)</u></u>	<u><u>\$ (169,243)</u></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, 2010 are detailed hereunder:

	General	Other Major	Other Governmental	Total
Property Taxes	\$ 5,852	\$ 103,113	\$ 29,841	\$ 138,807
Oil and Gas Taxes	760	10,291	3,039	14,090
Due from Grantors	-	198,383	1,955,244	2,153,627
Due from Other Funds	1,573,775	-	-	1,573,775
Total	\$ 1,580,387	\$ 311,787	\$ 1,988,124	\$ 3,880,299

All amounts are considered collectible at June 30, 2010.

The General Operational Fund has \$1,573,775 due to it from IDEA-B Entitlement (\$67,105) and non-major funds (\$1,506,670). 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, 2010 are as follows:

Capital Assets Class	Adjusted Balance at July 1, 2009	Additions	Reclassifications and Deletions	Balance at June 30, 2010
Not Subject to Depreciation:				
Land	\$ 5,454,000	-	(5,095,000)	\$ 359,000
Construction-in-Progress	492,836	5,351,691	(3,497,382)	2,347,145
Total Non-Depreciable Assets	5,946,836	5,351,691	(8,592,382)	2,706,145
Subject to Depreciation:				
Library Collections	2,792,712	147,545	-	2,940,257
Land Improvements	10,386,177	921,887	2,229,257	13,537,321
Buildings and Improvements	233,824,378	851,298	444,602	235,120,278
Equipment and Vehicles	11,299,784	1,158,724	(624,717)	11,833,791
Total Depreciable Assets	258,303,051	3,079,454	2,049,142	263,431,647
Total Assets	264,249,887	8,431,145	(6,543,240)	266,137,792
Less Accumulated Depreciation:				
Library Collections	2,298,787	221,265	-	2,520,052
Land Improvements	4,690,814	400,739	(1,020)	5,090,533
Buildings and Improvements	61,746,628	4,829,707	(28,694)	66,547,641
Equipment and Vehicles	7,597,588	930,522	(461,618)	8,066,492
Total Depreciation	76,333,817	6,382,233	(491,332)	82,224,718
Governmental Activities				
Capital Assets, Net	\$ 187,916,070	2,048,912	(6,051,908.00)	\$ 183,913,074
Depreciation Expense by Function:				
Instruction				\$ 5,131,128
Support Services - Instruction				2,104
Support Services - General Administration				67,382
Support Services - School Administration				4,491
Central Services				103,578
Operations and Maintenance of Plant				604,418
Student Transportation				452,414
Food Services				10,837
Community Services				5,881
Total Depreciation Expense				\$ 6,382,233

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

	Project Budget	Construction-in- Progress	Project Balance	Estimated Completion Date
A.C. Warner Natatorium - Kirtland	2,667,786	2,187,288	480,498	FY 11
Newcomb High School - Outdoor Athletic Facilities	<u>1,073,526</u>	<u>159,857</u>	<u>913,669</u>	FY 11
	<u>\$ 3,741,312</u>	<u>\$ 2,347,145</u>	<u>\$ 1,394,167</u>	

5. LONG-TERM DEBT

A. Changes in Long-Term Liabilities

During the year ended June 30, 2010, the following changes occurred in the long-term liabilities.

	Balance at July 1, 2009	Additions	Deletions	Balance at June 30, 2010	Due Within One Year
General Obligation					
Bonds Payable	\$ 33,820,000	\$ 2,400,000	\$ 5,820,000	\$ 30,400,000	\$ 3,450,000
Revenue Bonds Payable	7,390,275	-	500,744	6,889,531	517,652
Deferred Gain on Refunding	350,383	303,725	108,494	545,614	199,820
Total Bonds Payable	<u>41,560,658</u>	<u>2,703,725</u>	<u>6,429,238</u>	<u>37,835,145</u>	<u>4,167,472</u>
Lease Purchase Contracts	299,708	-	299,708	-	-
Accrued Compensated Absences	479,898	413,044	366,454	526,488	105,303
	<u>\$ 42,340,264</u>	<u>\$ 3,116,769</u>	<u>\$ 7,095,400</u>	<u>\$ 38,361,633</u>	<u>\$ 4,272,775</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 2.60% 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, 2010.

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST	TOTAL
2011	3,450,000	1,168,528	4,618,528
2012	3,130,000	1,018,813	4,148,813
2013	3,220,000	873,861	4,093,861
2014	2,475,000	747,946	3,222,946
2015	2,100,000	653,196	2,753,196
2016-2020	12,725,000	1,774,118	14,499,118
2021-2022	3,300,000	94,200	3,394,200
Total	\$30,400,000	\$6,330,662	\$36,730,662

C. Revenue Bonds

During the year ended June 30, 2006, 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 \$765,463 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 3.3% 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, 2010.

YEAR ENDING JUNE 30	PRINCIPAL	INTEREST	TOTAL
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
2016-2020	3,354,903	507,950	3,862,853
2021	754,925	15,674	770,599
Total	\$6,889,531	\$1,621,932	\$8,511,463

D. Deferred Gains 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. The 2010 amortization amounted to

\$104,334.

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 \$42,515 which will be amortized over the life of the bonds.

During the year ended June 30, 2010, the District issued refunding bonds to provide sufficient resources to pay off selected outstanding debt obligations. On July 21, 2009, general obligation refunding bonds in the original amount of \$2,400,000 were issued to reduce total debt service payments over five years by \$303,725 which resulted in net present value savings of \$197,230. The proceeds of the bonds plus the premium paid to the District were used to retire \$2,350,000 of bond principal outstanding on the August 15, 2000 general obligation bonds.

Total bond issuance costs for the 2010 refunding amounted to \$49,822 which will be amortized through August 2013. During the current fiscal year, \$11,648 of the amount was amortized, leaving a balance of \$38,174.

The refunding of outstanding debt resulted in a net gain that is being amortized through June 2015. The amortization is prorated through the years according to the payment schedule of the original bonds. The 2010 amortization amounted to \$4,160.

E. Lease Purchase

In October 2008, the District entered into a lease for golf carts. During 2010, the District entered into an agreement with San Juan County which transferred ownership of Riverview Golf Course to the County. The County assumed the golf cart lease as part of the transfer agreement. The District made lease payments through March 2010 totaling \$51,251, \$37,831 in principal and \$13,420 in interest.

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 \$105,303. Total accrued compensated absences amounted to \$526,488 at June 30, 2010, \$421,185 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	72.3%
Impact Aid – Indian Education	Fund 25147	6.0%
Transportation	Fund 13000	4.8%

ESEA Title I	Fund 24101	4.8%
Non-Instructional Support	Fund 23000	4.3%
IDEA-B Entitlement	Fund 24106	2.9%
Food Services	Fund 21000	2.0%
Other Special Revenue Funds (8) (less than 2.0% each)		2.9%

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, 2010, 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>
General Operational Purposes	0.331	0.500
Public School Capital Improvements	1.913	2.000
General Obligation Bonds-Debt Service	6.773	6.773

Property tax revenue recognized by the District during the year ended June 30, 2010 amounted to the following:

	<u>Real Property Taxes</u>	<u>Oil and Gas Taxes</u>	<u>Total</u>
General Operational Purposes	\$ 340,950	\$ 4,613	\$ 345,563
Public School Capital Improvements	1,401,260	17,865	1,419,125
General Obligation Bonds-Debt Service	4,763,491	60,461	4,823,952
Totals	<u>\$ 6,505,701</u>	<u>\$ 82,939</u>	<u>\$ 6,588,640</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 \$26,324,371 in state equalization guarantee distributions during the year ended June 30, 2010.

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 \$2,870,867 in transportation distributions during the year ended June 30, 2010.

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 \$695,413 in SB-9 state matching funds during the year ended June 30, 2010.

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, 2010, the District received payments from the PSCOC in the amount of \$202,565. This was for planning for a five year master facility plan which is required by the state (\$22,852) and construction on the new Kirtland Middle School (\$179,713).

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, 2010 the District received \$257,786 and expended \$403,303 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.

Retirement Eligibility – For a member who either was a member on June 30, 2010, or was a member at any time prior to that date and had not, on that date, been refunded all member contributions, 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 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.

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.

For a member who initially became a member on or after July 1, 2010 or a member who was a member at any time prior to that date and had, before that date, been refunded all member contributions, the member is eligible for retirement benefits: (1) at any age if the member has thirty or more years of earned service credits; (2) the member is at least sixty-seven years of age and has five or more years of earned service credit; or (3) the sum of the member’s age and years of earned service credit equal at least eighty.

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.

Funding Policy – Plan members were required to contribute 9.4% of their gross salary. The District was required to contribute 10.9% of the gross covered salary. 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, 2010, 2009, and 2008 were \$5,067,206, \$5,320,087, and \$5,135,303, respectively, equal to the amount of the required contributions for each year.

Rate increases for the District were scheduled to occur in 2011. However, the legislature amended the law to allow contribution rates to remain unchanged in order to relieve a state-wide budget deficit. For fiscal year 2011, the District will continue to pay a contribution rate of 10.9% of the gross covered salary while the employee will continue to contribute 9.4% of their gross salary. For fiscal year 2012, rates are scheduled to revert to the previously amended 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.

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 required each participating employer to contribute 1.3% of each participating employee's annual salary in 2010. Each participating employee was 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 rates will increase over the next three years as follows:

	<u>Employee</u>	<u>Employer</u>
FYE 6-30-2011	0.833%	1.666%
FYE 6-30-2012	0.917%	1.834%
FYE 6-30-2013	1.000%	2.000%

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, 2010, 2009, and 2008 were \$590709, \$613,245, and \$613,242, 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, 2010, as listed below, are expected to be recovered during the fiscal year ended June 30, 2010.

Special Revenue and Capital Project Funds:

<u>Fund</u>	<u>Description</u>	<u>Fund Balance</u>
13000	Transportation	\$ (50,981)
24106	IDEA-B Entitlement	(14,690)
24153	English Language Acquisition	(154,600)
24154	Title II-A	(1,514)
24157	Title IV-A	(766)
24174	Carl Perkins Secondary	(2,345)
24175	Carl Perkins Secondary - PY UO	(4,178)
24180	Carl Perkins HSTW	(773)
24201	ESEA Title I - ARRA	(29,367)
24206	IDEA-B Entitlement - ARRA	(9,662)
25131	Johnson O'Malley	(86,818)
26174	Parents Reaching Out	(12,429)
27149	Pre-K Initiative	(1,042)
27166	Kindergarten - Three Plus	(12,682)
		<u>\$ (381,847)</u>

10. INTER-FUND TRANSFERS

The District made one transfer from the Operational Fund (11000) during the current fiscal year. Debt Service (41000) received a transfer of \$765,463 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.

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

	GENERAL OPERATIONAL FUND	ESEA TITLE I	IDEA-B ENTITLEMENT	IMPACT AID - INDIAN EDUCATION	IMPACT AID CONSTRUCTION - ARRA
Revenues Over Expenditures					
- Budgetary Comparison					
Statements - Budgetary Basis	\$ (331,532)	167,219	168,058	(343,395)	
Adjustments:					
Increase (Decrease) in:					
Cash (Reclassification)	(370,378)	15,989	(168,059)	(26,159)	
Investments	718,569				
Taxes Receivable	1,124				
Due from Grantor			(48,455)		
Due from Other Funds	(314,836)				
Inventory					
(Increase) Decrease in:					
Accounts Payable	(77,922)	9,214	(6,830)	28,613	(103,096)
Accrued Expenses	(123,796)	8,633	(17,484)	(8,405)	
Due to Other Funds			179,733		
Deferred Revenue	(1,078)	(115,725)	232,148		103,096
Operating Transfers In (Out)	(765,463)				
Refunds to Grantor					
Revenues Over Expenditures					
- Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ <u>(1,265,312)</u>	<u>85,330</u>	<u>339,111</u>	<u>(349,346)</u>	<u></u>
			TOTAL MAJOR FUNDS	OTHER GOVERNMENTAL FUNDS	TOTALS
Revenues Over Expenditures					
- Budgetary Comparison					
Statements - Budgetary Basis	\$ (745,092)		(1,084,742)	(2,614,539)	(3,699,281)
Adjustments:					
Increase (Decrease) in:					
Cash (Reclassification)			(548,607)	(160,687)	(709,294)
Investments		(997)	717,572	(128,036)	589,536
Taxes Receivable		20,960	22,084	5,647	27,732
Due from Grantor			(48,455)	714,789	666,334
Due from Other Funds			(314,836)		(314,836)
Inventory				(65,940)	(65,940)
(Increase) Decrease in:					
Accounts Payable	(7,436)		(157,457)	757,191	599,734
Accrued Expenses			(141,052)	(48,089)	(189,141)
Due to Other Funds			179,733	135,103	314,836
Deferred Revenue	29,418		247,859	334,112	581,970
Operating Transfers In (Out)	765,463				
Refunds to Grantor				(25,474)	(25,474)
Revenues Over Expenditures					
- Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ <u>62,316</u>	<u>(1,127,901)</u>	<u>(1,095,923)</u>	<u>(2,223,824)</u>	<u></u>

13. FUNDS OMITTED FROM FINANCIAL STATEMENT PRESENTATION

The Funds below 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:

<u>Fund</u>	<u>Title</u>	<u>Fund</u>	<u>Title</u>
24143	ELL Title III – Incentive Awards	27154	Beginning Teacher Mentoring
24162	Title I Program Improvement	27155	Breakfast for Elem. Students
24181	Carl Perkins HSTW – PY UO	27164	School Improve. Framework
24182	Carl Perkins HSTW- Redistrib.	27165	Legislative Approp. Law 2007
24209	IDEA-B Preschool – ARRA	27170	Libraries GO Bond
25149	NM GRADS – Child Care	27504	NM Outdoor Classroom Init.
25162	NM GRADS – Instructional	27549	2008 Library Book
25250	State Stabilization – ARRA	31100	Bond Building
26176	NM Community Foundation		

The fund below contained revenue and fund balance activity for the year on a modified accrual basis but have no activity on a cash basis. Therefore this fund is presented on the Combining Statement of Revenues, Expenditures, and Changes in Fund Balances and the Combining Balance Sheet but is not on the Statements of Revenues and Expenditures – Budget and Actual.

<u>Fund</u>	<u>Title</u>
24175	Carl Perkins Secondary – PY Unliquidated Obligations

The following funds 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.

<u>Fund</u>	<u>Title</u>
24176	Carl Perkins Distribution
31200	Public School Capital Outlay

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 sold \$12 million of the October 2010 series general obligation bonds. The bonds were sold at a premium of \$39,179 with interest amounts between 2.0% and 3.0%. The true interest cost is 2.78% after premium. Interest payments begin in February 2011, and principal payments begin in August 2011 and continue through August 2024.

16. RELATED PARTY TRANSACTIONS

The District did \$401 in business with Manning's Greenhouse, Inc., a local wholesale/retail growing operation, and \$1,837 in business with Chitti Lube, a local oil change operation. The owners of these businesses are related to a Board member and the District's Executive Director of Finance and Business Operations.

