

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT
SCHOOL DISTRICT NO. 19

COMPREHENSIVE FINANCIAL ANNUAL REPORT
AND
SUPPLEMENTAL INFORMATION
YEAR ENDED JUNE 30, 2010
WITH
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

 KEYSTONE ACCOUNTING, LLC
CERTIFIED PUBLIC ACCOUNTANTS

THIS PAGE INTENTIONALLY LEFT BLANK

INTRODUCTORY SECTION

THIS PAGE INTENTIONALLY LEFT BLANK

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

TABLE OF CONTENTS
Year Ended June 30, 2010

	Page
INTRODUCTORY SECTION	
Title Page	
Table of Contents	iii
Official Roster	1
FINANCIAL SECTION	
Independent Auditors' Report	5
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Assets	8
Statement of Activities	9
Fund Financial Statements:	
Balance Sheet – Governmental Funds	10
Reconciliation of the Balance Sheet – All Governmental Funds to the Statement of Net Assets	11
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	12
Reconciliation of the Statement of Revenue, Expenditures, and Changes In Fund Balance – All Governmental Funds to the Statement of Activities	14
Major Funds:	
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis):	
General Fund	15
Statement of Fiduciary Assets and Liabilities – Agency Funds	17
Notes to the Financial Statements	19
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:	
General Fund:	
Combining Balance Sheet	40
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	41
Budgetary Presentation:	
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis):	
Operating Fund	42
Teacherage Fund	43
Transportation Fund	44
Instructional Materials Fund	45

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

TABLE OF CONTENTS
Year Ended June 30, 2010

Nonmajor Governmental Funds:	
Combining Balance Sheet	48
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	56
Budgetary Presentation:	
Schedule of Revenues, Expenditures, and Changes in	
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis):	
Nonmajor Special Revenue Funds:	
Food Service Special Revenue Fund	72
Athletics Special Revenue Fund	73
Title I Special Revenue Fund	74
Migrant Children Education Special Revenue Fund	75
Entitlement IDEA-B Special Revenue Fund	76
Discretionary IDEA-B Special Revenue Fund	77
Competitive IDEA-B Special Revenue Fund	78
Preschool IDEA-B Special Revenue Fund	79
21 st Century Grant Special Revenue Fund	80
Title V Special Revenue Fund	81
Title III English Language Special Revenue Fund	82
Title II Teacher Quality Special Revenue Fund	83
Title IV Drug Free Schools Special Revenue Fund	84
21 st Century Community Living Centers Special Revenue Fund	85
Reading First Special Revenue Fund	86
ARRA – Title I Special Revenue Fund	87
ARRA – Entitlement IDEA-B Special Revenue Fund	88
ARRA – Preschool IDEA-B Special Revenue Fund	89
Bilingual Education Special Revenue Fund	90
Title XIX Medicaid Special Revenue Fund	91
Gear Up Special Revenue Fund	92
Rural Education Achievement Special Revenue Fund	93
ARRA – State Revitalization Special Revenue Fund	94
Bill & Melinda Gates Foundation Special Revenue Fund	95
LANL Foundation Special Revenue Fund	96
Inquiry Science Initiative Special Revenue Fund	97
Libraries GO Bond 2008 Special Revenue Fund	98
Technology for Education Special Revenue Fund	99
Incentives for School Improvement Special Revenue Fund	100
Pre-K Initiative Special Revenue Fund	101
Beginning Teacher Mentoring Special Revenue Fund	102
Chama Preschool Special Revenue Fund	103
SINOI Special Revenue Fund	104
State 21 st CCLC Special Revenue Fund	105
Pre-K State Special Revenue Fund	106
Libraries GO Bond Special Revenue Fund	107
State Discretionary IDEA-B Special Revenue Fund	108

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

TABLE OF CONTENTS
Year Ended June 30, 2010

Budgetary Presentation (continued):	
Schedule of Revenues, Expenditures, and Changes in	
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) (continued):	
Nonmajor Special Revenue Funds (continued):	
Library Books Fund Special Revenue Fund	109
Clothes Helping Kids Special Revenue Fund	110
Capital Projects Funds:	
Bond Building Capital Projects Fund	112
Special Capital Outlay – State Capital Projects Fund	113
Capital Improvements SB-9 Capital Projects Fund	114
Energy Efficiency Act Capital Projects Fund	115
Public School Capital Outlay 20% Capital Projects Fund	116
Debt Service Fund	119
OTHER SUPPLEMENTAL INFORMATION	
Fiduciary Funds:	
Statement of Changes in Assets and Liabilities – All Agency Funds	122
Schedule of Pledged Collateral	124
Cash Reconciliation	125
SINGLE AUDIT SECTION	
Report on Internal Control Over Financial Reporting and	
Compliance and Other Matters Based on an Audit of Financial Statements	
Performed In Accordance With <u>Government Auditing Standards</u>	131
Independent Auditors’ 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	135
Summary Schedule of Prior Year Audit Findings	137
Schedule of Findings and Questioned Costs	138
Schedule of Expenditures of Federal Awards	148
Notes to the Schedule of Expenditures of Federal Awards	150
REQUIRED DISCLOSURE	155

THIS PAGE INTENTIONALLY LEFT BLANK

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

OFFICIAL ROSTER
June 30, 2010

Board of Education

Donald A. Valdez	Board President
Thomas R. Rivas	Board Vice President
Billy Joe F. Samora	Board Secretary
David Martinez	Board Member
William Russom	Board Member

School Officials

Anthony Casados	Superintendent
Danette Garcia	Business Manager

THIS PAGE INTENTIONALLY LEFT BLANK

FINANCIAL SECTION

FISCAL YEAR 2010

JULY 1, 2009 THROUGH JUNE 30, 2010

THIS PAGE INTENTIONALLY LEFT BLANK

KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101
Farmington, NM 87401

keystone@keystoneacct.com

Telephone (505) 566-1900
Fax (505) 566-1911

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas, State Auditor
And the Board of Education of
Chama Valley Independent School District No. 19

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund of the Chama Valley Independent School District No. 19, as of and for the year ended June 30, 2010, which collectively comprise Chama Valley Independent School District No. 19's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Chama Valley Independent School District No. 19's nonmajor governmental funds and the budgetary comparisons for the major capital projects 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 the agency's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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 Chama Valley Independent School District No. 19, as of June 30, 2010, and the respective changes in financial position, thereof and the respective budgetary comparisons for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the Chama Valley Independent School District No. 19 as of June 30, 2010, and the respective changes in financial position, thereof and the respective budgetary comparisons for the major capital project funds, 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 September 12, 2011, on our consideration of the Chama Valley Independent School District No. 19'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 conjunction with this report in assessing the results of our audit.

KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101
Farmington, NM 87401

keystone@keystoneacct.com

Telephone (505) 566-1900
Fax (505) 566-1911

Hector H. Balderas, State Auditor
And the Board of Education of
Chama Valley Independent School District No. 19

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

Our audit was conducted for the purpose of forming opinions on the basic financial statements, and the combining and individual fund financial statements and budgetary comparisons. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements. The additional schedules listed as "other supplemental 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.



September 12, 2011

BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

STATEMENT OF NET ASSETS
June 30, 2010

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 814,786
Receivables:	
Delinquent property taxes receivable	476,132
Grant	699,111
Due from other governments	16,185
Deferred bond issuance costs	370,420
USDA commodities inventory	680
 Non-current:	
Non-depreciable assets	266,200
Depreciable capital assets, net	<u>15,049,066</u>
Total assets	<u>17,692,580</u>
 LIABILITIES	
Accounts payable	157,152
Accrued interest	93,383
Deferred grant revenue	65,239
Deposits held for others	2,750
Compensated absences	152,835
Noncurrent liabilities:	
Due within one year	655,000
Due in more than one year	<u>6,580,616</u>
Total liabilities	<u>7,706,975</u>
 NET ASSETS	
Invested in capital assets, net of related debt	8,356,687
Restricted for:	
Inventories	680
Capital projects	621,630
Debt service	1,009,454
Unrestricted	<u>(2,846)</u>
Total net assets	<u>\$ 9,985,605</u>

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

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

STATEMENT OF ACTIVITIES
Year Ended June 30, 2010

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
Functions/Programs	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Governmental Activities</u>	
Primary government:						
Governmental activities:						
Instruction	\$ 3,490,934	\$ 12,291	\$ 1,094,003	\$ 10,319	\$ (2,374,321)	
Support Services - Students	499,814	46,832	156,634	1,477	(294,871)	
Support Services - Instruction	253,603	-	79,475	750	(173,378)	
Support Services - General Administration	609,897	-	191,132	1,803	(416,962)	
Support Services - School Administration	576,939	-	180,804	1,705	(394,430)	
Central Services	163,962	-	51,383	-	(112,579)	
Operations & Maintenance of Plant	1,296,418	-	406,277	-	(890,141)	
Student Transportation	365,548	-	311,800	-	(53,748)	
Food Services	321,401	13,675	192,555	-	(115,171)	
Refunds to state	1,200,906	-	-	-	(1,200,906)	
Bond interest paid	<u>309,932</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(309,932)</u>	
 Total governmental activities	 <u>\$ 9,089,354</u>	 <u>\$ 72,798</u>	 <u>\$ 2,664,063</u>	 <u>\$ 16,054</u>	 <u>(6,336,439)</u>	
General revenues:						
Property Taxes:						
General purposes						33,930
Debt service						1,173,597
Capital projects						232,003
Grants and contributions not restricted						4,110,900
Unrestricted investment earnings						900
Total general revenues						<u>5,551,330</u>
Loss on asset disposal						<u>(1,818)</u>
Change in net assets						(786,927)
Net assets - beginning						<u>10,772,532</u>
Net assets - ending						<u>\$ 9,985,605</u>

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

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2010

	General Fund	Bond Building Fund	Capital Improvements SB-9 Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Pooled cash and investments	\$ 83,356	\$ 86,722	\$ 538,043	\$ 615,215	\$ (508,550)	\$ 814,786
Receivables:						
Delinquent property taxes	11,983	-	82,871	381,278	-	476,132
Grant	-	-	-	-	699,111	699,111
Due from other governments	407	-	2,817	12,961	-	16,185
USDA commodities inventory	-	-	-	-	680	680
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>680</u>	<u>680</u>
Total assets	<u>\$ 95,746</u>	<u>\$ 86,722</u>	<u>\$ 623,731</u>	<u>\$ 1,009,454</u>	<u>\$ 191,241</u>	<u>\$ 2,006,894</u>
LIABILITIES AND FUND BALANCE						
Liabilities:						
Accounts payable	\$ 14,399	\$ 25,897	\$ 111,817	\$ -	\$ 5,039	\$ 157,152
Deposits held for others	2,750	-	-	-	-	2,750
Deferred revenue:						
Federal, state, and local grants	-	-	-	-	65,239	65,239
Delinquent property taxes	<u>11,104</u>	<u>-</u>	<u>77,698</u>	<u>360,030</u>	<u>-</u>	<u>448,832</u>
Total liabilities	<u>28,253</u>	<u>25,897</u>	<u>189,515</u>	<u>360,030</u>	<u>70,278</u>	<u>673,973</u>
Fund balance:						
Reserved for:						
Inventories	-	-	-	-	680	680
Capital projects funds	-	60,825	434,216	-	48,891	543,932
Debt service	-	-	-	649,424	-	649,424
Unreserved, designated for, and reported in:						
Special revenue funds	-	-	-	-	71,392	71,392
Unreserved, undesignated, and reported in:						
General fund	<u>67,493</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,493</u>
Total fund balance	<u>67,493</u>	<u>60,825</u>	<u>434,216</u>	<u>649,424</u>	<u>120,963</u>	<u>1,332,921</u>
Total liabilities and fund balance	<u>\$ 95,746</u>	<u>\$ 86,722</u>	<u>\$ 623,731</u>	<u>\$ 1,009,454</u>	<u>\$ 191,241</u>	<u>\$ 2,006,894</u>

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

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

RECONCILIATION OF THE BALANCE SHEET - ALL
GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
June 30, 2010

Amounts reported for governmental activities in the statement of net assets are different because:

Fund balances - total governmental funds	\$	1,332,921
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital assets		21,313,821
Accumulated depreciation		(5,998,555)
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes receivable		448,832
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds		
Bonds payable		(7,210,000)
Accrued interest payable		(93,383)
Accrued vacation payable		(152,835)
Bond issue costs		370,420
Bond premiums		(25,616)
		(7,711,293)
Net assets of governmental activities	\$	9,985,605

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

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2010

	General <u>Fund</u>	Bond Building <u>Fund</u>	Capital Improvements SB-9 <u>Fund</u>	Debt Service <u>Fund</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Revenues:						
Federal sources:						
Forest reserve	\$ 84,366	\$ -	\$ -	\$ -	\$ -	\$ 84,366
Federal flowthrough grants	9,766	-	-	-	740,068	749,834
Federal direct grants	1,794	-	-	-	628,627	630,421
Food and milk reimbursements	-	-	-	-	177,613	177,613
USDA Commodities	-	-	-	-	14,942	14,942
State sources:						
State equalization guarantee	4,023,679	-	-	-	-	4,023,679
Transportation	311,800	-	-	-	-	311,800
State instructional material	15,381	-	-	-	-	15,381
State grant	582,781	-	-	-	124,992	707,773
Local sources:						
Grant	2,517	-	-	-	50,120	52,637
District school tax levy	34,208	-	228,381	1,074,494	-	1,337,083
Fees and activities	12,291	-	-	-	60,507	72,798
Earnings from investments	851	14,399	1,520	591	184	17,545
Miscellaneous	-	2,855	-	-	-	2,855
Total revenue	<u>\$ 5,079,434</u>	<u>\$ 17,254</u>	<u>\$ 229,901</u>	<u>\$ 1,075,085</u>	<u>\$ 1,797,053</u>	<u>\$ 8,198,727</u>

(continued)

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

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2010

	General <u>Fund</u>	Bond Building <u>Fund</u>	Capital Improvements SB-9 <u>Fund</u>	Debt Service <u>Fund</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Expenditures:						
Current:						
Instruction	\$ 2,604,625	\$ -	\$ -	\$ -	\$ 631,587	\$ 3,236,212
Support Services - Students	301,145	-	-	-	162,199	463,344
Support Services - Instruction	131,308	-	-	-	92,285	223,593
Support Services - General Administration	413,558	-	2,513	10,736	138,588	565,395
Support Services - School Administration	83,732	-	-	-	451,110	534,842
Central Services	133,516	-	-	-	18,482	151,998
Operations & Maintenance of Plant	976,257	84,290	113,816	-	27,460	1,201,823
Student Transportation	330,536	-	-	-	8,339	338,875
Food Services	74,853	-	-	-	223,096	297,949
Capital outlay	-	1,048,271	333,475	-	24,754	1,406,500
Debt service:						
Principal retirement	-	-	-	565,000	-	565,000
Bond interest paid	-	-	-	257,644	-	257,644
Bond issuance costs	-	104,890	-	-	-	104,890
Total expenditures	<u>5,049,530</u>	<u>1,237,451</u>	<u>449,804</u>	<u>833,380</u>	<u>1,777,900</u>	<u>9,348,065</u>
Excess (deficiency) of revenues over expenditures	<u>29,904</u>	<u>(1,220,197)</u>	<u>(219,903)</u>	<u>241,705</u>	<u>19,153</u>	<u>(1,149,338)</u>
Other financing sources and financing uses:						
Sale of bonds	-	898,000	-	-	-	898,000
Bond premium	-	7,123	-	-	-	7,123
Transfers in	-	-	-	-	97	97
Transfers out	(97)	-	-	-	-	(97)
Refunds	-	(1,200,906)	-	-	-	(1,200,906)
Total other financing sources and financing uses	<u>(97)</u>	<u>(295,783)</u>	<u>-</u>	<u>-</u>	<u>97</u>	<u>(295,783)</u>
Net change in fund balance	29,807	(1,515,980)	(219,903)	241,705	19,250	(1,445,121)
Fund balance at beginning of the year	<u>37,686</u>	<u>1,576,805</u>	<u>654,119</u>	<u>407,719</u>	<u>101,713</u>	<u>2,778,042</u>
Fund balance at end of the year	<u>\$ 67,493</u>	<u>\$ 60,825</u>	<u>\$ 434,216</u>	<u>\$ 649,424</u>	<u>\$ 120,963</u>	<u>\$ 1,332,921</u>

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

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES ALL GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2010

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

Net change in fund balance - total governmental funds	\$ (1,445,121)
---	----------------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year

Capital outlay	1,406,500
Depreciation	(552,980)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

June 30, 2009	(346,385)
June 30, 2010	448,832

The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, and similar, items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Current year principal payments	565,000
Bonds sold	(898,000)
Current year issuance costs	104,890
Issuance cost amortization	(44,214)
Current year bond premiums	(7,123)
Bond premium amortization	3,071

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences at:	
June 30, 2009	141,330
June 30, 2010	(152,835)
Accrued interest at:	
June 30, 2009	(93,383)
June 30, 2010	85,309
Gain or loss on Assets	(1,818)

Change in net assets of governmental activities	\$ (786,927)
---	--------------

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

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GENERAL FUND
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Forest reserve	\$ 77,662	\$ 77,662	\$ 84,366	\$ 6,704
Federal grant	-	-	1,794	1,794
Federal direct grant	10,500	10,500	9,766	(734)
State sources:				
State equalization guarantee	4,204,333	4,204,333	4,023,679	(180,654)
Transportation	337,895	311,800	311,800	-
State instructional material	-	33,583	15,381	(18,202)
State grant	487,500	487,500	582,781	95,281
Local sources:				
Grant	-	-	2,517	2,517
District school tax levy	35,224	35,224	35,487	263
Fees and activities	9,000	9,000	10,006	1,006
Earnings from investments	<u>3,238</u>	<u>3,238</u>	<u>851</u>	<u>(2,387)</u>
Total revenues	<u>\$ 5,168,352</u>	<u>\$ 5,175,840</u>	<u>\$ 5,080,713</u>	<u>\$ (95,127)</u>

(continued)

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

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GENERAL FUND
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Instruction	\$ 2,637,402	\$ 2,662,086	\$ 2,604,625	\$ 57,461
Support Services - Students	410,784	301,236	301,204	32
Support Services - Instruction	146,770	132,768	131,308	1,460
Support Services - General Administration	497,031	413,475	415,354	(1,879)
Support Services - School Administration	87,508	83,949	83,732	217
Central Services	175,899	151,494	133,516	17,978
Operation & Maintenance of Plant	870,378	1,087,560	973,307	114,253
Student Transportation	340,995	333,055	331,777	1,278
Other Support Services	3,616	3,616	-	3,616
Food Services Operations	<u>66,250</u>	<u>74,882</u>	<u>74,853</u>	<u>29</u>
Total expenditures	<u>5,236,633</u>	<u>5,244,121</u>	<u>5,049,676</u>	<u>194,445</u>
Excess (deficiency) of revenues over expenditures	(68,281)	(68,281)	31,037	99,318
Other financing uses:				
Refunds	<u>-</u>	<u>-</u>	<u>(97)</u>	<u>(97)</u>
Net change in fund balance	(68,281)	(68,281)	30,940	99,221
Beginning cash balance budgeted	68,281	68,281	-	(68,281)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>37,686</u>	<u>37,686</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>68,626</u>	<u>\$ 68,626</u>
RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			(480)	
Change in due from other governments			(1,078)	
Change in payables			147	
Change in deferred property taxes			<u>278</u>	
			<u>\$ 67,493</u>	

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

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

AGENCY FUNDS
Statement of Fiduciary Assets and Liabilities
June 30, 2010

ASSETS

Pooled cash and investments	\$	<u>51,030</u>
-----------------------------	----	---------------

LIABILITIES

Deposits held for others	\$	<u>51,030</u>
--------------------------	----	---------------

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

THIS PAGE INTENTIONALLY LEFT BLANK

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE	PAGE
I. SUMMARY OF ALL SIGNIFICANT ACCOUNTING POLICIES	
A. Reporting Entity	20
1. Blended Component Units	
2. Discretely Presented Component Units	
B. Government-Wide and Fund Financial Statements	21
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	21
1. Major Funds	22
D. Assets, Liabilities, and Net Assets or Equity	23
II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY	
A. Budgetary Information	28
B. Budgetary Violations	
C.	
D. The District exceeded its legal budget in individual funds as referenced in Finding 2011-4 on page 142. The District is aware of legal binding of budgets and has implemented a system of checks that will help prevent any further violations of budgetary control.	
E.	
F. Deficit fund equity	29
III. DETAILED NOTES ON ALL FUNDS	
A. Cash and Temporary Investments	29
B. Receivables	31
C. Capital Assets	32
D. Inter-Fund Receivables and Payables	33
E. Inter-Fund Transfers	33
F. Long-Term Debt	33
V. OTHER INFORMATION	35

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

I. SUMMARY OF ALL SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Chama Valley Independent School District (District) is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education in the Village of Chama, New Mexico and the surrounding areas. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The District's financial statements include all entities over which the Board of Education exercises oversight responsibility. Oversight responsibility includes such aspects as appointment of governing body members, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. Based upon the application of these criteria, no component units or fiduciary units were included in the financial statements.

GAAP requires that financial statements present the District (primary government) and its component units. The district does not have any component units that are required to be presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement No. 14*.

1. Blended Component Units

The District does not have any component units reported as blended component units.

2. Discretely Presented Component Units

The District does not have any component units reported as discretely presented component units.

The summary of significant accounting policies of the District is presented to assist in the understanding of the Association's financial statements. The financial statements and notes are the representation of Chama Valley Independent School District's management who is responsible for their integrity and objectivity. The financial statements of the Association conform to Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the school district. For the most part, the effect of interfund activity has been removed from these statements.

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The government reports the following major governmental funds:

General Fund – The general fund is the government’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Bond Building Capital Projects Fund – This fund provides financing for the construction of buildings, the purchase of equipment, and the acquisition and improvement of land. Funding is provided by the sale of general obligation bonds, which have been approved by the voters of the district.

Capital Improvements SB-9 Capital Projects Fund – This fund provides financing for the purchase of equipment and capital improvements to School District property. Funding is received from a 2 mill property tax levy and interest earned on investments, under New Mexico Senate Bill 9.