17. 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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources					
Ad Valorem Taxes - School District	\$ 4,367,668	4,367,668	4,802,163	-	434,495
Oil and Gas Taxes	89,136	89,136	71,904	-	(17,232)
Investment Income	25,000	25,000	5,170	-	(19,830)
Total Revenues	<u>4,481,804</u>	<u>4,481,804</u>	<u>4,879,237</u>	<u>-</u>	<u>397,433</u>
Expenditures:					
Education, Current:					
Other Professional Services	-	50,000	-	(50,000)	50,000
County Collection Costs	50,000	50,000	47,876	-	2,124
Education, Non-Current:					
Debt Service Reserve	2,576,699	3,253,034	-	(676,335)	3,253,034
Spec. Rev. Debt Service Reserve	805,000	805,000	-	-	805,000
Bond Principal Payments	3,045,000	3,470,000	3,470,000	(425,000)	-
Spec. Rev. Bonds Principal Payments	500,744	500,744	500,744	-	-
Bond Interest Payments	1,367,677	1,367,677	1,340,897	-	26,780
Spec. Rev. Bonds Interest Payments	276,492	276,492	264,990	-	11,502
Total Expenditures	<u>8,621,612</u>	<u>9,772,947</u>	<u>5,624,507</u>	<u>(1,151,335)</u>	<u>4,148,440</u>
Revenues Over (Under) Expenditures	<u>(4,139,808)</u>	<u>(5,291,143)</u>	<u>(745,270)</u>	<u>1,151,335</u>	<u>(3,751,007)</u>
Other Financing Sources and Uses:					
Proceeds from Bond Refinancing	-	-	2,392,564	-	2,392,564
Final Payment on Bond Issuance	-	-	(2,399,822)	-	(2,399,822)
Operating Transfers In	-	-	765,463	-	765,463
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>758,205</u>	<u>-</u>	<u>758,205</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>(4,139,808)</u>	<u>(5,291,143)</u>	<u>12,935</u>	<u>1,151,335</u>	<u>(2,992,802)</u>
Budgetary Notation - Cash Appropriated from Prior Year	\$ <u>4,139,808</u>	<u>5,291,143</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 Autism (24107) – To account for the Autism component of the IDEA-B program funded by a Federal grant to assist the District in providing a free appropriate public education to children with disabilities. Funding authorized by the Individuals with Disabilities Education Act, Part B, Section 619, as amended.

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.

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.

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.

NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS, Continued

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 by the New Mexico Public Education Department. These funds are for the same purpose as described in Fund 24174 described above.

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.

Carl Perkins HSTW - Prior Year Unliquidated Obligations (24181) – To account for unliquidated prior year 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.

Carl Perkins HSTW – Redistribution (24182) – To account for additional 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. This is funding that the various state recipients had to revert back to the New Mexico Department of Education due to their inability to utilize the funding within the required timelines.

NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS, Continued

ESEA Title I – ARRA (24201) – To account for supplemental ESEA Title I-A funding authorized in the 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).

Title I Program Improvement – ARRA (24262) – To account for Title I Program Improvement funding designated to assist with the implementation of approved school improvement corrective action plans. This supplementary funding was authorized in the 2009 American Recovery and Reinvestment Act.

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.

State Stabilization – ARRA (25250) – To account for federal funding distributed to school districts through the New Mexico Public Education Department to supplement state funds available to support education. This federal funding was authorized in the 2009 American Recovery and Reinvestment Act.

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.

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.

Conoco Phillips Educational Grants (26200) – To account for a various grants received from Conoco Phillips supporting the educational activities at Central Consolidated School District.

Dual Credit Instructional Materials (27103) – To account for a New Mexico State Legislative Appropriation provided under HB 2, 2009 providing funding for dual credit instructional materials.

GO Student Library Funds (27105) – To account for a New Mexico State Legislative Appropriation provided under Senate Bill 333, 2008 providing funding for public school library improvement or acquisition per school and to acquire library books, equipment, and library resources.

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).

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.

Indian Education Act (27150) – To account for funding provided by New Mexico Legislature through the New Mexico Public Education Department supporting various Exemplary Culture Based Education programs.

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.

Legislative Appropriation Law of 2007 (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 through the 3rd grade. This program is managed by the New Mexico Public Education Early Childhood Bureau.

NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS, Continued

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.

New Mexico Outdoor Classroom Initiative (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 New Mexico 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.

Natural Healers (28106) – To account for funding from the New Mexico Department of Health - Office of School and Adolescent Health (OSAH) supporting a peer support network. Private donations from other sources are also recorded in this fund.

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.

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

NON-MAJOR SPECIAL REVENUE FUNDS DESCRIPTIONS, Continued

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.

Public School Capital Outlay (31200) – to account for funding provided to the District by the State of New Mexico for capital improvement projects approved by the Public School Capital Outlay Council. Funding authorized by NMAC 6.20.2 of the New Mexico Department of Education.

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).

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	GENERAL FUND				SPECIAL REVENUE			
	Fund 12000	Fund 13000	Fund 14000	TOTAL GENERAL FUND	Fund 21000	Fund 22000	Fund 23000 NON- INSTRUCTIONAL SUPPORT	Fund 24107 IDEA-B AUTISM
	TEACHERAGE	TRANSPORTATION	INSTRUCTIONAL MATERIALS		FOOD SERVICES	ATHLETICS		
ASSETS								
Assets:								
Cash	\$ 4,478	23,819		28,297	30,050	314	698	
Investments	129,553		326,501	456,054		366,397	643,966	
Taxes Receivable								
Due from Grantor		50,981		50,981	53,717			5,000
Inventory					133,045			
Total Assets	\$ 134,031	74,800	326,501	535,332	216,812	366,711	644,664	5,000
LIABILITIES AND FUND BALANCE								
Liabilities:								
Accounts Payable	\$ 4,497	64,078		68,575	95,681	313	3,610	
Accrued Salaries and Benefits	2,592	10,722		13,314	16,357		(2,734)	
Due to Other Funds								5,000
Deferred Revenues		50,981		50,981				
Total Liabilities	7,089	125,781		132,870	112,038	313	876	5,000
Fund Balance:								
Reserved for Inventory					104,774			
Reserved for Subsequent Year's Expenditures	120,458		159,937	280,395		338,610	548,627	
Reserved for Debt Service								
Undesignated, Reported In General Fund	6,484	(50,981)	166,564	122,067				
Special Revenue Fund						27,788	95,161	
Capital Projects Fund								
Total Fund Balance	126,942	(50,981)	326,501	402,462	104,774	366,398	643,788	
Total Liabilities and Fund Balance	\$ 134,031	74,800	326,501	535,332	216,812	366,711	644,664	5,000

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SPECIAL REVENUE

	<u>Fund 24109</u>	<u>Fund 24153</u>	<u>Fund 24154</u>	<u>Fund 24157</u>	<u>Fund 24167</u>	<u>Fund 24174</u>	<u>Fund 24175</u>	<u>Fund 24180</u>	<u>Fund 24201</u>
	<u>IDEA-B PRESCHOOL</u>	<u>ENGLISH LANGUAGE ACQUISITION</u>	<u>TITLE II-A</u>	<u>TITLE IV-A</u>	<u>READING FIRST</u>	<u>CARL PERKINS SECONDARY</u>	<u>CARL PERKINS SECONDARY - PY UO</u>	<u>CARL PERKINS HSTW</u>	<u>ESEA TITLE I - ARRA</u>
ASSETS									
Assets:									
Cash	\$								
Investments									
Taxes Receivable									
Due from Grantor	4,244	154,600	284,019	13,176	18,598	9,004	4,178	925	135,743
Inventory									
Total Assets	\$ <u>4,244</u>	<u>154,600</u>	<u>284,019</u>	<u>13,176</u>	<u>18,598</u>	<u>9,004</u>	<u>4,178</u>	<u>925</u>	<u>135,743</u>
LIABILITIES AND FUND BALANCE									
Liabilities:									
Accounts Payable	\$ 1,986	16,916	28,240	976	10,417	2,345	1,840		24,661
Accrued Salaries and Benefits			2,312	86			2,338	794	(1)
Due to Other Funds	2,258	137,684	253,467	12,114	8,181	6,659		131	112,543
Deferred Revenues		<u>154,600</u>	<u>1,514</u>	<u>766</u>		<u>2,345</u>	<u>4,178</u>	<u>773</u>	<u>27,907</u>
Total Liabilities	<u>4,244</u>	<u>309,200</u>	<u>285,533</u>	<u>13,942</u>	<u>18,598</u>	<u>11,349</u>	<u>8,356</u>	<u>1,698</u>	<u>165,110</u>
Fund Balance:									
Reserved for Inventory									
Reserved for Subsequent Year's Expenditures									
Reserved for Debt Service									
Undesignated, Reported In									
General Fund									
Special Revenue Fund		(154,600)	(1,514)	(766)		(2,345)	(4,178)	(773)	(29,367)
Capital Projects Fund									
Total Fund Balance		<u>(154,600)</u>	<u>(1,514)</u>	<u>(766)</u>		<u>(2,345)</u>	<u>(4,178)</u>	<u>(773)</u>	<u>(29,367)</u>
Total Liabilities and Fund Balance	\$ <u>4,244</u>	<u>154,600</u>	<u>284,019</u>	<u>13,176</u>	<u>18,598</u>	<u>9,004</u>	<u>4,178</u>	<u>925</u>	<u>135,743</u>

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SPECIAL REVENUE

	<u>Fund 24206</u>	<u>Fund 24262</u>	<u>Fund 25122</u>	<u>Fund 25131</u>	<u>Fund 25145</u>	<u>Fund 25151</u>	<u>Fund 25152</u>
	<u>IDEA-B ENTITLEMENT - ARRA</u>	<u>TITLE I PROGRAM IMPROVEMENT ARRA</u>	<u>IHS/ NORTHERN NAVAJO MEDICAL CENTER</u>	<u>JOHNSON O'MALLEY</u>	<u>IMPACT AID - SPECIAL EDUCATION</u>	<u>PROMOTION OF THE ARTS GRANT</u>	<u>MEDICAL ASSISTANCE PAYMENTS (MEDICAID)</u>
ASSETS							
Assets:							
Cash	\$		4,675		55,426		17,295
Investments			135,792		116,851	846	74,645
Taxes Receivable							
Due from Grantor	77,348	158,076		127,045			17,245
Inventory							
Total Assets	\$ 77,348	158,076	140,467	127,045	172,277	846	109,185
LIABILITIES AND FUND BALANCE							
Liabilities:							
Accounts Payable	\$ 11,463	4,519	4,695	13,859	55,512		17,344
Accrued Salaries and Benefits	11,126				840		
Due to Other Funds	54,759	153,557		113,186			
Deferred Revenues	9,662		135,772	86,818			
Total Liabilities	87,010	158,076	140,467	213,863	56,352		17,344
Fund Balance:							
Reserved for Inventory							
Reserved for Subsequent Year's Expenditures					115,468		47,200
Reserved for Debt Service							
Undesignated, Reported In General Fund							
Special Revenue Fund	(9,662)			(86,818)	457	846	44,641
Capital Projects Fund							
Total Fund Balance	(9,662)			(86,818)	115,925	846	91,841
Total Liabilities and Fund Balance	\$ 77,348	158,076	140,467	127,045	172,277	846	109,185

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SPECIAL REVENUE

	Fund 25184	Fund 25201	Fund 26119	Fund 26174	Fund 26200	Fund 27103	Fund 27105
	INDIAN EDUCATION FORMULA GRANT	NAVAJO NATION GRANTS	HEIFER INTERNATIONAL GRANT	PARENTS REACHING OUT	CONOCO PHILLIPS EDUCATIONAL GRANTS	DUAL CREDIT INSTRUCTIONAL MATERIALS	GO STUDENT LIBRARY FUNDS
ASSETS							
Assets:							
Cash	\$						
Investments			2,851		4,658		
Taxes Receivable							
Due from Grantor	213,806	97,991		26,179		3,000	51,628
Inventory							
Total Assets	\$ <u>213,806</u>	<u>97,991</u>	<u>2,851</u>	<u>26,179</u>	<u>4,658</u>	<u>3,000</u>	<u>51,628</u>
LIABILITIES AND FUND BALANCE							
Liabilities:							
Accounts Payable	\$	4,131		2,200			
Accrued Salaries and Benefits	95,193						
Due to Other Funds	117,055	93,860		23,979		3,000	51,628
Deferred Revenues				12,429			
Total Liabilities	<u>213,806</u>	<u>97,991</u>		<u>38,608</u>		<u>3,000</u>	<u>51,628</u>
Fund Balance:							
Reserved for Inventory							
Reserved for Subsequent Year's Expenditures							
Reserved for Debt Service							
Undesignated, Reported In							
General Fund							
Special Revenue Fund			2,851	(12,429)	4,658		
Capital Projects Fund							
Total Fund Balance			<u>2,851</u>	<u>(12,429)</u>	<u>4,658</u>		
Total Liabilities and Fund Balance	\$ <u>213,806</u>	<u>97,991</u>	<u>2,851</u>	<u>26,179</u>	<u>4,658</u>	<u>3,000</u>	<u>51,628</u>

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	<u>Fund 27117</u>	<u>Fund 27138</u>	<u>Fund 27149</u>	<u>Fund 27150</u>	<u>Fund 27166</u>	<u>Fund 27169</u>	<u>Fund 28106</u>	<u>Fund 28121</u>
	<u>TECHNOLOGY FOR EDUCATION</u>	<u>INCENTIVES FOR SCHOOL IMPROVEMENTS</u>	<u>PRE-K INITIATIVE</u>	<u>INDIAN EDUCATION ACT</u>	<u>KINDERGARTEN - THREE PLUS</u>	<u>PRE-K START UP</u>	<u>NATURAL HEALERS</u>	<u>PRE-SCHOOL CYFD</u>
ASSETS								
Assets:								
Cash	\$ 1,736							
Investments	23,574	35,183				144	3,402	
Taxes Receivable								
Due from Grantor			130,022	105,553	40,481			34,951
Inventory								
Total Assets	\$ <u>25,310</u>	<u>35,183</u>	<u>130,022</u>	<u>105,553</u>	<u>40,481</u>	<u>144</u>	<u>3,402</u>	<u>34,951</u>
LIABILITIES AND FUND BALANCE								
Liabilities:								
Accounts Payable	\$ 1,832	1	37,156	13,086	3,761			5,813
Accrued Salaries and Benefits	1,653		(65)		16,208			
Due to Other Funds			92,931	92,467	20,512			29,138
Deferred Revenues	<u>21,825</u>	<u>35,182</u>	<u>1,042</u>		<u>12,682</u>	<u>144</u>	<u>3,402</u>	
Total Liabilities	<u>25,310</u>	<u>35,183</u>	<u>131,064</u>	<u>105,553</u>	<u>53,163</u>	<u>144</u>	<u>3,402</u>	<u>34,951</u>
Fund Balance:								
Reserved for Inventory								
Reserved for Subsequent Year's Expenditures								
Reserved for Debt Service								
Undesignated, Reported In								
General Fund								
Special Revenue Fund			(1,042)		(12,682)			
Capital Projects Fund								
Total Fund Balance			<u>(1,042)</u>		<u>(12,682)</u>			
Total Liabilities and Fund Balance	\$ <u>25,310</u>	<u>35,183</u>	<u>130,022</u>	<u>105,553</u>	<u>40,481</u>	<u>144</u>	<u>3,402</u>	<u>34,951</u>

SEE INDEPENDENT AUDITORS' REPORTS
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STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
As of June 30, 2010