Debt Service Fund – The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Additionally, the government reports the following fund types:

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

Capital Projects Funds – Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Fiduciary Funds – Fiduciary Funds are the agency funds used to account for financial resources used by the student activity groups for which the District has stewardship

Similar to private-sector standards of accounting and financial reporting issued prior to November 30, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The government has elected not to follow subsequent private-sector guidance.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Assets or Equity

1. *Deposits and investments*

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

State statutes authorize the investment of the District's funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, and money market accounts. The District is also allowed to invest in United States Government obligations. All funds for the District must follow the above investment policies.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the school district. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

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

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

2. *Receivables and payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

The District's property taxes are levied each year on the assessed valuation of property located in the School District as of the preceding January 1st. Mill levy rates are set by the State of New Mexico each year for the General Fund, SB – 9 Capital Improvements Fund, and Debt Service Fund. Taxes are payable in two equal installments on November 10th and April 10th following the levy and become delinquent after 30 days.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Under GASB Statement 33, property taxes are impressed non-exchange revenue. Assets from impressed non-exchange transactions are reported when the School District has an enforceable legal claim to the asset. The enforceable legal claim date for property taxes is the assessment date. Taxes are payable in two equal installments on November 10 and April 10th following the levy and become delinquent after 30 days. Therefore, the School District has recorded a delinquent tax receivable and revenue for taxes received within the sixty days following year-end. A receivable and deferred revenue have been recorded for uncollected delinquent taxes. On the government-wide financial statements, the district has recorded delinquent property taxes receivable and revenue for taxes assessed as of year-end that have not be collected, as prescribed in GASB 34. An allowance for refunds and uncollectibles has not been recorded.

3. *Inventories*

USDA Commodities are recorded at estimated costs. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

4. *Capital assets*

Capital assets, which include property, plant, and equipment (software), are reported in the applicable governmental-wide financial statements. Beginning July 1, 2005, the threshold for defining Capital assets by the government was raised from \$1,000 to assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The costs of library books are not depreciated unless the individual cost is in excess of \$5,000. Software costs have been included with the cost of computer equipment and are capitalized with that equipment. The District does not develop software for internal use or any other use.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest on construction projects has not been capitalized.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

<u>Assets</u>	<u>Years</u>
Buildings	40-50
Building improvements	20
Land Improvements	10-20
Vehicles	5-7
Office equipment	5
Computer equipment	3-5

5. *Compensated absences*

It is the School District's policy to permit employees to accumulate earned but unused vacation, which no more than 20 days will be paid to employees upon separation from the District's service. Twelve-month employees that are full time are entitled to two weeks paid vacation per year. Vacation days may not accrue from one year to the next without the prior approval of the superintendent, and is accrued when incurred in the government-wide financial statements.

Sick pay does not vest and is recorded as expenditures when it is paid.

6. *Long-term obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discounts. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

7. *Fund balance*

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

8. *Net assets*

Net assets are presented on the statement of net assets and may be presented in any of three components.

a. Invested in capital assets, net of related debt

This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The portion of the debt attributable to the unspent proceeds is not be included in the calculation of invested in capital assets, net of related debt. That portion of the debt is included in restricted for capital projects.

b. Restricted net assets

Net assets are reported as being restricted when the restriction is either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

c. Unrestricted net assets

Unrestricted net assets consist of net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted.”

In the governmental environment, net assets often are designated to indicate that management does not consider them to be available for general operations. In contrast to restricted net assets, these types of constraints on resources are internal and management can remove or modify them. However, enabling legislation established by the reporting government should not be construed as an internal constraint.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

9. *Indirect Costs*

The District's General Fund receives indirect cost reimbursements from the various federal programs it administers. These reimbursements are for expenses incurred in performing administrative functions on behalf of the Special Revenue Funds. They are shown as expenditures in the Special Revenue Funds, and as other special federal revenue in the General Fund.

10. *Estimates*

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

11. *Revenues*

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education, 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$4,023,679 in state equalization guarantee distributions during the year ended June 30, 2010.

Transportation Distribution: School districts in the State of New Mexico received student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$311,800 in transportation distributions during the year ended June 30, 2010.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

Actual expenditures may not exceed the budget on a line item basis, i.e., each budgeted expenditure must be within budgeted amounts. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a 'series', this may be accomplished with only local Board of Education approval. If a transfer between 'series' or a budget increase is required, approval must also be obtained from Public School Finance Division.

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

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

1. In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
2. In May or June, the budget is approved by the Board of Education.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called for.
4. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

A. Budgetary Information (continued)

6. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for Budget purposes.

The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. The appropriated budget for the year ended June 30, 2010 was properly amended by the Board through the year. New Mexico state law prohibits a Governmental Agency to exceed an individual line item. These amendments resulted in the following changes:

	<u>Original Budget</u>	<u>Final Budget</u>
General Fund	\$ 5,236,633	\$ 5,244,121
Special Revenue Fund	1,219,328	1,869,582
Capital Projects Fund	2,466,334	2,466,334
Debt Service Fund	1,384,026	1,384,026
Totals	\$ 10,306,321	\$ 10,964,063

B. Budgetary Violations

The District exceeded its legal budget in individual funds as referenced in Finding 2011-4 on page 142. The District is aware of legal binding of budgets and has implemented a system of checks that will help prevent any further violations of budgetary control.

C. Deficit fund equity

There were no deficit fund balances as of June 30, 2010.

III. DETAILED NOTES ON ALL FUNDS

A. Cash and Temporary Investments

At June 30, 2010, the carrying amount of the District's deposits was \$865,816 and the bank balance was \$1,332,931 with the difference being outstanding checks. Of this balance \$250,000 was covered by federal depository insurance and \$1,082,931 was covered by collateral held in joint safekeeping by a third party.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

III. DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Temporary Investments (continued)

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for at least one half of the amount on deposit with the institution. The statement listed below will meet the State of New Mexico Office of the State Auditor's requirement in reporting the uninsured portion of the deposits. As of June 30, 2010, none of the District's bank balance of \$1,332,931 was exposed to custodial risk as follows:

Uninsured and uncollateralized	\$	(36,451)
Uninsured and collateral held by pledging bank's trust dept not in the District's name		1,119,382
Total uninsured		1,082,931
Insured (FDIC)		250,000
Total deposits	\$	1,332,931
State of New Mexico collateral requirement:		
50% of uninsured public fund bank deposits	\$	541,466
Pledged security		1,119,382
Over collateralized	\$	577,916

The collateral pledged is listed on Page 124 of this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the schools. Time deposits, savings deposits and interest bearing "Now" accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

III. DETAILED NOTES ON ALL FUNDS (continued)

B. Receivables

Receivables as of year-end for the government's individual major funds and non-major funds in the aggregate, including the following:

	<u>General</u>	<u>Bond Building</u>	<u>Capital Improvements SB-9</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>
Receivables:					
Delinquent property taxes	\$ 11,983	\$ -	\$ 82,871	\$ 381,278	\$ -
Grant	-	-	-	-	699,111
Due from other:					
Governments	<u>407</u>	<u>-</u>	<u>2,817</u>	<u>12,961</u>	<u>-</u>
Total	<u>\$ 12,390</u>	<u>\$ -</u>	<u>\$ 85,688</u>	<u>\$ 394,239</u>	<u>\$ 699,111</u>

An allowance for doubtful accounts has not been established. All receivables are expected to be collectible.

Governmental funds reported deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Grant drawdowns prior to meeting all eligibility requirements		
Other Governmental Funds	\$ -	\$ 65,239
Delinquent property taxes		
General Fund	11,104	-
Capital Improvements SB-9	77,698	-
Debt Service	<u>360,030</u>	<u>-</u>
Total deferred/unearned revenue for governmental funds	<u>\$ 448,832</u>	<u>\$ 65,239</u>

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

III. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2010 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 266,200	\$ -	\$ -	\$ -	\$ 266,200
Construction in progress	113,830	-	-	(113,830)	-
Total capital assets, not being depreciated	<u>\$ 380,030</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (113,830)</u>	<u>\$ 266,200</u>
Capital assets, being depreciated:					
Land improvements	\$ 1,041,230	\$ -	\$ -	\$ -	\$ 1,041,230
Buildings and improvements	16,601,716	1,334,910	-	113,830	18,050,456
Furniture, fixtures, and equipment	1,983,262	71,590	(98,917)	-	1,955,935
Total capital assets being depreciated	<u>19,626,208</u>	<u>1,406,500</u>	<u>(98,917)</u>	<u>113,830</u>	<u>21,047,621</u>
Less accumulated depreciation for:					
Land improvements	(688,256)	(20,948)	-	-	(709,204)
Buildings and improvements	(3,411,145)	(423,485)	-	-	(3,834,630)
Furniture, fixtures, and equipment	(1,443,273)	(108,547)	97,099	-	(1,454,721)
Total accumulated depreciation	<u>(5,542,674)</u>	<u>(552,980)</u>	<u>97,099</u>	<u>-</u>	<u>(5,998,555)</u>
Total capital assets being depreciated, net	<u>\$ 14,083,534</u>	<u>\$ 853,520</u>	<u>\$ (1,818)</u>	<u>\$ 113,830</u>	<u>\$ 15,049,066</u>

Depreciation has been allocated to the functions by the following amounts:

<u>Depreciation Allocation to Functions</u>	
Instruction	\$ 262,348
Support Services - Students	40,333
Support Services - Instruction	11,464
Support Services - General Administration	41,338
Support Services - School Administration	43,944
Central Services	12,740
Operations & Maintenance of Plant	88,711
Student Transportation	27,725
Food Services	24,377
Total Depreciation Expense	<u>\$ 552,980</u>

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

III. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets (continued)

The Schedule of Capital Assets Used by Source, and the Schedule of Changes in Capital Assets by Function and Activity have not been prepared because the detailed information is unavailable.

Depreciation expense was not charged to functions/programs of the District because the detail information was not available.

Construction commitments

The Chama Valley Independent School District No. 19 did not receive any funds from the State of New Mexico Public School Facilities Authority for the year ended June 30, 2010.

The District is involved in several long-term construction projects as part of their master plan for upgrading the district buildings. The amount of \$621,630 in the capital projects fund designated for subsequent years expenditures are committed for funding these projects. Interest on construction projects is not capitalized.

Refunding

The District refunded \$1,200,906 to the Public School Facilities Authority for amounts there were paid by PSFA for the completion of the District's high school construction. These funds were not meant as a grant and were intended to be repaid.

D. Inter-Fund Receivables and Payables

There were not any inter-fund receivables or payables at June 30, 2010.

E. Inter-Fund Transfers

There was one transfer of \$97 from the Operating Fund to the Title II Teacher Quality Special Revenue Fund due to a revenue shortfall.

F. Long-Term Debt

General Obligation Bonds

General Obligation Bonds – The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. Bonds are direct obligations and pledge the full faith and credit of the District. The bonds will be paid from taxes levied against property owners living within the School District boundaries. The details of the bonds and notes as of June 30, 2010 are as follows:

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

III. DETAILED NOTES ON ALL FUNDS (continued)

<u>General Obligations Bonds</u>		<u>Original Amount</u>	<u>Interest Rates</u>	<u>Balance June 30, 2010</u>	<u>Amount Due Within One Year</u>
Series	2004	\$ 2,500,000	2.20% to 3.50%	\$ 1,625,000	\$ 205,000
Series	2005	2,000,000	2.25% to 4.00%	1,430,000	160,000
Series	2005B	1,000,000	4.00%	805,000	70,000
Series	2006	800,000	3.45% to 4.20%	500,000	75,000
Series	2007	775,000	3.40% to 3.54%	700,000	25,000
Series	2007B	390,000	3.75% to 4.50%	375,000	10,000
Series	2008	325,000	2.785% to 4.40%	275,000	25,000
Series	2008B	600,000	3.35% to 4.875%	590,000	10,000
Series	2009	540,000	3.625% to 4.00%	540,000	50,000
Series	2010	<u>370,000</u>	3.50% to 3.75%	<u>370,000</u>	<u>25,000</u>
Total		<u>\$ 9,300,000</u>		<u>\$ 7,210,000</u>	<u>\$ 655,000</u>

Balances shown for bonds and notes do not include unamortized premiums or deferred amounts on refinancing.

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>General Obligation Bonds</u>			
<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2011	\$ 655,000	\$ 258,765	\$ 913,765
2012	670,000	237,754	907,754
2013	710,000	214,947	924,947
2014	700,000	190,939	890,939
2015	740,000	165,688	905,688
2016 - 2020	<u>3,735,000</u>	<u>356,474</u>	<u>4,091,474</u>
Total	<u>\$ 7,210,000</u>	<u>\$ 1,424,567</u>	<u>\$ 8,634,567</u>

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

III. DETAILED NOTES ON ALL FUNDS (continued)

G. Long-Term Debt (continued)

Changes in long term debt – During the year ended June 30, 2010 the following changes occurred in liabilities reported in the general obligation bonds account group:

	Balance <u>June 30, 2009</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>June 30, 2010</u>	Amount Due <u>Within One Year</u>
Compensated absences:					
Compensated vacation	\$ 141,330	\$ 46,896	\$ 35,391	\$ 152,835	\$ 152,835
Bonds payable	<u>6,865,000</u>	<u>910,000</u>	<u>565,000</u>	<u>7,210,000</u>	<u>655,000</u>
	<u>\$ 7,006,330</u>	<u>\$ 956,896</u>	<u>\$ 600,391</u>	<u>\$ 7,362,835</u>	<u>\$ 807,835</u>

Reconciliation of non-current liabilities as of June 30, 2010:

Bonds payable	\$ 7,210,000
Unamortized:	
Bond premiums	25,616
Less: current maturities	<u>(655,000)</u>
Total non-current liabilities	<u>\$ 6,580,616</u>

The liability of compensated absences is liquidated with resources from the general fund and several special revenue funds. The liquidation of bonds payable is done with resources from the debt service fund.

IV. OTHER INFORMATION

A. 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; injury to employees; and natural disasters. The New Mexico Public Schools Insurance Authority (NMSIA) was formed on April 5, 1985 under the New Mexico Public Schools Insurance Authority Act, Chapter 22, Section 2 of the New Mexico Statutes Annotated (NMSA 1978), as amended, as an insurance fund to provide health, disability and life insurance coverage (benefits coverage), and property, casualty and workers' compensation insurance coverage (risk coverage) to participating public schools, school board members, public school employees, and retirees within the State of New Mexico. The District is one of 91 members that participate in NMPSIA. Participation in NMPSIA is mandatory for all K-12 public schools except those with enrollment exceeding 60,000 students. Participation is voluntary for other public education institutions. The District pays an annual premium to the pool for its general insurance coverage.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

IV. OTHER INFORMATION (continued)

A. Risk Management (continued)

The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member premiums. NMPSIA establishes self-insured retentions by line of coverage and procures insurance or reinsurance, where indicated, in excess of the self-insured retention on a per occurrence basis. NMPSIA will publish its own financial report for the year ended June 30, 2010.

B. Contingent Liabilities

Amounts received or receivable from grant 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 that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the government's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the government.

C. Employee 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 benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. ERB issues a separate, publicly available financial report that includes the 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 87502-6129
www.nmerb.org

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

IV. OTHER INFORMATION (continued)

C. Employee Retirement Plan (continued)

Funding Policy - Plan members are required to contribute 7.9% of their gross salary. Chama Valley Independent School District is required to contribute 12.46% of the gross covered salary. Effective July 1, 2008, plan members are required to contribute 7.9% of their gross salary. The employer contribution will increase .75% each year until July 1, 2011 when the employer contribution will be 13.9%. 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 legislature. The District's contributions to the ERB for the years ended June 30, 2010, 2009, and 2008 were \$414,250, \$382,931, and \$401,344, respectively, equal to the amount of the required contribution for the year. The contribution rates will increase each year as follows:

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Employee Contribution</u>
2010-2011	13.150%	7.900%
2011-2012	13.900%	7.900%

D. Post-Retirement Health Care Benefits

Plan Description – Chama Valley Independent School District No. 19's contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are:

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

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

IV. OTHER INFORMATION (continued)

D. Post-Retirement Health Care Benefits (continued)

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to:

Retiree Health Care Authority
4308 Carlisle NE, Suite 104
Albuquerque, NM 87107

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary. Employers joining the program after January 1, 1998 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

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

Chama Valley Independent School District No. 19's contributions to the RHCA for the years ended June 30, 2010, 2009, and 2008 were \$45,697, \$46,363, and \$47,499, respectively, which equal the required contributions for each year.

E. School District Cash Flows

The District operates on primarily on reimbursement grants. The District must support the expenditures of these grants with monies from the unrestricted operating monies. Operating on a reimbursement basis for these grants in its self does not adversely affect the District's ability to operate effectively. However, the time it takes to receive reimbursement, if extensive, does significantly affect the District's cash flows and the ability to deliver educational services to the community in an effective manner.

**STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19**

**GENERAL FUNDS
Year Ended June 30, 2010**

OPERATING FUND

The government's primary fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

TEACHERAGE FUND

Accounts for all financial resources used in the housing of teachers.

TRANSPORTATION FUND

Accounts for all the Transportation funds received through the state that are used in the maintaining and operating vehicles used to transport students.

INSTRUCTIONAL MATERIALS FUND

Accounts for all the Instructional Materials funds received through the state for the purpose of acquiring study materials for the students.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GENERAL FUND
Combining Balance Sheet
June 30, 2010

	General Funds				Total General <u>Funds</u>
	Operational <u>Fund</u>	Teacherege <u>Fund</u>	Transportation <u>Fund</u>	Instructional Materials <u>Fund</u>	
ASSETS					
Pooled cash and investments	\$ 50,023	\$ 14,475	\$ 1,391	\$ 17,467	\$ 83,356
Receivables:					
Delinquent property taxes	11,983	-	-	-	11,983
Due from other governments	<u>407</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>407</u>
Total assets	<u>\$ 62,413</u>	<u>\$ 14,475</u>	<u>\$ 1,391</u>	<u>\$ 17,467</u>	<u>\$ 95,746</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	\$ 14,318	\$ 81	\$ -	\$ -	\$ 14,399
Deposits held for others	-	2,750	-	-	2,750
Deferred revenue:					
Delinquent property taxes	<u>11,104</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,104</u>
Total liabilities	25,422	2,831	-	-	28,253
Fund balance:					
Unreserved, undesignated, and reported in:					
General fund	<u>36,991</u>	<u>11,644</u>	<u>1,391</u>	<u>17,467</u>	<u>67,493</u>
Total liabilities and fund balance	<u>\$ 62,413</u>	<u>\$ 14,475</u>	<u>\$ 1,391</u>	<u>\$ 17,467</u>	<u>\$ 95,746</u>

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GENERAL FUND
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2010

	<u>General Funds</u>				
	<u>Operational Fund</u>	<u>Teacherage Fund</u>	<u>Transportation Fund</u>	<u>Instructional Materials Fund</u>	<u>Total General Fund</u>
Revenues:					
Federal sources:					
Forest reserve	\$ 84,366	\$ -	\$ -	\$ -	\$ 84,366
Federal flowthrough grants	9,766	-	-	-	9,766
Federal direct grants	1,794	-	-	-	1,794
State sources:					
State equalization guarantee	4,023,679	-	-	-	4,023,679
Transportation	-	-	311,800	-	311,800
State instructional material	-	-	-	15,381	15,381
State grant	582,781	-	-	-	582,781
Local sources:					
Grant	2,517	-	-	-	2,517
District school tax levy	34,208	-	-	-	34,208
Fees and activities	3,686	8,605	-	-	12,291
Earnings from investments	<u>703</u>	<u>33</u>	<u>57</u>	<u>58</u>	<u>851</u>
Total revenue	<u>4,743,500</u>	<u>17,276</u>	<u>311,857</u>	<u>15,439</u>	<u>5,079,434</u>
Expenditures:					
Current:					
Instruction	2,577,892	-	-	26,733	2,604,625
Support Services - Students	301,145	-	-	-	301,145
Support Services - Instruction	131,308	-	-	-	131,308
Support Services - General Administration	413,558	-	-	-	413,558
Support Services - School Administration	83,732	-	-	-	83,732
Central Services	133,516	-	-	-	133,516
Operations & Maintenance of Plant	968,224	8,033	-	-	976,257
Student Transportation	19,384	-	311,152	-	330,536
Food Services	<u>74,853</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>74,853</u>
Total expenditures	<u>4,703,612</u>	<u>8,033</u>	<u>311,152</u>	<u>26,733</u>	<u>5,049,530</u>
Excess (deficiency) of revenues over expenditures	39,888	9,243	705	(11,294)	29,904
Other financing uses:					
Transfers out	<u>(97)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(97)</u>
Net change in fund balance	39,791	9,243	705	(11,294)	29,807
Fund balance at beginning of the year	<u>(2,800)</u>	<u>11,039</u>	<u>686</u>	<u>28,761</u>	<u>37,686</u>
Fund balance at end of the year	<u>\$ 36,991</u>	<u>\$ 20,282</u>	<u>\$ 1,391</u>	<u>\$ 17,467</u>	<u>\$ 67,493</u>

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

OPERATIONAL FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Federal sources:				
Forest reserve	\$ 77,662	\$ 77,662	\$ 84,366	\$ 6,704
Federal grant	-	-	1,794	1,794
Federal direct grant	10,500	10,500	9,766	(734)
State sources:				
State equalization guarantee	4,204,333	4,204,333	4,023,679	(180,654)
State grant	487,500	487,500	582,781	95,281
Local sources:				
Grant	-	-	2,517	2,517
District school tax levy	35,224	35,224	35,487	263
Fees and activities	1,000	1,000	1,401	401
Earnings from investments	3,138	3,138	703	(2,435)
Miscellaneous	<u>3,000</u>	<u>3,000</u>	<u>2,285</u>	<u>(715)</u>
Total revenues	<u>4,822,357</u>	<u>4,822,357</u>	<u>4,744,779</u>	<u>(77,578)</u>
Expenditures:				
Current:				
Instruction	2,637,402	2,628,503	2,577,892	50,611
Support Services - Students	410,784	301,236	301,204	32
Support Services - Instruction	146,770	132,768	131,308	1,460
Support Services - General Administration	497,031	413,475	415,354	(1,879)
Support Services - School Administration	87,508	83,949	83,732	217
Central Services	175,899	151,494	133,516	17,978
Operation & Maintenance of Plant	850,266	1,067,448	965,212	102,236
Student Transportation	3,100	21,255	19,977	1,278
Other Support Services	3,616	3,616	-	3,616
Food Services Operations	<u>66,250</u>	<u>74,882</u>	<u>74,853</u>	<u>29</u>
Total expenditures	<u>4,878,626</u>	<u>4,878,626</u>	<u>4,703,048</u>	<u>175,578</u>
Excess (deficiency) of revenues over expenditures	(56,269)	(56,269)	41,731	98,000
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>(97)</u>	<u>(97)</u>
Net change in fund balance	(56,269)	(56,269)	41,634	97,903
Beginning cash balance budgeted	56,269	56,269	-	(56,269)
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>(2,800)</u>	<u>(2,800)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>38,834</u>	<u>\$ 38,834</u>
RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			(480)	
Change in due from other governments			(1,078)	
Change in payables			(563)	
Change in deferred property taxes			<u>278</u>	
			<u>\$ 36,991</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