SPECIAL REVENUE

	<u>Fund 28131</u>	<u>Fund 28178</u>	<u>Fund 29102</u>	<u>Fund 29114</u>	<u>Fund 29130</u>	<u>TOTAL</u>
	<u>NEW MEXICO ARTS</u>	<u>GEAR-UP CHE</u>	<u>PRIVATE DIRECT GRANTS</u>	<u>MCCUNE CHARITABLE FOUNDATION</u>	<u>SCHOOL BASED HEALTH CENTER</u>	<u>SPECIAL REVENUE</u>
ASSETS						
Assets:						
Cash	\$				153	110,347
Investments		198	8,413	860	65,013	1,482,793
Taxes Receivable						
Due from Grantor		137,734				1,904,263
Inventory						133,045
Total Assets	\$	<u>198</u>	<u>8,413</u>	<u>860</u>	<u>65,166</u>	<u>3,630,448</u>
LIABILITIES AND FUND BALANCE						
Liabilities:						
Accounts Payable	\$	3,455			153	461,158
Accrued Salaries and Benefits		11,718				62,190
Due to Other Funds		122,561				1,506,670
Deferred Revenues		<u>198</u>				<u>511,239</u>
Total Liabilities		<u>137,734</u>			<u>153</u>	<u>2,541,257</u>
Fund Balance:						
Reserved for Inventory						104,774
Reserved for Subsequent Year's Expenditures					50,000	1,099,905
Reserved for Debt Service						
Undesignated, Reported In General Fund						
Special Revenue Fund			8,413	860	15,013	(115,488)
Capital Projects Fund						
Total Fund Balance			<u>8,413</u>	<u>860</u>	<u>65,013</u>	<u>1,089,191</u>
Total Liabilities and Fund Balance	\$	<u>137,734</u>	<u>8,413</u>	<u>860</u>	<u>65,166</u>	<u>3,630,448</u>

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STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
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COMBINING BALANCE SHEET
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CAPITAL PROJECTS

	<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>SPECIAL CAPITAL OUTLAY - STATE</u>	<u>SPECIAL CAPITAL OUTLAY - FEDERAL</u>	<u>CAPITAL IMPROVEMENTS SB-9</u>		
ASSETS					
Assets:					
Cash	\$				138,644
Investments	17,366	1,788,116	1,232,010	3,037,492	4,976,339
Taxes Receivable			32,880	32,880	32,880
Due from Grantor					1,955,244
Inventory					133,045
Total Assets	\$ <u>17,366</u>	<u>1,788,116</u>	<u>1,264,890</u>	<u>3,070,372</u>	<u>7,236,152</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts Payable	\$	9,665	59,048	68,713	598,446
Accrued Salaries and Benefits			(1,169)	(1,169)	74,335
Due to Other Funds					1,506,670
Deferred Revenues			24,331	24,331	586,551
Total Liabilities		<u>9,665</u>	<u>82,210</u>	<u>91,875</u>	<u>2,766,002</u>
Fund Balance:					
Reserved for Inventory					104,774
Reserved for Subsequent Year's Expenditures		1,778,451	938,558	2,717,009	4,097,309
Reserved for Debt Service					
Undesignated, Reported In General Fund					122,067
Special Revenue Fund					(115,488)
Capital Projects Fund	17,366		244,122	261,488	261,488
Total Fund Balance	<u>17,366</u>	<u>1,778,451</u>	<u>1,182,680</u>	<u>2,978,497</u>	<u>4,470,150</u>
Total Liabilities and Fund Balance	\$ <u>17,366</u>	<u>1,788,116</u>	<u>1,264,890</u>	<u>3,070,372</u>	<u>7,236,152</u>

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STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
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COMBINING STATEMENT OF REVENUES, EXPENDITURES,
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For the Year Ended June 30, 2010

	GENERAL FUND				SPECIAL REVENUE		
	Fund 12000	Fund 13000	Fund 14000	TOTAL GENERAL FUND	Fund 21000	Fund 22000	Fund 23000
	TEACHERAGE	TRANSPORTATION	INSTRUCTIONAL MATERIALS		FOOD SERVICES	ATHLETICS	NON- INSTRUCTIONAL SUPPORT
Revenues:							
Federal Grants	\$				3,129,589		
State Grants		2,870,867	255,426	3,126,293			
Local Sources:							
Property Taxes							
Local Grants							
Charges for Services	562,667		2,360	565,027	239,014	374,381	815,685
Investment Income	716			716		6,223	10,165
Miscellaneous						1,161	
Total Revenues	<u>563,383</u>	<u>2,870,867</u>	<u>257,786</u>	<u>3,692,036</u>	<u>3,368,603</u>	<u>381,765</u>	<u>825,850</u>
Expenditures:							
Current:							
Instruction			376,781	376,781		349,235	727,082
Support Services - Students							
Support Services - Instruction			26,522	26,522			
Support Services - General Administration							
Support Services - School Administration							
Central Services							
Operations and Maintenance of Plant	474,566			474,566			
Student Transportation		3,004,819		3,004,819			939
Other Support Services							
Food Services					3,158,142		
Community Services							
Capital Outlay	65,938			65,938			
Total Expenditures	<u>540,504</u>	<u>3,004,819</u>	<u>403,303</u>	<u>3,948,626</u>	<u>3,158,142</u>	<u>349,235</u>	<u>728,021</u>
Revenues Over (Under) Expenditures	<u>22,879</u>	<u>(133,952)</u>	<u>(145,517)</u>	<u>(256,590)</u>	<u>210,461</u>	<u>32,530</u>	<u>97,829</u>
Other Financing Sources (Uses):							
Refund to Grantor							
Lease Purchase Payments							(51,251)
Net Other Financing Sources (Uses)							<u>(51,251)</u>
Net Change in Fund Balance	22,879	(133,952)	(145,517)	(256,590)	210,461	32,530	46,578
Fund Balance - Beginning of Year	104,063	82,971	472,018	659,052	(105,687)	333,868	597,210
Fund Balance - End of Year	<u>\$ 126,942</u>	<u>(50,981)</u>	<u>326,501</u>	<u>402,462</u>	<u>104,774</u>	<u>366,398</u>	<u>643,788</u>

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STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
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For the Year Ended June 30, 2010

SPECIAL REVENUE

	<u>Fund</u> <u>24107</u>	<u>Fund</u> <u>24109</u>	<u>Fund</u> <u>24143</u>	<u>Fund</u> <u>24153</u>	<u>Fund</u> <u>24154</u>	<u>Fund</u> <u>24157</u>	<u>Fund</u> <u>24162</u>	<u>Fund</u> <u>24167</u>	<u>Fund</u> <u>24174</u>
	<u>IDEA-B</u> <u>AUTISM</u>	<u>IDEA-B</u> <u>PRESCHOOL</u>	<u>ELL TITLE III -</u> <u>INCENTIVE</u> <u>AWARDS</u>	<u>ENGLISH</u> <u>LANGUAGE</u> <u>ACQUISITION</u>	<u>TITLE II-A</u>	<u>TITLE IV-A</u>	<u>TITLE I</u> <u>PROGRAM</u> <u>IMPROVEMENT</u>	<u>READING</u> <u>FIRST</u>	<u>CARL</u> <u>PERKINS</u> <u>SECONDARY</u>
Revenues:									
Federal Grants	\$ 5,000	42,845	3,000	282,543	816,220	60,351	68,957	192,992	65,285
State Grants									
Local Sources:									
Property Taxes									
Local Grants									
Charges for Services									
Investment Income									
Miscellaneous							743		
Total Revenues	<u>5,000</u>	<u>42,845</u>	<u>3,000</u>	<u>282,543</u>	<u>816,220</u>	<u>60,351</u>	<u>69,700</u>	<u>192,992</u>	<u>65,285</u>
Expenditures:									
Current:									
Instruction	2,500	28,718		296,373	313,325	28,538		171,469	56,867
Support Services - Students	2,500			702	272,198				
Support Services - Instruction				604	1,210				8,763
Support Services - General Administration		1,152		3,047	16,368	1,155		3,626	2,000
Support Services - School Administration				727	82,654	113			
Central Services									
Operations and Maintenance of Plant									
Student Transportation					6,267				
Other Support Services									
Food Services									
Community Services									
Capital Outlay									
Total Expenditures	<u>5,000</u>	<u>29,870</u>	<u>3,000</u>	<u>301,453</u>	<u>692,022</u>	<u>29,806</u>	<u>69,700</u>	<u>175,095</u>	<u>67,630</u>
Revenues Over (Under) Expenditures		<u>12,975</u>	<u>3,000</u>	<u>(18,910)</u>	<u>124,198</u>	<u>30,545</u>	<u>69,700</u>	<u>17,897</u>	<u>(2,345)</u>
Other Financing Sources (Uses):									
Refund to Grantor									
Lease Purchase Payments									
Net Other Financing Sources (Uses)									
Net Change in Fund Balance		12,975	3,000	(18,910)	124,198	30,545	69,700	17,897	(2,345)
Fund Balance - Beginning of Year		<u>(12,975)</u>	<u>(3,000)</u>	<u>(135,690)</u>	<u>(125,712)</u>	<u>(31,311)</u>	<u>(69,700)</u>	<u>(17,897)</u>	
Fund Balance - End of Year	\$	<u><u> </u></u>	<u><u> </u></u>	<u><u>(154,600)</u></u>	<u><u>(1,514)</u></u>	<u><u>(766)</u></u>	<u><u> </u></u>	<u><u> </u></u>	<u><u>(2,345)</u></u>

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
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For the Year Ended June 30, 2010

SPECIAL REVENUE

	Fund 24175	Fund 24180	Fund 24181	Fund 24182	Fund 24201	Fund 24206	Fund 24209
	CARL PERKINS SECONDARY - PY UO	CARL PERKINS HSTW	CARL PERKINS HSTW - PY UO	CARL PERKINS HSTW - REDISTRIBUTION	ESEA TITLE I - ARRA	IDEA-B ENTITLEMENT - ARRA	IDEA-B PRESCHOOL - ARRA
Revenues:							
Federal Grants	\$	34,528	2,425	13,327	674,384	1,021,645	1,225
State Grants							
Local Sources:							
Property Taxes							
Local Grants							
Charges for Services							
Investment Income							
Miscellaneous							
Total Revenues		34,528	2,425	13,327	674,384	1,021,645	1,225
Expenditures:							
Current:							
Instruction		26,873	2,425	11,499	287,075	335,391	1,225
Support Services - Students	2,338	3,030		594	346,172	345,878	
Support Services - Instruction	1,840						
Support Services - General Administration		646		285	14,628	13,725	
Support Services - School Administration				949			
Central Services					6,000		
Operations and Maintenance of Plant							
Student Transportation						6,861	
Other Support Services							
Food Services							
Community Services					48,416		
Capital Outlay							
Total Expenditures	4,178	30,549	2,425	13,327	702,291	701,855	1,225
Revenues Over (Under) Expenditures	(4,178)	3,979			(27,907)	319,790	
Other Financing Sources (Uses):							
Refund to Grantor							
Lease Purchase Payments							
Net Other Financing Sources (Uses)							
Net Change in Fund Balance	(4,178)	3,979			(27,907)	319,790	
Fund Balance - Beginning of Year		(4,752)			(1,460)	(329,452)	
Fund Balance - End of Year	\$ (4,178)	(773)			(29,367)	(9,662)	

STATE OF NEW MEXICO
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SPECIAL REVENUE

	Fund 24262	Fund 25122	Fund 25131	Fund 25145	Fund 25149	Fund 25151	Fund 25152
	TITLE I PROGRAM IMPROVEMENT ARRA	IHS/ NORTHERN NAVAJO MEDICAL CENTER	JOHNSON O'MALLEY	IMPACT AID - SPECIAL EDUCATION	NM GRADS - CHILD CARE	PROMOTION OF THE ARTS GRANT	MEDICAL ASSISTANCE PAYMENTS (MEDICAID)
Revenues:							
Federal Grants	\$ 473,618	113,261	347,196	678,500	3,250		166,045
State Grants							
Local Sources:							
Property Taxes							
Local Grants							
Charges for Services							
Investment Income							
Miscellaneous							
Total Revenues	<u>473,618</u>	<u>113,261</u>	<u>347,196</u>	<u>678,500</u>	<u>3,250</u>		<u>166,045</u>
Expenditures:							
Current:							
Instruction	473,618	2,827	216,642	698,762		92	
Support Services - Students		110,434	122,151		3,250		214,182
Support Services - Instruction							
Support Services - General Administration			8,477	14,778			
Support Services - School Administration			60,667				
Central Services							
Operations and Maintenance of Plant				10,721			
Student Transportation							
Other Support Services							
Food Services							
Community Services							
Capital Outlay							
Total Expenditures	<u>473,618</u>	<u>113,261</u>	<u>407,937</u>	<u>724,261</u>	<u>3,250</u>	<u>92</u>	<u>214,182</u>
Revenues Over (Under) Expenditures			<u>(60,741)</u>	<u>(45,761)</u>		<u>(92)</u>	<u>(48,137)</u>
Other Financing Sources (Uses):							
Refund to Grantor							
Lease Purchase Payments							
Net Other Financing Sources (Uses)							
Net Change in Fund Balance			<u>(60,741)</u>	<u>(45,761)</u>		<u>(92)</u>	<u>(48,137)</u>
Fund Balance - Beginning of Year			<u>(26,077)</u>	161,686		938	139,978
Fund Balance - End of Year	\$		<u>(86,818)</u>	<u>115,925</u>		<u>846</u>	<u>91,841</u>

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SPECIAL REVENUE

	Fund 25162	Fund 25184	Fund 25201	Fund 25250	Fund 26119	Fund 26174	Fund 26176
	NM GRADS - INSTRUCTIONAL	INDIAN EDUCATION FORMULA GRANT	NAVAJO NATION GRANTS	STATE STABILIZATION - ARRA	HEIFER INTERNATIONAL GRANT	PARENTS REACHING OUT	NEW MEXICO COMMUNITY FOUNDATION
Revenues:							
Federal Grants	\$ 7,750	1,216,227	98,000	4,135,557		2,500	
State Grants							
Local Sources:							
Property Taxes							
Local Grants						50,000	
Charges for Services							
Investment Income							
Miscellaneous							
Total Revenues	<u>7,750</u>	<u>1,216,227</u>	<u>98,000</u>	<u>4,135,557</u>		<u>52,500</u>	
Expenditures:							
Current:							
Instruction	7,750	1,132,585		4,015,885	8,166		
Support Services - Students		19,436	98,000				
Support Services - Instruction		1,559					
Support Services - General Administration		25,144					
Support Services - School Administration		37,503		119,672			
Central Services							
Operations and Maintenance of Plant							
Student Transportation							
Other Support Services							
Food Services							
Community Services						57,571	
Capital Outlay							
Total Expenditures	<u>7,750</u>	<u>1,216,227</u>	<u>98,000</u>	<u>4,135,557</u>	<u>8,166</u>	<u>57,571</u>	
Revenues Over (Under) Expenditures					<u>(8,166)</u>	<u>(5,071)</u>	
Other Financing Sources (Uses):							
Refund to Grantor							(25,474)
Lease Purchase Payments							
Net Other Financing Sources (Uses)							<u>(25,474)</u>
Net Change in Fund Balance					(8,166)	(5,071)	(25,474)
Fund Balance - Beginning of Year					11,017	(7,358)	25,474
Fund Balance - End of Year	\$				<u>2,851</u>	<u>(12,429)</u>	