TEACHERAGE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Fees and activities	\$ 8,000	\$ 8,000	\$ 8,605	\$ 605
Earnings from investments	<u>100</u>	<u>100</u>	<u>33</u>	<u>(67)</u>
Total revenues	8,100	8,100	8,638	538
 Expenditures:				
Current:				
Operation & Maintenance of Plant	<u>20,112</u>	<u>20,112</u>	<u>8,095</u>	<u>12,017</u>
Excess (deficiency) of revenues over expenditures	(12,012)	(12,012)	543	12,555
Beginning cash balance budgeted	12,012	12,012	-	(12,012)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>11,039</u>	<u>11,039</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	11,582	<u>\$ 11,582</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>62</u>	
			<u>\$ 11,644</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

TRANSPORTATION FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
Transportation	\$ 337,895	\$ 311,800	\$ 311,800	\$ -
Local sources:				
Earnings from investments	-	-	57	57
Total revenues	337,895	311,800	311,857	57
Expenditures:				
Current:				
Student Transportation	337,895	311,800	311,800	-
Excess of revenues over expenditures	-	-	57	57
Fund balance at beginning of the year	-	-	686	686
Fund balance at end of the year	\$ -	\$ -	743	\$ 743
RECONCILIATION TO GAAP BASIS:				
Change in payables			648	
			<u>\$ 1,391</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

INSTRUCTIONAL MATERIALS SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State instructional material	\$ -	\$ 33,583	\$ 15,381	\$ (18,202)
Local sources:				
Earnings from investments	-	-	58	58
Total revenues	-	33,583	15,439	(18,144)
Expenditures:				
Current:				
Instruction	-	33,583	26,733	6,850
Excess (deficiency) of revenues over expenditures	-	-	(11,294)	(11,294)
Fund balance at beginning of the year	-	-	28,761	28,761
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	17,467	<u>\$ 17,467</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 17,467</u>	

THIS PAGE INTENTIONALLY LEFT BLANK

NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Funds					
	Food Service	Athletics	Title I	Migrant Children Education	Entitlement IDEA-B	Discretionary IDEA-B
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
ASSETS						
Pooled cash and investments	\$ 3,397	\$ 14,707	\$ (45,775)	\$ (2,932)	\$ (263,006)	\$ 8,353
Receivables:						
Grant	761	-	45,775	2,932	263,006	-
USDA commodities inventory	<u>680</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 4,838</u>	<u>\$ 14,707</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,353</u>
LIABILITIES AND FUND BALANCE						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue:						
Federal, state, and local grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,353</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,353</u>
Fund balance:						
Reserved for:						
Inventories	680	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-
Unreserved, designated for, and reported in:						
Special revenue funds	<u>4,158</u>	<u>14,707</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>4,838</u>	<u>14,707</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 4,838</u>	<u>\$ 14,707</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,353</u>

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Funds					
	Competitive IDEA-B <u>Fund</u>	Preschool IDEA-B <u>Fund</u>	21st Century Grant <u>Fund</u>	Title V <u>Fund</u>	Title III English Language <u>Fund</u>	Title II Teacher Quality <u>Fund</u>
ASSETS						
Pooled cash and investments	\$ 916	\$ (10,219)	\$ 47,375	\$ (7)	\$ (15,249)	\$ (11,854)
Receivables:						
Grant	-	10,219	-	7	18,956	11,854
USDA commodities inventory	-	-	-	-	-	-
Total assets	<u>\$ 916</u>	<u>\$ -</u>	<u>\$ 47,375</u>	<u>\$ -</u>	<u>\$ 3,707</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 3,707	\$ -
Deferred revenue:						
Federal, state, and local grants	<u>916</u>	<u>-</u>	<u>47,375</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>916</u>	<u>-</u>	<u>47,375</u>	<u>-</u>	<u>3,707</u>	<u>-</u>
Fund balance:						
Reserved for:						
Inventories	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-
Unreserved, designated for, and reported in:						
Special revenue funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 916</u>	<u>\$ -</u>	<u>\$ 47,375</u>	<u>\$ -</u>	<u>\$ 3,707</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Funds					
	Title IV Drug Free Schools <u>Fund</u>	21st Century Community Living Centers <u>Fund</u>	Reading First <u>Fund</u>	ARRA - Title I <u>Fund</u>	ARRA - Entitlement IDEA-B <u>Fund</u>	ARRA - Preschool IDEA-B <u>Fund</u>
ASSETS						
Pooled cash and investments	\$ (1,036)	\$ (671)	\$ (11,826)	\$ (8,642)	\$ (108,506)	\$ (4,233)
Receivables:						
Grant	1,036	671	11,826	8,642	108,506	4,233
USDA commodities inventory	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue:						
Federal, state, and local grants	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance:						
Reserved for:						
Inventories	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-
Unreserved, designated for, and reported in:						
Special revenue funds	-	-	-	-	-	-
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Funds					
	Bilingual Education <u>Fund</u>	Title XIX Medicaid <u>Fund</u>	Gear Up <u>Fund</u>	Rural Education Achievement <u>Fund</u>	ARRA - State Revitalization <u>Fund</u>	Bill & Melinda Gates Foundation <u>Fund</u>
ASSETS						
Pooled cash and investments	\$ 4	\$ 8,591	\$ (73,166)	\$ (1,434)	\$ (57,891)	\$ 44
Receivables:						
Grant	-	-	73,166	1,756	57,891	-
USDA commodities inventory	-	-	-	-	-	-
	<u>4</u>	<u>8,591</u>	<u>-</u>	<u>322</u>	<u>-</u>	<u>44</u>
Total assets	\$ 4	\$ 8,591	\$ -	\$ 322	\$ -	\$ 44
LIABILITIES AND FUND BALANCE						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ 322	\$ -	\$ -
Deferred revenue:						
Federal, state, and local grants	<u>4</u>	<u>8,591</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>4</u>	<u>8,591</u>	<u>-</u>	<u>322</u>	<u>-</u>	<u>-</u>
Total liabilities	\$ 4	\$ 8,591	\$ -	\$ 322	\$ -	\$ -
Fund balance:						
Reserved for:						
Inventories	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-
Unreserved, designated for, and reported in:						
Special revenue funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44</u>
Total fund balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44
	<u>4</u>	<u>8,591</u>	<u>-</u>	<u>322</u>	<u>-</u>	<u>44</u>
Total liabilities and fund balance	\$ 4	\$ 8,591	\$ -	\$ 322	\$ -	\$ 44

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Funds					
	LANL Foundation <u>Fund</u>	Inquiry Science Initiative <u>Fund</u>	Libraries GO Bond 2008 <u>Fund</u>	Technology for Education <u>Fund</u>	Incentives for School Improvement <u>Fund</u>	Pre-K Initiative <u>Fund</u>
ASSETS						
Pooled cash and investments	\$ 16,476	\$ 1,262	\$ (13,261)	\$ 15,578	\$ 6,423	\$ (52,042)
Receivables:						
Grant	-	-	14,271	-	-	52,042
USDA commodities inventory	-	-	-	-	-	-
Total assets	<u>\$ 16,476</u>	<u>\$ 1,262</u>	<u>\$ 1,010</u>	<u>\$ 15,578</u>	<u>\$ 6,423</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ 1,010	\$ -	\$ -	\$ -
Deferred revenue:						
Federal, state, and local grants	-	-	-	-	-	-
Total liabilities	-	-	1,010	-	-	-
Fund balance:						
Reserved for:						
Inventories	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-
Unreserved, designated for, and reported in:						
Special revenue funds	16,476	1,262	-	15,578	6,423	-
Total fund balance	16,476	1,262	-	15,578	6,423	-
Total liabilities and fund balance	<u>\$ 16,476</u>	<u>\$ 1,262</u>	<u>\$ 1,010</u>	<u>\$ 15,578</u>	<u>\$ 6,423</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Funds				
	Beginning Teacher Mentoring <u>Fund</u>	Chama Preschool <u>Fund</u>	SINOI <u>Fund</u>	State 21st CCLC <u>Fund</u>	Pre-K State <u>Fund</u>
ASSETS					
Pooled cash and investments	\$ -	\$ 10,770	\$ -	\$ 634	\$ 71
Receivables:					
Grant	-	-	-	-	-
USDA commodities inventory	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 10,770</u>	<u>\$ -</u>	<u>\$ 634</u>	<u>\$ 71</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue:					
Federal, state, and local grants	-	-	-	-	-
Total liabilities	-	-	-	-	-
Fund balance:					
Reserved for:					
Inventories	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Unreserved, designated for, and reported in:					
Special revenue funds	-	10,770	-	634	71
Total fund balance	-	10,770	-	634	71
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ 10,770</u>	<u>\$ -</u>	<u>\$ 634</u>	<u>\$ 71</u>

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Funds				Total Non-Major Special Revenue Funds
	Libraries GO Bond Fund	State Discretionary IDEA-B Fund	Library Books Fund	Clothes Helping Kids Fund	
ASSETS					
Pooled cash and investments	\$ (10,180)	\$ 32	\$ 1,237	\$ (1,381)	\$ (557,441)
Receivables:					
Grant	10,180	-	-	1,381	699,111
USDA commodities inventory	-	-	-	-	680
	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> 680</u>
Total assets	<u>\$ -</u>	<u>\$ 32</u>	<u>\$ 1,237</u>	<u>\$ -</u>	<u>\$ 142,350</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 5,039
Deferred revenue:					
Federal, state, and local grants	-	-	-	-	65,239
	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> 65,239</u>
Total liabilities	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> 70,278</u>
Fund balance:					
Reserved for:					
Inventories	-	-	-	-	680
Capital projects funds	-	-	-	-	-
Unreserved, designated for, and reported in:					
Special revenue funds	-	32	1,237	-	71,392
	<u> -</u>	<u> 32</u>	<u> 1,237</u>	<u> -</u>	<u> 71,392</u>
Total fund balance	<u> -</u>	<u> 32</u>	<u> 1,237</u>	<u> -</u>	<u> 72,072</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ 32</u>	<u>\$ 1,237</u>	<u>\$ -</u>	<u>\$ 142,350</u>

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2010

	Special Revenue Funds					
	Food Service Fund	Athletics Fund	Title I Fund	Migrant Children Education Fund	Entitlement IDEA-B Fund	Discretionary IDEA-B Fund
Revenues:						
Federal sources:						
Federal flowthrough grants	\$ -	\$ -	\$ 133,387	\$ 8,996	\$ 181,828	\$ -
Federal direct grants	-	-	-	-	-	-
Food and milk reimbursements	177,613	-	-	-	-	-
USDA Commodities	14,942	-	-	-	-	-
State sources:						
State grant	-	-	-	-	-	-
Local sources:						
Grant	-	-	-	-	-	-
Fees and activities	13,675	46,832	-	-	-	-
Earnings from investments	8	41	-	-	-	-
Total revenue	206,238	46,873	133,387	8,996	181,828	-
Expenditures:						
Current:						
Instruction	-	32,988	65,547	-	121,226	-
Support Services - Students	-	-	6,015	495	44,373	-
Support Services - Instruction	-	-	-	-	-	-
Support Services - General Administration	-	-	57,862	8,501	1,733	-
Support Services - School Administration	-	-	246	-	14,496	-
Central Services	-	-	-	-	-	-
Operations & Maintenance of Plant	-	-	3,717	-	-	-
Student Transportation	-	-	-	-	-	-
Food Services	223,096	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	223,096	32,988	133,387	8,996	181,828	-
Excess (deficiency) of revenues over expenditures	(16,858)	13,885	-	-	-	-
Other financing uses:						
Transfers in	-	-	-	-	-	-
Net change in fund balance	(16,858)	13,885	-	-	-	-
Fund balance at beginning of the year	21,696	822	-	-	-	-
Fund balance at end of the year	<u>\$ 4,838</u>	<u>\$ 14,707</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2010