STATE OF NEW MEXICO
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SPECIAL REVENUE

	Fund 26200	Fund 27103	Fund 27105	Fund 27117	Fund 27138	Fund 27149	Fund 27150	Fund 27154
	CONOCO PHILLIPS EDUCATIONAL GRANTS	DUAL CREDIT INSTRUCTIONAL MATERIALS	GO STUDENT LIBRARY FUNDS	TECHNOLOGY FOR EDUCATION	INCENTIVES FOR SCHOOL IMPROVEMENTS	PRE-K INITIATIVE	INDIAN EDUCATION ACT	BEGINNING TEACHER MENTORING
Revenues:								
Federal Grants	\$							
State Grants		3,000	51,628	65,362	5,895	1,082,026	121,189	52,815
Local Sources:								
Property Taxes								
Local Grants	9,087							
Charges for Services								
Investment Income								
Miscellaneous								
Total Revenues	<u>9,087</u>	<u>3,000</u>	<u>51,628</u>	<u>65,362</u>	<u>5,895</u>	<u>1,082,026</u>	<u>121,189</u>	<u>52,815</u>
Expenditures:								
Current:								
Instruction	4,429	3,000			5,895	734,766	121,189	52,815
Support Services - Students								
Support Services - Instruction			51,628					
Support Services - General Administration						25,252		
Support Services - School Administration								
Central Services								
Operations and Maintenance of Plant				65,362				
Student Transportation						143,149		
Other Support Services								
Food Services								
Community Services								
Capital Outlay								
Total Expenditures	<u>4,429</u>	<u>3,000</u>	<u>51,628</u>	<u>65,362</u>	<u>5,895</u>	<u>903,167</u>	<u>121,189</u>	<u>52,815</u>
Revenues Over (Under) Expenditures	<u>4,658</u>					<u>178,859</u>		
Other Financing Sources (Uses):								
Refund to Grantor								
Lease Purchase Payments								
Net Other Financing Sources (Uses)								
Net Change in Fund Balance	4,658					178,859		
Fund Balance - Beginning of Year						(179,901)		
Fund Balance - End of Year	\$ <u>4,658</u>					<u>(1,042)</u>		

STATE OF NEW MEXICO
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SPECIAL REVENUE

	Fund 27155	Fund 27164	Fund 27165	Fund 27166	Fund 27169	Fund 27170	Fund 27504	Fund 27549
	BREAKFAST FOR ELEM. STUDENTS	SCHOOL IMPROVEMENT FRAMEWORK	LEGISLATIVE APPROPRIATION LAW OF 2007	KINDERGARTEN - THREE PLUS	PRE-K START UP	LIBRARIES GO BOND	NM OUTDOOR CLASSROOM INITIATIVE	2008 LIBRARY BOOK
Revenues:								
Federal Grants	\$							
State Grants	159,533	23,235	359	428,364	10,861	7,502	1,000	20,547
Local Sources:								
Property Taxes								
Local Grants								
Charges for Services								
Investment Income								
Miscellaneous								
Total Revenues	<u>159,533</u>	<u>23,235</u>	<u>359</u>	<u>428,364</u>	<u>10,861</u>	<u>7,502</u>	<u>1,000</u>	<u>20,547</u>
Expenditures:								
Current:								
Instruction				263,616	(6,396)			
Support Services - Students				49,995				
Support Services - Instruction						5,572		20,547
Support Services - General Administration								
Support Services - School Administration				39,753				
Central Services								
Operations and Maintenance of Plant				5,180				
Student Transportation								
Other Support Services								
Food Services	159,533							
Community Services								
Capital Outlay								
Total Expenditures	<u>159,533</u>			<u>358,544</u>	<u>(6,396)</u>	<u>5,572</u>		<u>20,547</u>
Revenues Over (Under) Expenditures		<u>23,235</u>	<u>359</u>	<u>69,820</u>	<u>17,257</u>	<u>1,930</u>	<u>1,000</u>	
Other Financing Sources (Uses):								
Refund to Grantor								
Lease Purchase Payments								
Net Other Financing Sources (Uses)								
Net Change in Fund Balance		23,235	359	69,820	17,257	1,930	1,000	
Fund Balance - Beginning of Year		(23,235)	(359)	(82,502)	(17,257)	(1,930)	(1,000)	
Fund Balance - End of Year	\$			<u>(12,682)</u>				

STATE OF NEW MEXICO
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For the Year Ended June 30, 2010

SPECIAL REVENUE

	<u>Fund</u> <u>28106</u>	<u>Fund</u> <u>28121</u>	<u>Fund</u> <u>28131</u>	<u>Fund</u> <u>28178</u>	<u>Fund</u> <u>29102</u>	<u>Fund</u> <u>29114</u>	<u>Fund</u> <u>29130</u>	TOTAL
	NATURAL HEALERS	PRE-SCHOOL CYFD	NEW MEXICO ARTS	GEAR-UP CHE	PRIVATE DIRECT GRANTS	MCCUNE CHARITABLE FOUNDATION	SCHOOL BASED HEALTH CENTER	SPECIAL REVENUE
Revenues:								
Federal Grants								\$ 13,656,220
State Grants	6,598	124,904	8,414	215,162				2,388,394
Local Sources:								
Property Taxes								
Local Grants					12,000	5,000	60,000	136,087
Charges for Services								1,429,080
Investment Income								16,388
Miscellaneous								1,904
Total Revenues	<u>6,598</u>	<u>124,904</u>	<u>8,414</u>	<u>215,162</u>	<u>12,000</u>	<u>5,000</u>	<u>60,000</u>	<u>17,628,073</u>
Expenditures:								
Current:								
Instruction			8,414	144,692				10,527,342
Support Services - Students	6,358			24,170			27,357	1,648,745
Support Services - Instruction					9,708	4,140		105,571
Support Services - General Administration		2,774						133,057
Support Services - School Administration	240							342,278
Central Services								6,000
Operations and Maintenance of Plant								81,263
Student Transportation								157,216
Other Support Services								
Food Services								3,317,675
Community Services		121,850			4,641			232,478
Capital Outlay								
Total Expenditures	<u>6,598</u>	<u>124,624</u>	<u>8,414</u>	<u>168,862</u>	<u>14,349</u>	<u>4,140</u>	<u>27,357</u>	<u>16,551,625</u>
Revenues Over (Under) Expenditures		<u>280</u>		<u>46,300</u>	<u>(2,349)</u>	<u>860</u>	<u>32,643</u>	<u>1,076,448</u>
Other Financing Sources (Uses):								
Refund to Grantor								(25,474)
Lease Purchase Payments								(51,251)
Net Other Financing Sources (Uses)								(76,725)
Net Change in Fund Balance		280		46,300	(2,349)	860	32,643	999,723
Fund Balance - Beginning of Year		(280)		(46,300)	10,762		32,370	89,468
Fund Balance - End of Year	\$				<u>8,413</u>	<u>860</u>	<u>65,013</u>	<u>1,089,191</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, 2010

CAPITAL PROJECTS

	Fund 31100	Fund 31400	Fund 31500	Fund 31700	TOTAL CAPITAL PROJECTS	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
	BOND BUILDING	SPECIAL CAPITAL OUTLAY - STATE	SPECIAL CAPITAL OUTLAY - FEDERAL	CAPITAL IMPROVEMENTS SB-9		
Revenues:						
Federal Grants	\$					13,656,220
State Grants		1,376,063		695,413	2,071,476	7,586,163
Local Sources:						
Property Taxes				1,434,508	1,434,508	1,434,508
Local Grants						136,087
Charges for Services						1,994,107
Investment Income	4,500			25,263	29,763	46,867
Miscellaneous						1,904
Total Revenues	<u>4,500</u>	<u>1,376,063</u>	<u></u>	<u>2,155,184</u>	<u>3,535,747</u>	<u>24,855,856</u>
Expenditures:						
Current:						
Instruction						10,904,123
Support Services - Students						1,648,745
Support Services - Instruction						132,093
Support Services - General Administration				14,083	14,083	147,140
Support Services - School Administration						342,278
Central Services						6,000
Operations and Maintenance of Plant						555,829
Student Transportation						3,162,035
Other Support Services						
Food Services						3,317,675
Community Services						232,478
Capital Outlay	1,635,137	844,141	376,423	2,505,019	5,360,720	5,426,658
Total Expenditures	<u>1,635,137</u>	<u>844,141</u>	<u>376,423</u>	<u>2,519,102</u>	<u>5,374,803</u>	<u>25,875,054</u>
Revenues Over (Under) Expenditures	<u>(1,630,637)</u>	<u>531,922</u>	<u>(376,423)</u>	<u>(363,918)</u>	<u>(1,839,056)</u>	<u>(1,019,198)</u>
Other Financing Sources (Uses):						
Refund to Grantor						(25,474)
Lease Purchase Payments						(51,251)
Net Other Financing Sources (Uses)						<u>(76,725)</u>
Net Change in Fund Balance	<u>(1,630,637)</u>	<u>531,922</u>	<u>(376,423)</u>	<u>(363,918)</u>	<u>(1,839,056)</u>	<u>(1,095,923)</u>
Fund Balance - Beginning 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>
Fund Balance - End of Year	\$ <u><u></u></u>	<u><u>17,366</u></u>	<u><u>1,778,451</u></u>	<u><u>1,182,680</u></u>	<u><u>2,978,497</u></u>	<u><u>4,470,150</u></u>

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
NON-MAJOR GOVERNMENTAL FUNDS
RECONCILIATION OF BUDGETARY BASIS TO
GAAP BASIS STATEMENTS
For the Year Ended June 30, 2010

	<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 24107</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 AUTISM</u>	<u>IDEA-B PRESCHOOL</u>
Revenues Over Expenditures								
- Budgetary Comparison								
Statements - Budgetary Basis	\$ 96,760	(131,352)	(146,512)	220,813	25,377	70,107	(5,000)	8,731
Adjustments:								
Increase (Decrease) in:								
Cash (Reclassification)	(69,973)	63,999		(190,683)	314	698	5,000	(8,731)
Investments	(3,833)	(72,669)			(112)	(19,175)		
Taxes Receivable								
Due from Grantor		50,981		(16,178)			5,000	(5,522)
Due from Other Funds								
Inventory				25,476		(91,416)		
(Increase) Decrease in:								
Accounts Payable	1,903	14,138	995	1,019	6,950	82,209		1,223
Accrued Expenses	(1,978)	(8,068)		(16,437)	1	4,155		
Due to Other Funds				186,451			(5,000)	7,508
Deferred Revenue		(50,981)						9,766
Operating Transfers In (Out)								
Refunds to Grantor								
Revenues Over Expenditures								
- Statement of Revenues,								
Expenditures, and Changes								
in Fund Balance	\$ <u>22,879</u>	<u>(133,952)</u>	<u>(145,517)</u>	<u>210,461</u>	<u>32,530</u>	<u>46,578</u>		<u>12,975</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
NON-MAJOR GOVERNMENTAL FUNDS
RECONCILIATION OF BUDGETARY BASIS TO
GAAP BASIS STATEMENTS
For the Year Ended June 30, 2010

	<u>Fund 24143</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>ELL TITLE III - INCENTIVE AWARDS</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 Over Expenditures								
- Budgetary Comparison								
Statements - Budgetary Basis	3,000	(18,910)	(159,711)	20,734	68,957	(701)	(6,659)	
Adjustments:								
Increase (Decrease) in:								
Cash (Reclassification)	(3,000)	18,910	159,711	(20,734)	(68,957)	(1,237)	6,659	
Investments								
Taxes Receivable								
Due from Grantor	(3,000)	35,030	195,687	(19,616)	(68,957)	701	9,004	4,178
Due from Other Funds								
Inventory								
(Increase) Decrease in:								
Accounts Payable		(796)	9,140	(582)	743	9,418	(2,345)	(1,840)
Accrued Expenses			(2,312)	(86)				(2,338)
Due to Other Funds	3,000	(18,114)	(165,135)	20,678	68,957	(8,181)	(6,659)	
Deferred Revenue	3,000	(35,030)	86,818	30,151	68,957	17,897	(2,345)	(4,178)
Operating Transfers In (Out)								
Refunds to Grantor								
Revenues Over Expenditures								
- Statement of Revenues,								
Expenditures, and Changes								
in Fund Balance	<u>3,000</u>	<u>(18,910)</u>	<u>124,198</u>	<u>30,545</u>	<u>69,700</u>	<u>17,897</u>	<u>(2,345)</u>	<u>(4,178)</u>

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STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
NON-MAJOR GOVERNMENTAL FUNDS
RECONCILIATION OF BUDGETARY BASIS TO
GAAP BASIS STATEMENTS
For the Year Ended June 30, 2010

	Fund 24180	Fund 24182	Fund 24201	Fund 24206	Fund 24262	Fund 25122	Fund 25131
S -	CARL PERKINS HSTW	CARL PERKINS HSTW - REDISTRIBUTION	ESEA TITLE I - ARRA	IDEA-B ENTITLEMENT - ARRA	TITLE I PROGRAM IMPROVEMENT ARRA	IHS/ NORTHERN NAVAJO MEDICAL CENTER	JOHNSON O'MALLEY
Revenues Over Expenditures - Budgetary Comparison Statements - Budgetary Basis	2,196	1	(137,203)	250,975	(158,076)	115,067	8,011
Adjustments:							
Increase (Decrease) in:							
Cash (Reclassification)	(2,196)		137,204	(250,974)	158,076	4,515	(8,011)
Investments							
Taxes Receivable							
Due from Grantor	(1,257)		135,743	77,348	158,076		(360)
Due from Other Funds							
Inventory							
(Increase) Decrease in:							
Accounts Payable	2,570		(24,661)	13,423	(4,519)	(4,105)	14,040
Accrued Expenses	(794)	(1)	1,460	1,527			1,209
Due to Other Funds	2,051		(112,543)	237,153	(153,557)		9,071
Deferred Revenue	1,409		(27,907)	(9,662)		(115,477)	(84,701)
Operating Transfers In (Out) Refunds to Grantor							
Revenues Over Expenditures - Statement of Revenues, Expenditures, and Changes in Fund Balance	<u>3,979</u>		<u>(27,907)</u>	<u>319,790</u>			<u>(60,741)</u>

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STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
NON-MAJOR GOVERNMENTAL FUNDS
RECONCILIATION OF BUDGETARY BASIS TO
GAAP BASIS STATEMENTS
For the Year Ended June 30, 2010

	Fund 25145	Fund 25151	Fund 25152	Fund 25184	Fund 25201	Fund 26119	Fund 26174
	IMPACT AID - SPECIAL EDUCATION	PROMOTION OF THE ARTS GRANT	MEDICAL ASSISTANCE PAYMENTS (MEDICAID)	INDIAN EDUCATION FORMULA GRANT	NAVAJO NATION GRANTS	HEIFER INTERNATIONAL GRANT	PARENTS REACHING OUT
Revenues Over Expenditures							
- Budgetary Comparison							
Statements - Budgetary Basis	(44,834)	(91)	(27,825)	(257,555)		(8,166)	(11,678)
Adjustments:							
Increase (Decrease) in:							
Cash (Reclassification)	(23,990)		17,295	111,948			11,678
Investments			(9,897)				
Taxes Receivable							
Due from Grantor			(21,553)	213,806	(9)		13,685
Due from Other Funds							
Inventory							
(Increase) Decrease in:							
Accounts Payable	23,890	(1)	(6,157)	(3,610)	(4,131)		3,979
Accrued Expenses	(827)			45			
Due to Other Funds				(117,055)	4,131		(11,550)
Deferred Revenue				52,421	9		(11,185)
Operating Transfers In (Out)							
Refunds to Grantor							
Revenues Over Expenditures							
- Statement of Revenues,							
Expenditures, and Changes							
in Fund Balance	<u>(45,761)</u>	<u>(92)</u>	<u>(48,137)</u>			<u>(8,166)</u>	<u>(5,071)</u>

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
NON-MAJOR GOVERNMENTAL FUNDS
RECONCILIATION OF BUDGETARY BASIS TO
GAAP BASIS STATEMENTS
For the Year Ended June 30, 2010

	Fund 26176	Fund 26200	Fund 27103	Fund 27105	Fund 27117	Fund 27138	Fund 27149	Fund 27150
	NEW MEXICO COMMUNITY FOUNDATION	CONOCO PHILLIPS EDUCATIONAL GRANTS	DUAL CREDIT INSTRUCTIONAL MATERIALS	GO STUDENT LIBRARY FUNDS	TECHNOLOGY FOR EDUCATION	INCENTIVES FOR SCHOOL IMPROVEMENTS	PRE-K INITIATIVE	INDIAN EDUCATION ACT
Revenues Over Expenditures								
- Budgetary Comparison								
Statements - Budgetary Basis		4,658	(3,000)	(51,628)	(20,664)	(5,895)	75,434	(105,553)
Adjustments:								
Increase (Decrease) in:								
Cash (Reclassification)			3,000	51,628	1,736		(75,369)	105,553
Investments					(3,457)	(579)		
Taxes Receivable								
Due from Grantor			3,000	51,628			(46,213)	105,553
Due from Other Funds								
Inventory								
(Increase) Decrease in:								
Accounts Payable					2,233	579	20,750	(13,086)
Accrued Expenses					(1,653)		219	
Due to Other Funds			(3,000)	(51,628)			72,850	(92,467)
Deferred Revenue					21,805	5,895	131,188	
Operating Transfers In (Out)								
Refunds to Grantor	(25,474)							
Revenues Over Expenditures								
- Statement of Revenues,								
Expenditures, and Changes								
in Fund Balance	(25,474)	4,658					178,859	

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STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
NON-MAJOR GOVERNMENTAL FUNDS
RECONCILIATION OF BUDGETARY BASIS TO
GAAP BASIS STATEMENTS
For the Year Ended June 30, 2010

	Fund 27154	Fund 27164	Fund 27165	Fund 27166	Fund 27169	Fund 27170	Fund 27504	Fund 27549
	BEGINNING TEACHER MENTORING	SCHOOL IMPROVEMENT FRAMEWORK	LEGISLATIVE APPROPRIATION LAW OF 2007	KINDERGARTEN - THREE PLUS	PRE-K START UP	LIBRARIES GO BOND	NM OUTDOOR CLASSROOM INITIATIVE	2008 LIBRARY BOOK
Revenues Over Expenditures								
- Budgetary Comparison								
Statements - Budgetary Basis	(29,323)	23,235	359	55,129	11,005	1,930	1,000	(20,547)
Adjustments:								
Increase (Decrease) in:								
Cash (Reclassification)		(23,235)	(359)	(55,139)	(10,861)	(1,930)	(1,000)	
Investments								
Taxes Receivable								
Due from Grantor			(359)	40,481		(1,930)		
Due from Other Funds								
Inventory								
(Increase) Decrease in:								
Accounts Payable				33,385	6,398			
Accrued Expenses				(13,108)				
Due to Other Funds		23,235	359	21,754	10,859	1,930	1,000	
Deferred Revenue	29,323		359	(12,682)	(144)	1,930		20,547
Operating Transfers In (Out)								
Refunds to Grantor								
Revenues Over Expenditures								
- Statement of Revenues,								
Expenditures, and Changes								
in Fund Balance		23,235	359	69,820	17,257	1,930	1,000	

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STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
NON-MAJOR GOVERNMENTAL FUNDS
RECONCILIATION OF BUDGETARY BASIS TO
GAAP BASIS STATEMENTS
For the Year Ended June 30, 2010

	Fund 28106	Fund 28121	Fund 28131	Fund 28178	Fund 28180	Fund 29102	Fund 29114	Fund 29130
	NATURAL HEALERS	PRE-SCHOOL CYFD	NEW MEXICO ARTS	GEAR-UP CHE	REGIONAL QUALITY CENTER	PRIVATE DIRECT GRANTS	MCCUNE CHARITABLE FOUNDATION	SCHOOL BASED HEALTH CTR
Revenues Over Expenditures								
- Budgetary Comparison								
Statements - Budgetary Basis	3,402	(35,110)	3,443	(82,563)		(2,782)	860	44,711
Adjustments:								
Increase (Decrease) in:								
Cash (Reclassification)		35,000	(3,245)	82,563				153
Investments		(9,073)			(4,591)			(4,285)
Taxes Receivable								
Due from Grantor		34,951	(3,245)	97,039				(12,200)
Due from Other Funds								
Inventory								
(Increase) Decrease in:								
Accounts Payable		3,601		(476)	4,591	433		4,264
Accrued Expenses		49		(9,153)				
Due to Other Funds		(29,138)	3,245	(81,805)				
Deferred Revenue	(3,402)		(198)	40,695				
Operating Transfers In (Out)								
Refunds to Grantor								
Revenues Over Expenditures								
- Statement of Revenues,								
Expenditures, and Changes								
in Fund Balance		280		46,300		(2,349)	860	32,643

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STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
NON-MAJOR GOVERNMENTAL FUNDS
RECONCILIATION OF BUDGETARY BASIS TO
GAAP BASIS STATEMENTS
For the Year Ended June 30, 2010

	Fund 31100	Fund 31400	Fund 31500	Fund 31700	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
	BOND BUILDING	SPECIAL CAPITAL OUTLAY - STATE	SPECIAL CAPITAL OUTLAY - FEDERAL	CAPITAL IMPROVEMENTS SB-9	
Revenues Over Expenditures					
- Budgetary Comparison					
Statements - Budgetary Basis	(1,731,786)	334,069	(375,799)	(485,580)	(2,614,539)
Adjustments:					
Increase (Decrease) in:					
Cash (Reclassification)		(316,703)			(160,687)
Investments	(365)				(128,036)
Taxes Receivable				5,647	5,647
Due from Grantor		(316,703)			714,789
Due from Other Funds					
Inventory					(65,940)
(Increase) Decrease in:					
Accounts Payable	101,514	339,673	(624)	121,063	757,191
Accrued Expenses				1	(48,089)
Due to Other Funds		316,703			135,103
Deferred Revenue		174,883		(5,049)	334,112
Operating Transfers In (Out)					
Refunds to Grantor					(25,474)
Revenues Over Expenditures					
- Statement of Revenues,					
Expenditures, and Changes					
in Fund Balance	<u>(1,630,637)</u>	<u>531,922</u>	<u>(376,423)</u>	<u>(363,918)</u>	<u>(1,095,923)</u>

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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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources:					
Rents	\$ 600,000	600,000	637,118	-	37,118
Investment Income	500	500	716	-	216
Total Revenues	<u>600,500</u>	<u>600,500</u>	<u>637,834</u>	<u>-</u>	<u>37,334</u>
Expenditures:					
Education, Current:					
Operations and Maintenance of Plant	561,719	561,719	475,136	-	86,583
Education, Non-Current:					
Capital Outlay	100,000	71,574	65,938	28,426	5,636
Total Expenditures	<u>661,719</u>	<u>633,293</u>	<u>541,074</u>	<u>28,426</u>	<u>92,219</u>
Revenues Over (Under) Expenditures	<u>(61,219)</u>	<u>(32,793)</u>	<u>96,760</u>	<u>28,426</u>	<u>129,553</u>
Budgetary Notation - Cash Appropriated from Prior Year	<u>\$ 61,219</u>	<u>32,793</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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources:					
Transportation Distribution	\$ 2,592,559	2,267,481	2,221,783	(325,078)	(45,698)
Transportation Distribution	-	649,088	649,084	649,088	(4)
Total Revenues	<u>2,592,559</u>	<u>2,916,569</u>	<u>2,870,867</u>	<u>324,010</u>	<u>(45,702)</u>
Expenditures:					
Education, Current:					
Student Transportation	<u>2,592,559</u>	<u>3,002,219</u>	<u>3,002,219</u>	<u>(409,660)</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(85,650)</u>	<u>(131,352)</u>	<u>(85,650)</u>	<u>(45,702)</u>
Budgetary Notation - Cash Appropriated from Prior Year	<u>\$ -</u>	<u>85,650</u>		<u>85,650</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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources:					
Instructional Materials - Credit 50%	\$ 127,713	127,713	127,713	-	-
Instructional Materials - Cash 50%	127,713	127,713	127,713	-	-
	<u>255,426</u>	<u>255,426</u>	<u>255,426</u>	<u>-</u>	<u>-</u>
Local Sources:					
Insurance/Individual Recoveries	-	-	2,360	-	2,360
Total Revenues	<u>255,426</u>	<u>255,426</u>	<u>257,786</u>	<u>-</u>	<u>2,360</u>
Expenditures:					
Education, Current:					
Instruction	431,340	695,877	377,776	(264,537)	318,101
Support Services - Instruction	64,086	32,563	26,522	31,523	6,041
Total Expenditures	<u>495,426</u>	<u>728,440</u>	<u>404,298</u>	<u>(233,014)</u>	<u>324,142</u>
Revenues Over (Under) Expenditures	<u>(240,000)</u>	<u>(473,014)</u>	<u>(146,512)</u>	<u>(233,014)</u>	<u>326,502</u>
Budgetary Notation - Cash Appropriated from Prior Year	<u>\$ 240,000</u>	<u>473,014</u>		<u>233,014</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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources:					
Direct Federal Grants	\$ 3,160,500	3,160,500	2,934,726	-	(225,774)
Donated Commodities	275,000	275,000	211,041	-	(63,959)
	<u>3,435,500</u>	<u>3,435,500</u>	<u>3,145,767</u>	<u>-</u>	<u>(289,733)</u>
Local Sources:					
Fees - Adults	174,094	174,094	239,014	-	64,920
Total Revenues	<u>3,609,594</u>	<u>3,609,594</u>	<u>3,384,781</u>	<u>-</u>	<u>(224,813)</u>
Expenditures:					
Education, Current:					
Food Services	<u>3,609,594</u>	<u>3,609,594</u>	<u>3,163,968</u>	<u>-</u>	<u>445,626</u>
Revenues Over (Under) Expenditures	\$ <u>-</u>	<u>-</u>	<u>220,813</u>	<u>-</u>	<u>220,813</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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Local Sources:					
Fees - Activities	\$ 264,883	264,883	374,381	-	109,498
Prior Year Voided Checks	-	-	1,161	-	1,161
Investment Income	6,000	6,000	6,223	-	223
Total Revenues	<u>270,883</u>	<u>270,883</u>	<u>381,765</u>	<u>-</u>	<u>110,882</u>
Expenditures:					
Education, Current:					
Instructiona	<u>587,143</u>	<u>611,903</u>	<u>356,388</u>	<u>(24,760)</u>	<u>255,515</u>
Revenues Over (Under) Expenditures	<u>(316,260)</u>	<u>(341,020)</u>	<u>25,377</u>	<u>(24,760)</u>	<u>366,397</u>
Budgetary Notation - Cash Appropriated from Prior Year	<u>\$ 316,260</u>	<u>341,020</u>		<u>24,760</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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources:					
Fees - Activities	\$ 19,537	19,537	4,261	-	(15,276)
Fees - Users	1,076,750	1,076,750	794,092	-	(282,658)
Contributions and Donations	-	-	17,332	-	17,332
Investment Income	17,000	17,000	10,165	-	(6,835)
Total Revenues	<u>1,113,287</u>	<u>1,113,287</u>	<u>825,850</u>	<u>-</u>	<u>(287,437)</u>
Expenditures:					
Education, Current:					
Instructional	<u>1,719,775</u>	<u>1,673,282</u>	<u>755,743</u>	<u>46,493</u>	<u>917,539</u>
Revenues Over (Under) Expenditures	<u>(606,488)</u>	<u>(559,995)</u>	<u>70,107</u>	<u>46,493</u>	<u>630,102</u>
Budgetary Notation - Cash Appropriated from Prior Year	<u>\$ 606,488</u>	<u>559,995</u>			

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 24107 - IDEA-B AUTISM
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	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	-	2,500	2,500	(2,500)	-
Support Services - Students	-	2,500	2,500	(2,500)	-
Total Expenditures	-	5,000	5,000	(5,000)	-
Revenues Over (Under) Expenditures	\$ -	-	(5,000)	-	(5,000)

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ 45,314	55,998	38,601	10,684	(17,397)
Expenditures:					
Education, Current:					
Instruction	44,414	54,846	28,718	(10,432)	26,128
Support Services - General Administration	900	1,152	1,152	(252)	-
Total Expenditures	45,314	55,998	29,870	(10,684)	26,128
Revenues Over (Under) Expenditures	\$ -	-	8,731	-	8,731

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, 2010

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

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ 146,080	301,453	282,543	155,373	(18,910)
Expenditures:					
Education, Current:					
Instruction	141,000	296,373	296,373	(155,373)	-
Support Services - Students	-	702	702	(702)	-
Support Services - Instruction	-	604	604	(604)	-
Support Services - General Administration	4,080	3,047	3,047	1,033	-
Support Services - School Administration	1,000	727	727	273	-
Total Expenditures	146,080	301,453	301,453	(155,373)	-
Revenues Over (Under) Expenditures	\$ -	-	(18,910)	-	(18,910)

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ 785,816	785,816	533,715	-	(252,101)
Expenditures:					
Education, Current:					
Instruction	599,396	349,396	317,041	250,000	32,355
Support Services - Students	-	272,800	272,198	(272,800)	602
Support Services - Instruction	-	1,214	1,210	(1,214)	4
Support Services - General Administration	16,368	16,368	16,368	-	-
Support Services - School Administration	170,052	131,038	80,342	39,014	50,696
Student Transportation	-	15,000	6,267	(15,000)	8,733
Total Expenditures	785,816	785,816	693,426	-	92,390
Revenues Over (Under) Expenditures	\$ -	-	(159,711)	-	(159,711)

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ 55,368	66,625	49,816	11,257	(16,809)
Expenditures:					
Education, Current:					
Instruction	53,272	64,529	27,814	(11,257)	36,715
Support Services - General Administration	1,155	1,155	1,155	-	-
Support Services - School Administration	941	941	113	-	828
Total Expenditures	55,368	66,625	29,082	(11,257)	37,543
Revenues Over (Under) Expenditures	\$ -	-	20,734	-	20,734