	Special Revenue Funds					
	Competitive IDEA-B Fund	Preschool IDEA-B Fund	21st Century Grant Fund	Title V Fund	Title III English Language Fund	Title II Teacher Quality Fund
Revenues:						
Federal sources:						
Federal flowthrough grants	\$ -	\$ 5,414	\$ 213,782	\$ -	\$ 17,569	\$ 34,027
Federal direct grants	-	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-	-
USDA Commodities	-	-	-	-	-	-
State sources:						
State grant	-	-	-	-	-	-
Local sources:						
Grant	-	-	-	-	-	-
Fees and activities	-	-	-	-	-	-
Earnings from investments	-	-	-	-	-	-
Total revenue	<u>-</u>	<u>5,414</u>	<u>213,782</u>	<u>-</u>	<u>17,569</u>	<u>34,027</u>
Expenditures:						
Current:						
Instruction	-	5,414	156,164	-	17,290	18,967
Support Services - Students	-	-	-	-	279	8,574
Support Services - Instruction	-	-	-	-	-	-
Support Services - General Administration	-	-	6,768	-	-	6,468
Support Services - School Administration	-	-	43,096	-	-	-
Central Services	-	-	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-	-	-
Student Transportation	-	-	-	-	-	115
Food Services	-	-	-	-	-	-
Capital outlay	-	-	7,754	-	-	-
Total expenditures	<u>-</u>	<u>5,414</u>	<u>213,782</u>	<u>-</u>	<u>17,569</u>	<u>34,124</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	(97)
Other financing uses:						
Transfers in	-	-	-	-	-	97
Net change in fund balance	-	-	-	-	-	-
Fund balance at beginning of the year	-	-	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2010

	Special Revenue Funds				
	Title IV Drug Free Schools <u>Fund</u>	21st Century Community Living Centers <u>Fund</u>	Reading First <u>Fund</u>	ARRA - Title I <u>Fund</u>	ARRA - Entitlement IDEA-B <u>Fund</u>
Revenues:					
Federal sources:					
Federal flowthrough grants	\$ 1,945	\$ -	\$ -	\$ 30,381	\$ 108,506
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
State sources:					
State grant	-	-	-	-	-
Local sources:					
Grant	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Total revenue	<u>1,945</u>	<u>-</u>	<u>-</u>	<u>30,381</u>	<u>108,506</u>
Expenditures:					
Current:					
Instruction	709	-	-	29,627	248
Support Services - Students	-	-	-	-	56,311
Support Services - Instruction	-	-	-	-	51,947
Support Services - General Administration	1,236	-	-	754	-
Support Services - School Administration	-	-	-	-	-
Central Services	-	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-	-
Student Transportation	-	-	-	-	-
Food Services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>1,945</u>	<u>-</u>	<u>-</u>	<u>30,381</u>	<u>108,506</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Other financing uses:					
Transfers in	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance at beginning of the year	-	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2010

	<u>Special Revenue Funds</u>				
	ARRA - Preschool IDEA-B <u>Fund</u>	Bilingual Education <u>Fund</u>	Title XIX Medicaid <u>Fund</u>	Gear Up <u>Fund</u>	Rural Education Achievement <u>Fund</u>
Revenues:					
Federal sources:					
Federal flowthrough grants	\$ 4,233	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	32,877	196,451	1,756
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
State sources:					
State grant	-	-	-	-	-
Local sources:					
Grant	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Total revenue	<u>4,233</u>	<u>-</u>	<u>32,877</u>	<u>196,451</u>	<u>1,756</u>
Expenditures:					
Current:					
Instruction	4,233	-	3,034	105,613	-
Support Services - Students	-	-	27,285	-	-
Support Services - Instruction	-	-	-	-	-
Support Services - General Administration	-	-	-	3,884	-
Support Services - School Administration	-	-	2,558	86,954	-
Central Services	-	-	-	-	1,756
Operations & Maintenance of Plant	-	-	-	-	-
Student Transportation	-	-	-	-	-
Food Services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>4,233</u>	<u>-</u>	<u>32,877</u>	<u>196,451</u>	<u>1,756</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Other financing uses:					
Transfers in	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance at beginning of the year	-	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2010

	Special Revenue Funds				
	ARRA - State Revitalization Fund	Bill & Melinda Gates Foundation Fund	LANL Foundation Fund	Inquiry Science Initiative Fund	Libraries GO Bond 2008 Fund
Revenues:					
Federal sources:					
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -	\$ -
Federal direct grants	397,543	-	-	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
State sources:					
State grant	-	-	-	-	14,272
Local sources:					
Grant	-	44	34,195	12,000	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Total revenue	<u>397,543</u>	<u>44</u>	<u>34,195</u>	<u>12,000</u>	<u>14,272</u>
Expenditures:					
Current:					
Instruction	-	-	6,140	10,138	14,272
Support Services - Students	18,867	-	-	-	-
Support Services - Instruction	-	-	11,579	-	-
Support Services - General Administration	47,886	-	-	600	-
Support Services - School Administration	303,760	-	-	-	-
Central Services	16,726	-	-	-	-
Operations & Maintenance of Plant	10,304	-	-	-	-
Student Transportation	-	-	-	-	-
Food Services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>397,543</u>	<u>-</u>	<u>17,719</u>	<u>10,738</u>	<u>14,272</u>
Excess (deficiency) of revenues over expenditures	-	44	16,476	1,262	-
Other financing uses:					
Transfers in	-	-	-	-	-
Net change in fund balance	-	44	16,476	1,262	-
Fund balance at beginning of the year	-	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ 44</u>	<u>\$ 16,476</u>	<u>\$ 1,262</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2010

	Special Revenue Funds				
	Technology for Education <u>Fund</u>	Incentives for School Improvement <u>Fund</u>	Pre-K Initiative <u>Fund</u>	Beginning Teacher Mentoring <u>Fund</u>	Chama Preschool <u>Fund</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Revenues:					
Federal sources:					
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
State sources:					
State grant	18,432	6,423	36,002	-	10,770
Local sources:					
Grant	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Total revenue	<u>18,432</u>	<u>6,423</u>	<u>36,002</u>	<u>-</u>	<u>10,770</u>
Expenditures:					
Current:					
Instruction	-	-	27,736	-	-
Support Services - Students	-	-	-	-	-
Support Services - Instruction	-	-	-	-	-
Support Services - General Administration	2,854	-	42	-	-
Support Services - School Administration	-	-	-	-	-
Central Services	-	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-	-
Student Transportation	-	-	8,224	-	-
Food Services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>2,854</u>	<u>-</u>	<u>36,002</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	15,578	6,423	-	-	10,770
Other financing uses:					
Transfers in	-	-	-	-	-
Net change in fund balance	15,578	6,423	-	-	10,770
Fund balance at beginning of the year	-	-	-	-	-
Fund balance at end of the year	<u>\$ 15,578</u>	<u>\$ 6,423</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,770</u>

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2010

	Special Revenue Funds				
	SINOI Fund	State 21st CCLC Fund	Pre-K State Fund	Libraries GO Bond Fund	State Discretionary IDEA-B Fund
Revenues:					
Federal sources:					
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
State sources:					
State grant	-	634	71	-	37,151
Local sources:					
Grant	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Total revenue	<u>-</u>	<u>634</u>	<u>71</u>	<u>-</u>	<u>37,151</u>
Expenditures:					
Current:					
Instruction	-	-	-	-	8,360
Support Services - Students	-	-	-	-	-
Support Services - Instruction	-	-	-	-	28,759
Support Services - General Administration	-	-	-	-	-
Support Services - School Administration	-	-	-	-	-
Central Services	-	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-	-
Student Transportation	-	-	-	-	-
Food Services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,119</u>
Excess (deficiency) of revenues over expenditures	-	634	71	-	32
Other financing uses:					
Transfers in	-	-	-	-	-
Net change in fund balance	-	634	71	-	32
Fund balance at beginning of the year	-	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ 634</u>	<u>\$ 71</u>	<u>\$ -</u>	<u>\$ 32</u>

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2010

	Special Revenue Funds		
	Library Books <u>Fund</u>	Clothes Helping Kids <u>Fund</u>	Total Nonmajor Special Revenue <u>Funds</u>
Revenues:			
Federal sources:			
Federal flowthrough grants	\$ -	\$ -	\$ 740,068
Federal direct grants	-	-	628,627
Food and milk reimbursements	-	-	177,613
USDA Commodities	-	-	14,942
State sources:			
State grant	1,237	-	124,992
Local sources:			
Grant	-	3,881	50,120
Fees and activities	-	-	60,507
Earnings from investments	-	-	49
Total revenue	1,237	3,881	1,796,918
Expenditures:			
Current:			
Instruction	-	3,881	631,587
Support Services - Students	-	-	162,199
Support Services - Instruction	-	-	92,285
Support Services - General Administration	-	-	138,588
Support Services - School Administration	-	-	451,110
Central Services	-	-	18,482
Operations & Maintenance of Plant	-	-	14,021
Student Transportation	-	-	8,339
Food Services	-	-	223,096
Capital outlay	-	-	7,754
Total expenditures	-	3,881	1,747,461
Excess (deficiency) of revenues over expenditures	1,237	-	49,457
Other financing uses:			
Transfers in	-	-	97
Net change in fund balance	1,237	-	49,554
Fund balance at beginning of the year	-	-	22,518
Fund balance at end of the year	\$ 1,237	\$ -	\$ 72,072

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2010

	Capital Projects Funds			Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	Special Capital Outlay - State Fund	Energy Efficiency Act Fund	Public School Capital Outlay - 20% Fund		
Revenues:					
Federal sources:					
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -	\$ 740,068
Federal direct grants	-	-	-	-	628,627
Food and milk reimbursements	-	-	-	-	177,613
USDA Commodities	-	-	-	-	14,942
State sources:					
State grant	-	-	-	-	124,992
Local sources:					
Grant	-	-	-	-	50,120
Fees and activities	-	-	-	-	60,507
Earnings from investments	<u>134</u>	<u>-</u>	<u>1</u>	<u>135</u>	<u>184</u>
Total revenue	<u>134</u>	<u>-</u>	<u>1</u>	<u>135</u>	<u>1,797,053</u>
Expenditures:					
Current:					
Instruction	-	-	-	-	631,587
Support Services - Students	-	-	-	-	162,199
Support Services - Instruction	-	-	-	-	92,285
Support Services - General Administration	-	-	-	-	138,588
Support Services - School Administration	-	-	-	-	451,110
Central Services	-	-	-	-	18,482
Operations & Maintenance of Plant	13,439	-	-	13,439	27,460
Student Transportation	-	-	-	-	8,339
Food Services	-	-	-	-	223,096
Capital outlay	<u>-</u>	<u>17,000</u>	<u>-</u>	<u>17,000</u>	<u>24,754</u>
Total expenditures	<u>13,439</u>	<u>17,000</u>	<u>-</u>	<u>30,439</u>	<u>1,777,900</u>
Excess (deficiency) of revenues over expenditures	(13,305)	(17,000)	1	(30,304)	19,153
Other financing uses:					
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97</u>
Net change in fund balance	(13,305)	(17,000)	1	(30,304)	19,250
Fund balance at beginning of the year	<u>62,068</u>	<u>17,027</u>	<u>100</u>	<u>79,195</u>	<u>101,713</u>
Fund balance at end of the year	<u>\$ 48,763</u>	<u>\$ 27</u>	<u>\$ 101</u>	<u>\$ 48,891</u>	<u>\$ 120,963</u>

BUDGETARY PRESENTATION

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SPECIAL REVENUE FUNDS
Year Ended June 30, 2010

FOOD SERVICE

This program provides financing for the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements, under the National School Lunch Act of 1946, as amended, Public Law 79-396, Sections 2-4, 60 Stat. 230, 42 U.S.C. 1751 et seq.; 80 stat. 889, as amended; 84 stat. 270; and the Child Nutrition Act of 1966, as amended, Sections 4 and 10. Public Law 89-642, 80 stat. 886, 889, 42 U.S.C. 1773, 1779; Public Law 99-591, 100 stat. 3341; Public Law 100-71, 101 stat. 430.

ATHLETICS

This fund provides financing for school athletic activities. Funding is provided by fees from patrons.

TITLE I

To help local education agencies (LEAs) and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards. Funding authorization: Elementary and Secondary Education Act of 1965, Title I, Part A, 20 U.S.C. 6301 et seq.

MIGRANT CHILDREN EDUCATION

To support high quality education programs for migratory children and help ensure that migratory children who move among the states are not penalized in any manner by disparities among states in curriculum, graduation requirements, or state academic content and student academic achievement standards. Funds also ensure that migratory children not only are provided with appropriate education services (including supportive services) that address their special needs but also that such children receive full and appropriate opportunities to meet the same challenging state academic content and student academic achievement standards that all children are expected to meet. Federal funds are allocated by formula to SEAs, based on each state's per pupil expenditure for education and counts of eligible migratory children, age 3 through 21, residing within the state. Authorization: The Elementary and Secondary Education Act of 1965, Title I, Part C, as amended by the No Child Left Behind Act of 2001; 20 U.S.C. 6391-6399.

ENTITLEMENT/DISCRETIONARY/ COMPETITIVE IDEA-B

The Entitlement/Competitive/Discretionary IDEA-B 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. The program is funded by the United States government, under the Individuals with Disabilities Education Act, Part B, Section 611-617, and part D, Section 674 as amended, 20 U.S.C. 1711-1417 and 1420.

PRESCHOOL IDEA-B

The Preschool program is for the purpose of enhancing Special Education for handicapped children from ages 3 to 5. The program is funded by the United States government, under the Individuals With Disabilities Act, Part B, Section 619, as amended, Public Laws 94-142, 99-457, 100-630, 101-497, and 101-476.

21st CENTURY GRANT

After school adolescence care, providing the community with responsible Child Care, while providing the children and their families with referral services, drug prevention education, academic help, and character building (social skill) activities. Funding is provided by the Department of Education under the Elementary and Secondary Education Act of 1965, Title X, part I Section 10901, Public Law 103-382 Stat. 3844, 20 U.S.C. 8241.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SPECIAL REVENUE FUNDS
Year Ended June 30, 2010

TITLE V

To assist State and Local educational agencies in the reform of elementary and secondary education. Authorized by the Elementary and Secondary Education Act of 1965, Title VI, as amended, 20 U.S.C. 7301-7373.

TITLE III ENGLISH LANGUAGE

To ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same standards as all children and youth are expected to meet; to provide assistance to Native American, Native Hawaiian, Native American Pacific Islander, and Alaskan native children with certain modifications relative to the unique status of native American language under Federal Law; to develop to the extent possible, the native language skills of such children. The fund is authorized through the Elementary and Secondary Education Act (ESEA), as amended, Title III, Part A, Sections 3101,3129.

TITLE II TEACHER QUALITY

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

TITLE IV DRUG FREE SCHOOLS

To offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and coordinated with related Federal, State, and community efforts and resources. Authorized by Elementary and Secondary Education Act, Title IV, Part A, Subpart 1, as amended. 20 U.S.C. 7111-7118.

21ST CENTURY COMMUNITY LIVING CENTERS

After school adolescence care, providing the community with responsible Child Care, while providing the children and their families with referral services, drug prevention education, academic help, and character building (social skill) activities. Funding is provided by the Department of Education under the Elementary and Secondary Education Act of 1965, Title X, part I Section 10901, Public Law 103-382 Stat. 3844, 20 U.S.C. 8241.

READING FIRST

To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Authorization is granted by Elementary and Secondary Education Act of 1965 (ESEA), as amended, Public Law 107-110.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SPECIAL REVENUE FUNDS
Year Ended June 30, 2010

ARRA – TITLE I

Use of funds varies, depending on whether a school is operating a schoolwide program under Title I, section 1114 of ESEA or a targeted assistance program under Section 1115 of the ESEA. A school with at least a 40 percent poverty rate may choose to operate a schoolwide program under Section 1114 that allows Title I funds to be combined with other Federal, State, and local funds to upgrade the school's overall instructional program. Schoolwide program schools must receive the amount of non-Federal resources they would have received in the absence of Title I funds. All other participating schools must operate targeted assistance programs that provide extra instruction to those children failing, or most at risk of failing, to meet State academic achievement standards. Targeted assistance programs must ensure that Title I services supplement, and do not supplant the regular education programs normally provided with non-Federal funds by local educational agencies. This program is subject to non-supplanting requirements and must use a restricted indirect cost rate, which is referenced under 34 CFR 76.564-76.569. Authorization: Elementary and Secondary Education Act of 1965 (ESEA), Title I, Part A, 20 U.S.C. 6301 et seq. and the American Recovery and Reinvestment Act of 2010 (ARRA), Public Law 111-5.

ARRA – ENTITLEMENT IDEA-B

Used in accordance with the IDEA, to help provide the special education and related services needed to make a free appropriate public education available to all eligible children and, in some cases, early intervening services. Authorization: Individuals with Disabilities Education (IDEA), as amended, Part B, Section 611-618, 20 U.S.C 1411-1418; American Recovery and Reinvestment Act of 2010 (ARRA), Public Law 111-5.

ARRA – PRESCHOOL IDEA-B

Funds are used: (1) to provide a free appropriate public education (FAPE) to preschool children with disabilities ages 3 through 5, and at the State's discretion, to 2-year-old children with disabilities who will reach age 3 during the next school year; (2) to administer section 619; and (3) for support services, direct services, activities to meet the State's performance goals, to supplement other funds used for a Statewide coordinated service system designed to improve results for children and families, to provide early intervention services in accordance with Part C to children ages 3 through 5 who would otherwise be eligible under the Preschool Grants program, and to continue service coordination or case management for families who receive services under Part C. Authorization: Individuals with Disabilities Education Act (IDEA), as amended, , Part B, Section 619, 20 U.S.C 1419; American Recovery and Reinvestment Act of 2010 (ARRA), Public Law 111-5.

BILINGUAL EDUCATION

To develop and implement new comprehensive, coherent, and successful bilingual education or special alternative instructional programs for limited English proficient students including programs of early childhood education, kindergarten through twelfth grade education, gifted and talented education, and vocational and applied technology education; to improve the education of limited English proficient students and their families by implementing family education programs and parent outreach and training activities designed to assist parents to become active participants in the education of their children; to improve the instructional program by identifying, acquiring, and upgrading curriculum, instructional and educational software, and assessment procedures, to compensate personnel, including teacher aides who have been specifically trained, or are being trained, to provide services, and to provide tutorials and academic career counseling for children and youth of limited English proficiency. Authorized by Elementary and Secondary Education Act of 1965, as amended, Title VII, Part A.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SPECIAL REVENUE FUNDS
Year Ended June 30, 2010

TITLE XIX MEDICAID

To provide financial assistance from the Federal government which flows-through the State of New Mexico to school districts, 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. The program is funded by the U.S. government under the Social Security Act, Title XIX, as amended; Public Laws 92-223, 92-602, 93-66, 93-233, 96-499, 97-35, 97-2248, 98-369, 99-272, 99-509, 100-93, 100-202, 100-203, 100-360, 100-436, 100-485, 100-647, 101-166, 101-234, 101-239, 101-508, 101-517, 102-234, 102-170, 102-394, 103-66, 103-14, 103-333, 104-91, 104-191, 104-193, 104-208, and 104-134; Balanced Budget Act of 1997, Public Law 105-33.

GEAR UP

To encourage eligible entities to provide supportive services to elementary and middle schools, and secondary school students who are at risk of dropping out of school; and information to students and their parents about the advantages of obtaining a postsecondary education and the college financing options for the students and their parents. Authorization granted through Higher Education Act, Title IV, Part A, Subpart 2, Chapter 2, 20 U.S.C. 1070a-21-1070a-28.

RURAL EDUCATION ACHIEVEMENT

Funding to provide assistance to rural districts to carry out activities to help improve the quality of teaching and learning in schools. Authorized by Elementary and Secondary Education Act, as amended, Title VI, Part B.

ARRA – STATE REVITALIZATION

To support and restore funding for elementary, secondary, and postsecondary education and, as applicable, early child hood education programs and services in States and local educational agencies. Authorization: American Recovery and Reinvestment Act of 2009 (ARRA), Division A, Title XIV, Public Law 111-5.

BILL & MELINDA GATES FOUNDATION

To provide superintendents and principals from public and private schools access to quality leadership development focused on technology integration and whole systems change

LANL FOUNDATION

Local grant sponsored by Los Alamos National Laboratory that was used to provide a scholarship to a senior high student that was to be used in a four-year program for educational efforts in pursuing an engineering degree at a New Mexico college or university.

INQUIRY SCIENCE INITIATIVE

STEM Education (science, technology, engineering, and mathematics) in the areas of teacher professional development, curriculum enhancement, educational technology supporting classroom instruction, and support for student learning.

LIBRARIES GO BOND 2008

Funding made available for improvement or acquisition of the library facility and to acquire library books and resources.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SPECIAL REVENUE FUNDS
Year Ended June 30, 2010

TECHNOLOGY FOR EDUCATION

State funding to provide financial assistance to school districts to improve educational opportunities for all students to close the technology gap between schools and the workplace through enhancement of computer education. The funding is provided by state resources and supplements the federal funding for the Technology Literacy Challenge grant. The creation of the fund is authorized by NMSA 1978 22-15A-1 TO 22-15A-10.

INCENTIVES FOR SCHOOL IMPROVEMENTS

State funding awarded to five School Districts in the state for achieving improved test scores of the students in their districts. The funds were used to purchase supplies and other textbooks for the school district. Authority for creation is NMSA 25-13A-1.

PRE-K INITIATIVE

The pre-k program shall address the total development needs of preschool children, including physical, cognitive, social and emotional needs, and shall include health care, nutrition, safety and multicultural sensitivity.

BEGINNING TEACHER MENTORING

Funds to assist school districts in the design, implementation, and evaluation of beginning teacher mentoring programs. Funding is provided through the 2000 legislative session, with appropriated funds from the General Appropriations Act.

CHAMA PRESCHOOL

Funds to develop and implement voluntary NM PreK programs for 4 year olds throughout New Mexico to advance childhood development and readiness.

SINOI

To provide funding for library resources for Tierra Amarilla Middle School.

STATE 21ST CENTURY COMMUNITY LEARNING CENTER

To provide (1) opportunities for academic enrichment, including providing tutorial services to help students, particularly students in high-poverty areas and those who attend low-performing schools, meet State and local student performance standards in core academic subjects such as reading and mathematics; (2) students a broad array of additional services, programs, and activities, such as youth development activities, drug and violence prevention programs, counseling programs, art, music, and recreation programs, technology education programs, and character education programs, that are designed to reinforce and complement the regular academic program of participating students; and (3) families of students served by community learning centers opportunities for literacy and related educational development.