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ -	-	68,957	-	68,957
Expenditures:					
Education, Current:					
Instruction	-	-	-	-	-
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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ 350,190	175,095	174,394	(175,095)	(701)
Expenditures:					
Education, Current:					
Instruction	16,519	171,469	171,469	(154,950)	-
Support Services - Students	326,419	-	-	326,419	-
Support Services - General Administrator	7,252	3,626	3,626	3,626	-
Total Expenditures	350,190	175,095	175,095	175,095	-
Revenues Over (Under) Expenditures	\$ -	-	(701)	-	(701)

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	104,916	58,626	104,916	(46,290)
Expenditures:					
Education, Current:					
Instruction	-	84,000	56,867	(84,000)	27,133
Support Services - Instruction	-	18,916	6,418	(18,916)	12,498
Support Services - General Administrator	-	2,000	2,000	(2,000)	-
Total Expenditures	-	104,916	65,285	(104,916)	39,631
Revenues Over (Under) Expenditures	\$ -	-	(6,659)	-	(6,659)

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 24176 - CARL PERKINS REDISTRIBUTION
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	14,472	-	14,472	(14,472)
Expenditures:					
Education, Current:					
Instruction	-	14,472	-	(14,472)	14,472
Revenues Over (Under) Expenditures	\$ -	-	-	-	-

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	32,909	34,376	32,909	1,467
Expenditures:					
Education, Current:					
Instruction	-	29,233	28,504	(29,233)	729
Support Services - Student	-	3,030	3,030	(3,030)	-
Support Services - General Administrator	-	646	646	(646)	-
Total Expenditures	-	32,909	32,180	(32,909)	729
Revenues Over (Under) Expenditures	\$ -	-	2,196	-	2,196

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 24181 - CARL PERKINS HSTW - PY UNLIQUIDATED OBLIGATIONS
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	2,425	2,425	2,425	-
Expenditures:					
Education, Current:					
Instruction	-	2,425	2,425	(2,425)	-
Revenues Over (Under) Expenditures	\$ -	-	-	-	-

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 24182 - CARL PERKINS HSTW - REDISTRIBUTION
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	16,397	13,327	16,397	(3,070)
Expenditures:					
Education, Current:					
Instruction	-	13,068	11,498	(13,068)	1,570
Support Services - Students	-	2,094	594	(2,094)	1,500
Support Services - General Administrator	-	285	285	(285)	-
Support Services - School Administrator	-	950	949	(950)	1
Total Expenditures	-	16,397	13,326	(16,397)	3,071
Revenues Over (Under) Expenditures	\$ -	-	1	-	1

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 24201 - ESEA TITLE I - ARRA
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ 1,010,605	2,234,092	566,548	1,223,487	(1,667,544)
Expenditures:					
Education, Current:					
Instruction	922,154	1,527,539	288,535	(605,385)	1,239,004
Support Services - Students	-	346,294	346,172	(346,294)	122
Support Services - Instruction	-	198,647	-	(198,647)	198,647
Support Services - General Administration	21,077	48,238	14,628	(27,161)	33,610
Support Services - School Administration	-	5,000	-	(5,000)	5,000
Support Services - Central Services	-	6,000	6,000	(6,000)	-
Student Transportation	56,145	51,145	-	5,000	51,145
Community Services	11,229	51,229	48,416	(40,000)	2,813
Total Expenditures	1,010,605	2,234,092	703,751	(1,223,487)	1,530,341
Revenues Over (Under) Expenditures	\$ -	-	(137,203)	-	(137,203)

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ -	1,620,516	953,959	1,620,516	(666,557)
Expenditures:					
Education, Current:					
Instruction	-	887,626	340,423	(887,626)	547,203
Support Services - Students	-	688,513	343,230	(688,513)	345,283
Support Services - General Administration	-	33,750	13,725	(33,750)	20,025
Support Services - School Administration	-	627	626	(627)	1
Student Transportation	-	10,000	4,980	(10,000)	5,020
Total Expenditures	-	1,620,516	702,984	(1,620,516)	917,532
Revenues Over (Under) Expenditures	\$ -	-	250,975	-	250,975

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ -	70,232	1,225	70,232	(69,007)
Expenditures:					
Education, Current:					
Instruction	-	46,910	1,225	(46,910)	45,685
Support Services - Students	-	18,790	-	(18,790)	18,790
Support Services - General Administration	-	1,532	-	(1,532)	1,532
Student Transportation	-	3,000	-	(3,000)	3,000
Total Expenditures	-	70,232	1,225	(70,232)	69,007
Revenues Over (Under) Expenditures	\$ -	-	-	-	-

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 24262 - TITLE I PROGRAM IMPROVEMENT - ARRA
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ -	480,000	315,542	480,000	(164,458)
Expenditures:					
Education, Current:					
Instruction	-	480,000	473,618	(480,000)	6,382
Revenues Over (Under) Expenditures	\$ -	-	(158,076)	-	(158,076)

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ 196,000	245,814	228,738	49,814	(17,076)
Expenditures:					
Education, Current:					
Instruction	-	8,007	2,856	(8,007)	5,151
Support Services - Students	196,000	237,807	110,815	(41,807)	126,992
Total Expenditures	196,000	245,814	113,671	(49,814)	132,143
Revenues Over (Under) Expenditures	\$ -	-	115,067	-	115,067

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ -	488,730	432,257	488,730	(56,473)
Expenditures:					
Education, Current:					
Instruction	-	271,332	232,828	(271,332)	38,504
Support Services - Students	-	126,060	122,274	(126,060)	3,786
Support Services - General Administration	-	8,477	8,477	(8,477)	-
Support Services - School Administration	-	82,861	60,667	(82,861)	22,194
Total Expenditures	-	488,730	424,246	(488,730)	64,484
Revenues Over (Under) Expenditures	\$ -	-	8,011	-	8,011

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ 728,710	728,710	678,500	-	(50,210)
Expenditures:					
Education, Current:					
Instruction	843,487	861,286	697,835	(17,799)	163,451
Support Services - School Administration	18,199	18,199	14,778	-	3,421
Operations and Maintenance of Plant	10,911	10,911	10,721	-	190
Total Expenditures	872,597	890,396	723,334	(17,799)	167,062
Revenues Over (Under) Expenditures	(143,887)	(161,686)	(44,834)	(17,799)	116,852
Budgetary Notation - Cash Appropriated from Prior Year	\$ 143,887	161,686		17,799	

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ -	3,250	3,250	3,250	-
Expenditures:					
Education, Current:					
Instruction	-	3,250	3,250	(3,250)	-
Revenues Over (Under) Expenditures	\$ -	-	-	-	-

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 25151 - PROMOTION OF THE ARTS GRANT
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ -	10,000	-	10,000	(10,000)
Expenditures:					
Education, Current:					
Instruction	-	10,938	91	(10,938)	10,847
Revenues Over (Under) Expenditures	-	(938)	(91)	(938)	847
Budgetary Notation - Cash Appropriated from Prior Year	\$ -	938		938	

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	-	187,598	-	187,598
Expenditures:					
Education, Current:					
Support Services - Students	150,000	252,470	215,423	(102,470)	37,047
Revenues Over (Under) Expenditures	(150,000)	(252,470)	(27,825)	(102,470)	224,645
Budgetary Notation - Cash Appropriated from Prior Year	\$ 150,000	252,470		102,470	

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	7,750	7,750	7,750	-
Expenditures:					
Education, Current:					
Instruction	-	7,750	7,750	(7,750)	-
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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ 1,205,654	1,205,654	950,000	-	(255,654)
Expenditures:					
Education, Current:					
Instruction	1,087,356	1,178,600	1,123,012	(91,244)	55,588
Support Services - Students	52,045	19,436	19,436	32,609	-
Support Services - General Administration	25,144	25,144	25,144	-	-
Support Services - School Administration	41,109	41,109	39,963	-	1,146
Total Expenditures	1,205,654	1,264,289	1,207,555	(58,635)	56,734
Revenues Over (Under) Expenditures	-	(58,635)	(257,555)	(58,635)	(198,920)
Budgetary Notation - Cash Appropriated from Prior Year	\$ -	58,635		58,635	

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ 98,000	98,000	98,000	-	-
Expenditures:					
Education, Current:					
Support Services - Students	98,000	98,000	98,000	-	-
Revenues Over (Under) Expenditures	\$ -	-	-	-	-

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 25250 - STATE STABILIZATION - ARRA
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Federal Sources	\$ 3,314,987	4,135,558	4,135,557	820,571	(1)
Expenditures:					
Education, Current:					
Instruction	3,195,315	4,015,886	4,015,885	(820,571)	1
Support Services - Instruction	119,672	119,672	119,672	-	-
	<u>3,314,987</u>	<u>4,135,558</u>	<u>4,135,557</u>	<u>(820,571)</u>	<u>1</u>
Revenues Over (Under) Expenditures	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Local Sources	\$ -	-	-	-	-
Expenditures:					
Education, Current:					
Instruction	-	11,017	8,166	(11,017)	2,851
Revenues Over (Under) Expenditures	-	(11,017)	(8,166)	(11,017)	2,851
Budgetary Notation - Cash Appropriated from Prior Year	\$ -	11,017		11,017	

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources	\$ -	55,000	50,000	-	-
Expenditures:					
Education, Current:					
Community Services	-	63,728	61,678	(63,728)	2,050
Revenues Over (Under) Expenditures	-	(8,728)	(11,678)	(63,728)	2,050
Budgetary Notation - Cash Appropriated from Prior Year	\$ -	8,728		63,728	

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 26200 - CONOCO PHILLIPS EDUCATION GRANTS
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Local Sources	\$ -	9,087	9,087	9,087	-
Expenditures:					
Education, Current:					
Community Services	-	9,087	4,429	(9,087)	4,658
Revenues Over (Under) Expenditures	\$ -	9,087	4,658	-	4,658

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 27103 - DUAL CREDIT INSTRUCTIONAL MATERIALS
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources	\$ -	3,000	-	3,000	(3,000)
Expenditures:					
Education, Current:					
Operations and Maintenance of Plant	-	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 27105 - GO STUDENT LIBRARY FUNDS
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources	\$ -	63,844	-	63,844	(63,844)
Expenditures:					
Education, Current:					
Operations and Maintenance of Plant	-	63,844	51,628	(63,844)	12,216
Revenues Over (Under) Expenditures	\$ -	-	(51,628)	-	(51,628)

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources	\$ -	61,466	43,557	61,466	(17,909)
Expenditures:					
Education, Current:					
Operations and Maintenance of Plant	-	87,309	64,221	(87,309)	23,088
Revenues Over (Under) Expenditures	-	(25,843)	(20,664)	(25,843)	5,179
Budgetary Notation - Cash Appropriated from Prior Year	\$ -	25,843		25,843	

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ -	-	-	-	-
Expenditures:					
Education, Current:					
Instruction	30,000	8,605	5,895	21,395	2,710
Revenues Over (Under) Expenditures	<u>(30,000)</u>	<u>(8,605)</u>	<u>(5,895)</u>	<u>21,395</u>	<u>2,710</u>
Budgetary Notation - Cash Appropriated from Prior Year	\$ <u>30,000</u>	<u>8,605</u>			

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources	\$ 921,617	921,617	997,051	-	75,434
Expenditures:					
Education, Current:					
Instruction	753,216	753,216	753,216	-	-
Support Services - General Administration	24,252	25,252	25,252	(1,000)	-
Student Transportation	144,149	143,149	143,149	1,000	-
Total Expenditures	921,617	921,617	921,617	-	-
Revenues Over (Under) Expenditures	\$ -	-	75,434	-	75,434

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 27150 - INDIAN EDUCATION ACT
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources	\$ -	150,000	15,636	150,000	(134,364)
Expenditures:					
Education, Current:					
Instruction	-	150,000	121,189	(150,000)	28,811
Revenues Over (Under) Expenditures	\$ -	-	(105,553)	-	(105,553)

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources	\$ -	23,493	23,492	23,493	(1)
Expenditures:					
Education, Current:					
Instruction	-	53,586	52,815	(53,586)	771
Revenues Over (Under) Expenditures	-	(30,093)	(29,323)	(30,093)	770
Budgetary Notation - Cash Appropriated from Prior Year	\$ -	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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources	\$ -	159,534	159,533	159,534	(1)
Expenditures:					
Education, Current:					
Food Services	-	159,534	159,533	(159,534)	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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources	\$ -	-	23,235	-	23,235
Expenditures:					
Education, Current:					
Instruction	-	-	-	-	-
Revenues Over (Under) Expenditures	\$ -	-	23,235	-	23,235

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 27165 - LEGISLATIVE APPROPRIATION LAW OF 2007
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

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

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources	\$ 366,316	345,436	400,565	(20,880)	55,129
Expenditures:					
Education, Current:					
Instruction	230,222	255,222	255,222	(25,000)	-
Support Services - Students	82,054	47,525	47,531	34,529	(6)
Support Services - Instruction	42,591	37,738	37,735	4,853	3
Operations and Maintenance of Plant	11,449	4,951	4,948	6,498	3
Total Expenditures	366,316	345,436	345,436	20,880	-
Revenues Over (Under) Expenditures	\$ -	-	55,129	-	55,129

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ -	-	11,005	-	11,005
Expenditures:					
Education, Current:					
Instruction	-	-	-	-	-
Revenues Over (Under) Expenditures	\$ -	-	11,005	-	11,005

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ -	5,572	7,502	5,572	1,930
Expenditures:					
Education, Current:					
Instruction	-	5,572	5,572	(5,572)	-
Revenues Over (Under) Expenditures	\$ -	-	1,930	-	1,930

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ -	-	1,000	-	1,000
Expenditures:					
Education, Current:					
Instruction	-	-	-	-	-
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, 2010

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

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 28106 - SCHOOL WELLNESS
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources	\$ -	10,000	10,000	10,000	-
Expenditures:					
Education, Current:					
Support Services - General Administration	-	9,760	6,358	(9,760)	3,402
Support Services - School Administration	-	240	240	(240)	-
Total Expenditures	-	10,000	6,598	(10,000)	3,402
Revenues Over (Under) Expenditures	\$ -	-	3,402	-	3,402

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources	\$ -	125,252	89,953	125,252	(35,299)
Expenditures:					
Education, Current:					
Support Services - General Administration	-	2,823	2,823	(2,823)	-
Community Services	-	122,429	122,240	(122,429)	189
Total Expenditures	-	125,252	125,063	(125,252)	189
Revenues Over (Under) Expenditures	\$ -	-	(35,110)	-	(35,110)

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ -	8,612	11,857	8,612	3,245
Expenditures:					
Education, Current:					
Instruction	-	8,612	8,414	(8,612)	198
Revenues Over (Under) Expenditures	\$ -	-	3,443	-	3,443

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources	\$ 50,000	198,694	77,428	148,694	(121,266)
Expenditures:					
Education, Current:					
Instruction	50,000	167,942	135,821	(117,942)	32,121
Support Services - Students	-	30,752	24,170	(30,752)	6,582
Total Expenditures	50,000	198,694	159,991	(148,694)	38,703
Revenues Over (Under) Expenditures	\$ -	-	(82,563)	-	(82,563)

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
Local Sources	\$ -	-	12,000	-	12,000
Expenditures:					
Education, Current:					
Instruction	-	1,027	260	(1,027)	767
Support Services - Students	-	12,000	9,707	(12,000)	2,293
Community Services	8,000	8,000	4,815	-	3,185
Total Expenditures	8,000	21,027	14,782	(13,027)	6,245
Revenues Over (Under) Expenditures	(8,000)	(21,027)	(2,782)	(13,027)	18,245
Budgetary Notation - Cash Appropriated from Prior Year	\$ 8,000	21,027		13,027	

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 29114 - MCCUNE CHARITABLE FOUNDATION
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources	\$ -	-	5,000	-	5,000
Expenditures:					
Education, Current:					
Support Services - Instruction	-	5,000	4,140	(5,000)	860
Revenues Over (Under) Expenditures	-	(5,000)	860	(5,000)	5,860
Budgetary Notation - Cash Appropriated from Prior Year	\$ -	5,000		5,000	

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ -	-	72,200	-	72,200
Expenditures:					
Education, Current:					
Support Services - Students	20,000	92,453	27,489	(72,453)	64,964
Revenues Over (Under) Expenditures	(20,000)	(92,453)	44,711	(72,453)	137,164
Budgetary Notation - Cash Appropriated from Prior Year	\$ 20,000	92,453		72,453	

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Local Sources:					
Investment Income	\$ 5,000	5,000	4,865	-	(135)
Expenditures:					
Education, Non-Current:					
Capital Outlay	1,800,624	1,736,786	1,736,651	63,838	135
Revenues Over (Under) Expenditures	(1,795,624)	(1,731,786)	(1,731,786)	63,838	-
Budgetary Notation - Cash Appropriated from Prior Year	\$ 1,795,624	1,731,786			

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FUND 31200 - PUBLIC SCHOOL CAPITAL OUTLAY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BASIS)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
	Revenues:				
State Sources	\$ -	16,000	-	16,000	(16,000)
Expenditures:					
Education, Non-Current:					
Capital Outlay	-	16,000	-	(16,000)	16,000
Revenues Over (Under) Expenditures	\$ -	-	-	-	-

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources	\$ 912,007	1,422,777	1,315,318	510,770	(107,459)
Expenditures:					
Education, Non-Current:					
Capital Outlay	912,007	1,422,777	981,249	(510,770)	441,528
Revenues Over (Under) Expenditures	\$ -	-	334,069	-	334,069

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
Federal Sources	\$ -	-	-	-	-
Expenditures:					
Education, Non-Current:					
Capital Outlay	2,723,159	2,163,915	375,799	559,244	1,788,116
Revenues Over (Under) Expenditures	(2,723,159)	(2,163,915)	(375,799)	559,244	1,788,116
Budgetary Notation - Cash Appropriated from Prior Year	\$ 2,723,159	2,163,915			

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, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variances	
	Original	Final		Original to Final	Final to Actual
Revenues:					
State Sources					
State Flow-Through Grants	\$ -	695,413	695,413	695,413	-
Local Sources					
Ad Valorem Taxes - School District	1,320,396	1,320,396	1,412,728	-	92,332
Oil and Gas Taxes	38,638	38,638	21,182	-	(17,456)
Investment Income	20,000	20,000	25,263	-	5,263
	<u>1,379,034</u>	<u>1,379,034</u>	<u>1,459,173</u>	<u>-</u>	<u>80,139</u>
Total Revenues	<u>1,379,034</u>	<u>2,074,447</u>	<u>2,154,586</u>	<u>695,413</u>	<u>80,139</u>
Expenditures:					
Education, Current:					
Support Services - General Administration	20,000	20,000	14,084	-	5,916
Education, Non-Current:					
Capital Outlay	<u>3,164,545</u>	<u>3,773,206</u>	<u>2,626,082</u>	<u>(608,661)</u>	<u>1,147,124</u>
Total Expenditures	<u>3,184,545</u>	<u>3,793,206</u>	<u>2,640,166</u>	<u>(608,661)</u>	<u>1,153,040</u>
Revenues Over (Under) Expenditures	<u>(1,805,511)</u>	<u>(1,718,759)</u>	<u>(485,580)</u>	<u>86,752</u>	<u>1,233,179</u>
Budgetary Notation - Cash Appropriated from Prior Year	\$ <u>1,805,511</u>	<u>1,718,759</u>			

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
FIDUCIARY FUNDS DESCRIPTION
For the Year Ended June 30, 2010

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, 2010

	<u>Balance</u> <u>July 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Net Increase</u> <u>(Decrease)</u>	<u>Balance</u> <u>June 30, 2010</u>
<u>Assets</u>					
Cash and Investments	\$ <u>721,367</u>	<u>857,796</u>	<u>858,525</u>	<u>(729)</u>	<u>720,638</u>
<u>Liabilities</u>					
Deposits Held for Others	\$ <u>721,367</u>	<u>857,796</u>	<u>858,525</u>	<u>(729)</u>	<u>720,638</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, 2010

	Balance <u>July 1, 2009</u>	Additions	Deletions	Balance <u>June 30, 2010</u>
Central Activity - District	\$ 101,561	45,919	48,409	99,071
Kirtland Central High School	238,612	239,539	266,656	211,495
Kirtland Middle School	38,655	44,165	48,921	33,899
Kirtland Elementary School	24,623	81,551	64,244	41,930
Grace B. Wilson Elementary School	35,641	8,598	11,731	32,508
Ruth N. Bond Elementary School	24,086	37,367	31,619	29,834
Ojo Amarillo Elementary School	17,216	13,375	14,003	16,588
Kirtland Early Childhood Center	3,778	850	2,181.00	2,447
Shiprock High School	107,958	180,309	152,261	136,006
Career Prep High School	14,309	14,398	17,695	11,012
Tse Bit Ai Middle School	33,427	67,102	64,046	36,483
Mesa Elementary School	3,215	15,574	17,293	1,496
Nataani Nez Elementary School	19,470	25,213	29,043	15,640
Nizhoni Elementary School	4,086	3,038	5,645	1,479
Eva B. Stokely Elementary School	2,374	7,643	8,204	1,813
Newcomb High School	21,468	39,973	37,381	24,060
Newcomb Middle School	15,886	7,851	10,575	13,162
Newcomb Elementary School	8,855	10,429	12,359	6,925
Naschitti Elementary School	6,147	14,902	16,259	4,790
	<u>\$ 721,367</u>	<u>857,796</u>	<u>858,525</u>	<u>720,638</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, 2010

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass- Through Number	Federal Expenditures
Major Programs:			
U. S. Department of Education Direct Grants:			
Impact Aid:			
General	84.041	11000	\$ 21,532,710
Special Education	84.041	25145	724,261
Indian Add-on	84.041	25147	5,732,517
Native American School Repair and Renovation Grants	84.352B	31500	<u>376,423</u>
Total U.S. Department of Education Direct Grants			<u>28,365,911</u>
US Department of Education Passed Through New Mexico State Public Education Department:			
Title I Cluster:			
ESEA Title I	84.010	24101	3,382,383
Title I Part A - ARRA	84.389	24201	702,291
Title I School Improvement - ARRA	84.388	24262	<u>473,618</u>
Total Title I Cluster			<u>4,558,292</u>
IDEA-B Cluster:			
IDEA-B Entitlement	84.027	24106	1,561,888
IDEA-B Pre-School	84.173	24109	29,870
IDEA-B Entitlement - ARRA	84.391	24206	<u>703,080</u>
Total IDEA-B Cluster			<u>2,294,838</u>
English Language Acquisition	84.365A	24153	<u>301,453</u>
ARRA State Fiscal Stabilization	84.394	25250	<u>4,135,557</u>
Total Major Programs			<u>39,656,051</u>
Non-Major Programs:			
U. S. Department of Education Passed Through New Mexico State Public Education Department:			
Teacher/Principal Training and Recruiting (Title II-A)	84.367A	24154	692,022
Safe and Drug Free Schools and Communities (Title IV-A)	84.186A	24157	29,806
Reading First	84.357	24167	175,095
Carl Perkins Basic	84.048A	24174,5,6	71,808
Carl Perkins HSTW	84.048A	24180,1,2	46,301
Indian Education Formula Grant	84.060	25184	<u>1,216,227</u>
Total Department of Education Non-Major Programs			<u>2,231,259</u>
U. S. Department of Health & Human Services Indirect Grants Passed through Navajo Nation:			
IHS/Navajo Nation Medical Center	93.228	25122	113,261
Passed through New Mexico Public Education Department:			
NM GRADS - Child Care	93.596	25149	3,250
NM GRADS - Instructional	93.558/93.590	25162	<u>7,750</u>
Total Department of Health & Human Services Indirect Grants			<u>124,261</u>

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2010

	<u>Federal CFDA Number</u>	<u>Pass- Through Number</u>	<u>Federal Expenditures</u>
U.S. Department of Interior - Bureau of Indian Affairs Direct Grant: Johnson O'Malley	15.130	25131	<u>407,937</u>
U.S. Department of Agriculture: Passed through New Mexico Public Education Department:			
National School Breakfast	10.553	21000	681,684
National School Lunch	10.555	21000	2,024,699
Passed through New Mexico Department of Human Services:			
Commodities	10.550	21000	<u>212,745</u>
Total Department of Agriculture			<u>2,919,128</u>
National Endowment of the Arts Promotion of the Arts	45.024	25151	<u>92</u>
Total Non-Major Programs			<u>5,682,677</u>
Total Expenditures of Federal Awards			<u>\$ 45,338,728</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, 2010 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

212,745

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, 2010

<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		3128M1PC7	22,957	06-01-2021
Ginnie Mae Mortgage Backed Security		31409GP42	761,905	10-01-2036
Ginnie Mae Mortgage Backed Security		31410KQB3	190,883	05-01-2038
Ginnie Mae Mortgage Backed Security		31414TBF7	2,486,700	05-01-2038
Ginnie Mae Mortgage Backed Security		31415LML8	<u>29,225</u>	08-01-2038
			\$ <u><u>3,491,670</u></u>	
Bank of Southwest:				
Letters of Credit:	2044000261		\$ 75,000	06-06-2011
Letters of Credit:	9932000465		100,000	09-17-2010
Letters of Credit:	2044000254		<u>260,000</u>	06-02-2011
			\$ <u><u>435,000</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

The letters of credit are held for the District by Bank of the Southwest are located at the following address:
Federal Home Loan Bank
8500 Freeport Parkway South Suite 100
Irving, TX 75063-2547

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
CASH RECONCILIATION
For the Year Ended June 30, 2010

	<u>Operational</u>	<u>Teacherage</u>	<u>Transportation</u>	<u>Instructional Materials</u>	<u>Food Services</u>
Audited Cash and Investments, June 30, 2009	\$ 7,640,496	111,077	164,065	473,013	
Add:					
2009-2010 Revenues	49,036,155	637,834	2,870,867	257,786	3,384,781
Prior Year Checks Voided	12,877				
Cash Reclassification of Outstanding Liabilities	115,176	(73,806)	(8,670)		(4,232)
Net Loans from Other Funds					(186,451)
Operating Transfer In					
Total Cash and Investments Available	<u>56,804,704</u>	<u>675,105</u>	<u>3,026,262</u>	<u>730,799</u>	<u>3,194,098</u>
Less:					
2009-2010 Expenditures	49,460,633	541,074	3,002,443	404,298	3,164,048
Net Loans to Other Funds	(314,836)				
Refund to Grantor					
Operating Transfer Out	<u>765,463</u>				
Cash and Investments, June 30, 2010	<u>\$ 6,893,444</u>	<u>134,031</u>	<u>23,819</u>	<u>326,501</u>	<u>30,050</u>

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
CASH RECONCILIATION, continued
For the Year Ended June 30, 2010

	<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, 2009	\$ 341,132	596,707	8,726,170	225,268	1,732,151
Add:					
2009-2010 Revenues	380,604	808,518	20,502,619	2,020,460	4,500
Prior Year Checks Voided	1,161	17,332			
Cash Reclassification of Outstanding Liabilities	202	(18,477)	(10,600)	(36,168)	
Net Loans from Other Funds			53,962	134,356	
Operating Transfer In					
Total Cash and Investments Available	<u>723,099</u>	<u>1,404,080</u>	<u>29,272,151</u>	<u>2,343,916</u>	<u>1,736,651</u>
Less:					
2009-2010 Expenditures	356,388	759,416	20,849,209	2,172,257	1,736,651
Net Loans to Other Funds					
Refund to Grantor				25,474	
Operating Transfer Out					
Cash and Investments, June 30, 2010	<u>\$ 366,711</u>	<u>644,664</u>	<u>8,422,942</u>	<u>146,185</u>	<u></u>

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
CASH RECONCILIATION, continued
For the Year Ended June 30, 2010

	Special Capital Outlay - State	Special Capital Outlay - Federal	Capital Improvements SB-9	Debt Services	Totals
Audited Cash and Investments, June 30, 2009	\$	2,163,915	1,718,759	5,336,267	29,229,020
Add:					
2009-2010 Revenues	1,315,318		2,154,586	7,270,804	90,644,832
Prior Year Checks Voided					31,370
Cash Reclassification of Outstanding Liabilities					(36,575)
Net Loans from Other Funds	(316,703)				(314,836)
Operating Transfer In				765,463	765,463
Total Cash and Investments Available	<u>998,615</u>	<u>2,163,915</u>	<u>3,873,345</u>	<u>13,372,534</u>	<u>120,319,274</u>
Less:					
2009-2010 Expenditures	981,249	375,799	2,641,335	8,024,329	94,469,129
Net Loans to Other Funds					(314,836)
Refund to Grantor					25,474
Operating Transfer Out					765,463
Cash and Investments, June 30, 2010	<u>\$ 17,366</u>	<u>1,788,116</u>	<u>1,232,010</u>	<u>5,348,205</u>	<u>25,374,044</u>

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
JOINT POWERS AGREEMENTS
June 30, 2010

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, 2010

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, 2010. Accounts were held at Wells Fargo Bank, Bank of the Southwest, Bank of New York, 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	\$ 13,218		(54,366)	1,205	\$ (39,943)
Investment	2	683,948				683,948
		<u>697,166</u>		<u>(54,366)</u>	<u>1,205</u>	<u>644,005</u>
District Accounts:						
Operational	1	4,179,771	8,616	(4,661,511)	3,913,359	3,440,235
Investment	2,3	15,411,884				15,411,884
		<u>19,591,655</u>	<u>8,616</u>	<u>(4,661,511)</u>	<u>3,913,359</u>	<u>18,852,119</u>
Total Wells Fargo Bank		\$ <u>20,288,821</u>	<u>8,616</u>	<u>(4,715,877)</u>	<u>3,914,564</u>	\$ <u>19,496,124</u>
Bank of the Southwest:						
Fiduciary Account:						
Central Activity	1	\$ 61,536		(930)		\$ 60,606
District Account:						
Operational	1	765,262	930			766,192
Total Bank of the Southwest		\$ <u>826,798</u>	<u>930</u>	<u>(930)</u>		<u>826,798</u>
Bank of New York - Mellon	2	\$ <u>771,024</u>				\$ <u>771,024</u>
New Mexico State Treasurer	4	\$ <u>5,000,736</u>				\$ <u>5,000,736</u>
Total All Accounts and Investments						\$ <u>26,094,682</u>
Tie-in to Financial Statements:						
Cash and Investments - Statement of Net Assets						\$ 25,374,044
Cash and Investments - Statement of Fiduciary Net Assets						720,638
Total Cash and Investments						\$ <u>26,094,682</u>

The adjustment to the Operational account includes the \$3,913,359 for reclassification of liabilities at year end.

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



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

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
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, and the aggregate remaining fund information, and the budgetary comparisons of the general fund and the combining and individual funds and related budgetary comparisons presented as supplemental information of Central Consolidated School District, New Mexico, as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents, and have issued our report thereon dated November 4, 2010. 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 and budgetary comparisons presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2010, as listed in the table of contents, and have issued our report thereon dated November 4, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting. FS 10-01 through FS 10-06. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Central Consolidated School District, 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items FS 10-01 through FS 10-06.

The District's response to the findings identified in our audit is 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, the Board of Education, others within the organization, New Mexico Public Education Department, the audit committee, the Office of the State Auditor, New Mexico State Legislature, 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 4, 2010



Griego Professional Services, LLC

Certified Public Accountants

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

Hector 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 Central Consolidated School District, New Mexico, compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Central Consolidated School District major federal programs for the year ended June 30, 2010. Central Consolidated School District, New Mexico'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, New Mexico's management. Our responsibility is to express an opinion on Central Consolidated School District, New Mexico'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, New Mexico'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, New Mexico's compliance with those requirements.

In our opinion, Central Consolidated School District, 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, 2010.

Internal Control Over Compliance

Management of Central Consolidated School District, 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, New Mexico's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We 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 4, 2010

STATE OF NEW MEXICO
CENTRAL CONSOLIDATED SCHOOL DISTRICT NO. 22
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

Section I – Summary of Audit Results

Financial Statements:

1. Type of auditors’ report issued	Unqualified
2. Internal control over financial reporting:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	Yes
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:	

CFDA Number	Federal Program
84.041/84.352A	Impact Aid
84.010/84.388/84.389	Title I
84.027, 84.0173, 84.391	IDEA-B Entitlement
84.394	Federal SEG
84.365A	English Language Acquisition

5. Dollar threshold used to distinguish between type A and type B programs:	\$1,360,162
6. Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

FS 10-01 - Credit Cards

Condition: During our testwork of credit cards, we noted 4 credit card payments that were for expenses that had receipts but they were not itemized for the meal expense so there was no way of knowing if unallowable expenses were purchased. The District reduced an individual's reimbursement for expenses charged to the credit card which are not allowed by policy. The District did not communicate use policies for the card with this individual clearly prior to use.

Criteria: Section 6-5-8, NMSA 1978 requires that all claims for payment of public money shall be made upon a public voucher which shall be accompanied by supporting invoices and documentation required by the division. In addition, the District maintains an internal control policy which prohibits the use of the credit card for certain purchases.

Effect: The District is not in compliance with Section 6-5-8, NMSA 1978 or with internal control policies. Noncompliance by employees with regard to internal control policies may result in transaction considered to be unallowable or considered to be abuse or fraudulent transactions.

Cause: The District has not enforced the requirement for personnel to provide itemized receipts for purchases with government credit cards and does not attach documentation for the purpose of the out of town expenses.

Auditor's Recommendation: We recommend that the District more strictly enforce the requirement that an itemized receipt be submitted for each purchase of meal purchases with the District's credit card to ensure compliance with state statutes as well as to ensure that the Office's funds are not being misappropriated and that the District attach documentation as to the reason why there are out of town expenses. District policies must be communicated clearly prior to card use.

Management's Response: A new employee of the District traveled shortly after being hired. This employee had not received the normal instructions on proper use of a purchasing card for out-of-state travel prior to traveling. The individual mistakenly placed meals on the card while at a conference. Upon return, the individual turned in receipts which included the meals.

The District reduced the individual's per diem reimbursement amount by the amount that had been put on the purchasing card for meals. By doing this, the District only paid out what it normally would have according to policy, and the individual in fact was the ultimate payer of the meal costs.

The District has since worked to inform new employees of the District's travel policies and procedures for use of a purchasing card while on travel. District policy states that purchasing cards are not to be used for the purchase of meals in any circumstance except when traveling with students on school sponsored trips.

The District will continue to instruct individuals in the proper use of purchasing cards, especially as they relate to travel. If an employee mistakenly puts meal charges on the purchasing card, the per diem amount will be reduced accordingly for the employee upon payment of the travel reimbursement amounts.

FS 10-02 – Procurement Code

Condition: During our testwork of bids, we noted the following items:

- Two bids did not have evidence of acquiring sealed bids in their files. The evidence was maintained in the architects that requested the projects. The District should be maintaining the originals at the District as the District and not the architect is the designated custodian of public records for the District.

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Criteria: Per 14-2-7 Designee of custodian; duties, "Each public body shall designate at least one custodian of public records who shall: A. receive and respond to requests to inspect public records; B. provide proper and reasonable opportunities to inspect public records; C. provide reasonable facilities to make or furnish copies of the public records during usual business hours; and D. post in a conspicuous location at the administrative office of each public body a notice describing: (1) the right of a person to inspect a public body's records; (2) procedures for requesting inspection of public records; (3) procedures for requesting copies of public records; (4) reasonable fees for copying public records; and (5) the responsibility of a public body to make available public records for inspection."

Effect: The District is not in compliance with the State Statutes. Noncompliance may result in potential litigation, findings and restriction in spending from award agencies or the Public Education Department. In addition, the District may not be able to provide documents for public inspection in a timely manner if documents are not maintained on-site.

Cause: The District felt that since the architects were the originators of the bid, they did not need to maintain evidence that sealed bids were acquired on-site. According to the District, the architects are considered "custodians", however, no formal custodial agreement was provided..

Auditor Recommendation: The District should implement controls to ensure that procurement follows all applicable state statutes. All documentation must be maintained and secured at the District premises as the District is the custodian of public record.

Management Response: All original bid documents will be maintained at the District.

FS 10-03 – Leases

Condition: The District has allowed leases on property and buildings maintained on the Navajo reservation to expire. The lease properties include property and buildings in the Naschitti, Newcomb and Shiprock communities. The District is currently in negotiations to extend the expired leases.

Criteria: The District per 6.20.2.11D must "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."

Effect: The District did not re-new leases in a timely manner which allowed leases to expire. This may result in loss of District assets and potentially result in potential loss of revenue and service capabilities for the District.

Cause: The District has not been able to negotiate renewal of leases in a timely period. These leases have been long-term leases with the Navajo Nation and the process to re-new the leases has been time consuming. According District management, the process has resulted in the leases expiring and the District is currently in negotiations with the Navajo Nation.

Auditor Recommendation: The District must implement controls to ensure that lease renewal is processed in a timely manner to ensure operations are not affected.

Management Response: Unfortunately, the District has not done a good job in the past of identifying and renewing leases with the Navajo Tribe prior to their expiration. In fact, since the 1970's, every lease has expired without the District's or Tribe's knowledge of the expiration. This has resulted in significant lapses of time between lease expiration and renewal.

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Additionally, responsibility for management of leases has traditionally been left to the Construction Department. However, after review of this procedure and the recent identification of the lapsed leases, the District has established a dual responsibility for management of leases. The Construction Department and the Business Office will now share responsibility for managing the leases.

The District has established a listing of all leases with the Navajo Tribe, including their expiration dates, acreage, and prior lease dates and documents. This listing now identifies when new leases need to be initiated. The detailed listing will be maintained in an area which will be seen by employees in the two locations on a regular basis as there may be as much as ten to twelve years before additional leases need to be initiated, and personnel may change over that long period of time which has led to lapses in the past.

The District is working with the Navajo Tribe to renew all expired leases at this time. The District is receiving significant help from the Tribe in renewing these leases.

FS 10-04 – Payroll

Condition: During our test work of personnel files, GPS noted the following:

- One individual tested through payroll audit procedures was not paid the proper amount. The employee was required to be paid a stipend as a result of a national certification that she maintained. The stipend paid by the District and included in the teachers original payroll calculations was less than required by the certification. As a result, the District was required to correct the error and pay the teacher an additional \$12,922.08 during fiscal year ended 2010.
- An additional instance was noted in which an Education Assistant was overpaid by the District. The District did report the overpayment to the audit as a part of audit procedure inquiries. The overpayment totaled \$12,363.48.

Criteria: NMAC 6.20.2.18 states the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP.

Effect: The District is not in compliance with New Mexico State Statutes. The District could be subject to penalties or possibly legal action. Although this appears to be an isolated instance, not paying employees the correct salary based upon supporting documentation is a failure of internal control procedures and could result in various legal complications in the event of noncompliance with a contract.

Cause: The errors appear to be isolated instances. The internal controls over payroll process do not appear to have captured these instances.

Auditors' Recommendations: We recommend that the District make periodic checks to ensure all employees are earning the correct rate based upon their contract.

Management's Response: In July of 2010, the District was contacted by its budget analyst at the Public Education Department and asked to verify the amount paid to a teacher in the District who has National Board Certification. Upon review, the District determined that the teacher had not been paid the correct stipend amount. The District contacted the individual to let them know this and then established a repayment schedule for the underpayment of the stipend in the manner requested by the teacher. The District will review the stipend amount each year to verify that it is properly paid in the future.

The District maintains two separate methods of paying non-certified employees in the District. All employees are paid according to their actual hours paid as all non-exempt employees track time through an automated time clock system. However, employees may be paid each pay period according to the hours they actually worked during the pay period, or they may be paid on a contract method whereby they are paid an equal amount each pay period as are certified employees. However, every six to eight weeks, the payroll department must then compare how much each

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of these employees were actually paid and compare the amounts to the employee earned according to the time clock. An adjustment is then made to the check of the employee to add additional earnings or deduct earnings according to this reconciliation.

Through an error in the payroll system, one employee was actually being paid the amount figured by the contract method and the amount being downloaded by the time clock system. The District, through a review process identified this overpayment. The District immediately contacted the employee and worked out an arrangement for repayment of the overpayment amount. The District also instituted a thorough review of the system to identify any other errors.

The District has instituted new monitoring systems to identify potential errors on the pro-forma payroll runs (pre-runs before printing of checks) and on any errors that may occur after the printing of the checks to insure that overpayments do not occur in the future.

FS 10-05— Payroll Documentation

Condition: During our test work of personnel files, GPS noted the following:

- Six out of thirty-one employees did not have an accurately completed I-9 on file.

Criteria: NMAC 6.20.2.18 states the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School districts shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations. The Immigration Reform & Control Act of 1986 requires all employees hired after November 6, 1986 to complete a form I-9 within 3 days of hire. This form is to be retained for either three years after the date of hire or one year after the date of termination, whichever is later.

Effect: The school is not in compliance with NMAC 6.20.2.18 and with IRCA of 1986. By not properly filling out the documents it is possible that the school could allow an individual not legal to employ in the United States take a job, which could put the District at risk for possible litigation and/or subject to penalties and fines from the Internal Revenue Service. Not having correct supporting documentation indicates a possible failure of internal control procedures and could result in various legal complications in the event of noncompliance with a contract.

Cause: The District was unaware that the employees had incomplete personnel files. Files which are missing I-9 forms are a result of the administration not obtaining proper documentation within the Human Resource Department. As a result, the school did not follow policies and procedures regarding payroll.

Auditors' Recommendations: We recommend the District obtain all required information and retain the necessary documents in the employees' personnel files as well as review all supporting documentation for payroll processed. In the future, the District should make periodic checks to ensure all required information is being maintained. With regards to I-9's; these steps are necessary to ensure that all forms filled out by both the employer and employee upon hiring be filled out completely in order to be in compliance with MAC 6.20.2.18 and the IRCA of 1986. In addition, the District should implement procedures to ensure any missing I-9's are completed and information is obtained in accordance with US Department of Homeland Security, US Citizen and Immigration Services, instructions which reads as follows; "An employer who discovers that the Form I-9 is not on file for a given employee should request that the employee complete section 1 of the Form I-9 immediately and submit documentation as required in Section 2. The new form should be dated when completed--never post-dated. When an employee does not provide acceptable documentation, the employer must terminate employment or risk being subject to penalties for "knowingly" continuing to employ an unauthorized worker if the individual is not in fact authorized to work."

Management's Response: The Human Resources Office was unaware that the I-9 forms that were incomplete from the years 1996 and 1997 as none of the current employees were employed in the Human Resources Department at

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that time. However, it appears that identification was provided to the HR staff in 1996 and 1997 as the I-9 forms are in the files but just incomplete. In addition, there were two I-9 forms that were not on file and although it is unknown why not, the Human Resources Department along with the Payroll and other staff are reviewing the current processes and updating responsibilities and processes for the future.

In fact, the Human Resources Department is aware of the importance of having the I-9 form on file. The Human Resources Coordinators attended a webinar training provided by the US Department of Homeland Security on October 27, 2010. In addition to the training, we are currently revising our procedures to ensure a complete I-9 form is on file for every employee including those that had an incomplete I-9.

FS 10-06— Disbursements

Condition: One instance occurred where the client issued a purchase order dated after the invoice date. One instance occurred where the vendor paid the same invoice twice in the amount of \$1,600.

Criteria: Sound accounting practices and procedures; will only issue a purchase order prior to the invoice date and will only pay an invoice from a vendor one time. In addition, according to NMSA 1978 Section 6-6-3, the District is expected to conform to the rules and regulations that they have adopted relating to internal controls.

Effect: Without appropriate documentation, the District is unable to demonstrate compliance with its own internal controls and policies. Excess of payments may result in lost funds for the District and administrative time spent on duplicate payments.

Cause: The issuance of the purchase order after the invoice date appears to have been an oversight of the project manager. The duplicate payment appears to have crossed fiscal years, although the District did issue two different purchase orders for the same work.

Auditor's Recommendation: We recommend that a system be put in place to insure that all back up documentation is reviewed prior to payment being issued.

Management's Response: A District employee had established a purchase order for services to the District. The services were performed and billed. The employee signed off on the invoice for payment near year end, and the accounts payable department made payment on that invoice. However, the vendor had sent another billing after year end on the invoice prior to receiving payment for the service.

The District employee did not remember authorizing payment for the previous invoice and could not find where a purchase order had been done in the current year. The employee then created a new purchase order and authorized the invoice for payment based on the new purchase order. This caused the District to make a double payment for the service.

District policy was not followed in this circumstance. The District has worked with the employee to insure proper procurement and payment procedures are followed. The District has created several software tools that can be used to identify such issues, especially when they cross fiscal years. The employee has been trained in using these tools to avoid future errors of this type.

The District has also been in contact with the vendor to establish procedures which will help avoid double billing of services. The District will continue to provide training to District employees who are responsible for managing service contracts to insure proper procedures are followed.

Section III – Federal Award Findings and Questioned Costs

None

Section IV – Prior Year Audit Findings

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

Section V – Other Disclosures

Exit Conference

The contents of this report were discussed on November 11, 2010. The following individuals were in attendance.

CENTRAL CONSOLIDATED SCHOOLS

Dorothy Redhorse, Board Vice-President
Greg Epperson, Superintendent
Byron Manning, Executive Director of Finance
and Business Operations
Gary Martinez, Director of Accounting
Kathy Hamilton, Accounting Supervisor
Fred Cossum, Audit Committee Chairperson (via telephone)
Edison Becenti, Audit Committee Member
Andrea Jackson, Audit Committee Member
Donna Benally, Audit Committee Member
Greg Schmitt, Audit Committee Member

Griego Professional Services, LLC

J.J. Griego, CPA