PRE-K STATE

Funds to develop and implement voluntary NM PreK programs for 4 year olds throughout New Mexico to advance childhood development and readiness.

LIBRARIES GO BOND

Funding made available to update and expand library collections.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SPECIAL REVENUE FUNDS
Year Ended June 30, 2010

DISCRETIONARY IDEA-B

To support the improvement of educational results and functional outcomes for all children with disabilities.

LIBRARY BOOKS

To support the purchase of library books. Authorized through New Mexico Senate Bill 471.

CLOTHES HELPING KIDS

To work directly with children and youth, address educational needs, health issues, human services, the environment or traditional arts and culture.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

FOOD SERVICE SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Food and milk reimbursements	\$ 174,014	\$ 193,064	\$ 177,724	\$ (15,340)
Local sources:				
Fees and activities	13,900	13,900	13,675	(225)
Earnings from investments	<u>100</u>	<u>100</u>	<u>8</u>	<u>(92)</u>
Total revenues	188,014	207,064	191,407	(15,657)
Expenditures:				
Current:				
Food Services Operations	<u>190,229</u>	<u>209,279</u>	<u>209,274</u>	<u>5</u>
Excess (deficiency) of revenues over expenditures	(2,215)	(2,215)	(17,867)	(15,652)
Beginning cash balance budgeted	2,215	2,215	-	(2,215)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>21,696</u>	<u>21,696</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	3,829	<u>\$ 3,829</u>
RECONCILIATION TO GAAP BASIS:				
Change in inventory			429	
Change in grant receivable			(111)	
Change in payables			<u>691</u>	
			<u>\$ 4,838</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

ATHLETICS SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Fees and activities	\$ 50,000	\$ 50,000	\$ 46,832	\$ (3,168)
Earnings from investments	<u>20</u>	<u>20</u>	<u>41</u>	<u>21</u>
Total revenues	50,020	50,020	46,873	(3,147)
 Expenditures:				
Current:				
Instruction	<u>50,419</u>	<u>50,419</u>	<u>32,988</u>	<u>17,431</u>
Excess (deficiency) of revenues over expenditures	(399)	(399)	13,885	14,284
Beginning cash balance budgeted	399	399	-	(399)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>822</u>	<u>822</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	14,707	<u>\$ 14,707</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ 14,707</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

TITLE I SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
Federal sources:				
Federal grant	\$ 144,805	\$ 149,202	\$ 115,985	\$ (33,217)
Expenditures:				
Current:				
Instruction	71,849	68,343	65,547	2,796
Support Services - Students	500	6,015	6,015	-
Support Services - Instruction	2,150	150	-	150
Support Services - General Administration	35,260	59,397	57,862	1,535
Support Services - School Administration	3,000	247	246	1
Central Services	75	75	-	75
Operation & Maintenance of Plant	31,971	14,975	3,899	11,076
Total expenditures	144,805	149,202	133,569	15,633
Excess (deficiency) of revenues over expenditures	-	-	(17,584)	(17,584)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(17,584)	\$ (17,584)
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			17,402	
Change in payables			182	
			\$ -	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

MIGRANT CHILDREN EDUCATION SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 10,000	\$ 10,000	\$ 7,749	\$ (2,251)
Local sources:				
Miscellaneous	-	-	200	200
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>7,949</u>	<u>(2,051)</u>
Expenditures:				
Current:				
Instruction	3,200	797	670	127
Support Services - Students	2,000	495	495	-
Support Services - General Administration	4,500	8,708	8,701	7
Support Services - School Administration	<u>300</u>	-	-	-
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>9,866</u>	<u>134</u>
Excess (deficiency) of revenues over expenditures	-	-	(1,917)	(1,917)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(1,917)	<u>\$ (1,917)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			1,247	
Change in payables			<u>670</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

ENTITLEMENT IDEA-B SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 115,502	\$ 213,142	\$ -	\$ (213,142)
Expenditures:				
Current:				
Instruction	56,586	122,632	121,226	1,406
Support Services - Students	58,916	74,280	44,373	29,907
Support Services - General Administration	-	1,734	1,733	1
Support Services - School Administration	<u>-</u>	<u>14,496</u>	<u>14,496</u>	<u>-</u>
Total expenditures	<u>115,502</u>	<u>213,142</u>	<u>181,828</u>	<u>31,314</u>
Excess (deficiency) of revenues over expenditures	-	-	(181,828)	(181,828)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(181,828)	<u>\$ (181,828)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>181,828</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

DISCRETIONARY IDEA-B SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ 43,383	\$ 43,383
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	43,383	43,383
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	43,383	<u>\$ 43,383</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(35,030)	
Change in deferred revenue			<u>(8,353)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
 CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

COMPETITIVE IDEA-B SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
 Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

PRESCHOOL IDEA-B SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 4,936	\$ 9,459	\$ -	\$ (9,459)
 Expenditures:				
Current:				
Instruction	<u>4,936</u>	<u>9,459</u>	<u>5,414</u>	<u>4,045</u>
Excess (deficiency) of revenues over expenditures	-	-	(5,414)	(5,414)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(5,414)	<u>\$ (5,414)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>5,414</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

21ST CENTURY GRANT SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 219,200	\$ 219,200	\$ 261,157	\$ 41,957
Expenditures:				
Current:				
Instruction	164,400	156,646	156,164	482
Support Services - General Administration	7,804	7,804	6,768	1,036
Support Services - School Administration	46,996	46,996	43,096	3,900
Capital outlay:				
Equipment	-	7,754	7,754	-
Total expenditures	<u>219,200</u>	<u>219,200</u>	<u>213,782</u>	<u>5,418</u>
Excess of revenues over expenditures	-	-	47,375	47,375
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	47,375	<u>\$ 47,375</u>
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>(47,375)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
 CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

TITLE V SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
 Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

TITLE III ENGLISH LANGUAGE SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 38,923	\$ 24,909	\$ (14,014)
Expenditures:				
Current:				
Instruction	-	38,644	13,583	25,061
Support Services - Students	-	279	279	-
Total expenditures	-	38,923	13,862	25,061
Excess of revenues over expenditures	-	-	11,047	11,047
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	11,047	\$ 11,047
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(7,340)	
Change in payables			(3,707)	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

TITLE II TEACHER QUALITY SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 43,397	\$ 44,037	\$ 23,236	\$ (20,801)
Expenditures:				
Current:				
Instruction	21,057	19,525	18,967	558
Support Services - Students	10,000	8,574	8,574	-
Support Services - General Administration	2,340	6,469	6,468	1
Support Services - School Administration	10,000	9,352	-	9,352
Student Transportation	<u>-</u>	<u>117</u>	<u>115</u>	<u>2</u>
Total expenditures	<u>43,397</u>	<u>44,037</u>	<u>34,124</u>	<u>9,913</u>
Excess (deficiency) of revenues over expenditures	-	-	(10,888)	(10,888)
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>97</u>	<u>97</u>
Net change in fund balance	-	-	(10,791)	(10,791)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>(10,791)</u>	<u>\$ (10,791)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>10,791</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

TITLE IV DRUG FREE SCHOOLS SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
Federal sources:				
Federal grant	\$ 2,198	\$ 2,198	\$ 1,429	\$ (769)
Expenditures:				
Current:				
Instruction	2,198	962	709	253
Support Services - General Administration	-	1,236	1,236	-
Total expenditures	2,198	2,198	1,945	253
Excess (deficiency) of revenues over expenditures	-	-	(516)	(516)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(516)	\$ (516)
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			516	
			\$ -	

STATE OF NEW MEXICO
 CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

21ST CENTURY COMMUNITY LIVING CENTERS SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
 Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ 115,043	\$ 115,043
Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	115,043	115,043
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	115,043	<u>\$ 115,043</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(115,043)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

READING FIRST SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

ARRA - TITLE I SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 43,687	\$ 86,919	\$ 21,739	\$ (65,180)
Expenditures:				
Current:				
Instruction	43,687	83,919	29,627	54,292
Support Services - General Administration	<u>-</u>	<u>3,000</u>	<u>754</u>	<u>2,246</u>
Total expenditures	<u>43,687</u>	<u>86,919</u>	<u>30,381</u>	<u>56,538</u>
Excess (deficiency) of revenues over expenditures	-	-	(8,642)	(8,642)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(8,642)	<u>\$ (8,642)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>8,642</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

ARRA - ENTITLEMENT IDEA-B SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 112,497	\$ -	\$ (112,497)
Expenditures:				
Current:				
Instruction	-	248	248	-
Support Services - Students	-	56,311	56,311	-
Support Services - Instruction	-	<u>55,938</u>	<u>51,947</u>	<u>3,991</u>
Total expenditures	-	<u>112,497</u>	<u>108,506</u>	<u>3,991</u>
Excess (deficiency) of revenues over expenditures	-	-	(108,506)	(108,506)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(108,506)	<u>\$ (108,506)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>108,506</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

ARRA - PRESCHOOL IDEA-B SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 4,233	\$ -	\$ (4,233)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>4,233</u>	<u>4,233</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	(4,233)	(4,233)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(4,233)	<u>\$ (4,233)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>4,233</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
 CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

BILINGUAL EDUCATION SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
 Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

TITLE XIX MEDICAID SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal direct grant	\$ 20,625	\$ 20,625	\$ 20,217	\$ (408)
Expenditures:				
Current:				
Instruction	-	3,035	3,034	1
Support Services - Students	25,296	28,095	27,285	810
Support Services - School Administration	2,055	4,613	2,558	2,055
Central Services	<u>8,755</u>	<u>363</u>	<u>-</u>	<u>363</u>
Total expenditures	<u>36,106</u>	<u>36,106</u>	<u>32,877</u>	<u>3,229</u>
Excess (deficiency) of revenues over expenditures	(15,481)	(15,481)	(12,660)	2,821
Beginning cash balance budgeted	15,481	15,481	-	(15,481)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(12,660)	<u>\$ (12,660)</u>
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>12,660</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

GEAR UP SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal direct grant	\$ -	\$ 201,600	\$ 123,285	\$ (78,315)
Expenditures:				
Current:				
Instruction	-	105,624	105,613	11
Support Services - General Administration	-	3,884	3,884	-
Support Services - School Administration	<u>-</u>	<u>92,092</u>	<u>86,954</u>	<u>5,138</u>
Total expenditures	<u>-</u>	<u>201,600</u>	<u>196,451</u>	<u>5,149</u>
Excess (deficiency) of revenues over expenditures	-	-	(73,166)	(73,166)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>(73,166)</u>	<u>\$ (73,166)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>73,166</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

RURAL EDUCATION ACHIEVEMENT SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal direct grant	\$ -	\$ 8,650	\$ 5,645	\$ (3,005)
 Expenditures:				
Current:				
Central Services	-	8,650	1,434	7,216
Excess of revenues over expenditures	-	-	4,211	4,211
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	4,211	<u>\$ 4,211</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(3,889)	
Change in payables			<u>(322)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

ARRA - STATE REVITALIZATION SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
Federal sources:				
Federal direct grant	\$ 336,435	\$ 336,435	\$ 339,652	\$ 3,217
Expenditures:				
Current:				
Support Services - Students	-	-	18,867	(18,867)
Support Services - General Administration	-	-	47,886	(47,886)
Support Services - School Administration	336,435	336,435	303,760	32,675
Central Services	-	-	16,726	(16,726)
Operation & Maintenance of Plant	-	-	10,304	(10,304)
Total expenditures	336,435	336,435	397,543	(61,108)
Excess (deficiency) of revenues over expenditures	-	-	(57,891)	(57,891)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(57,891)	\$ (57,891)
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			57,891	
			\$ -	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

BILL & MELINDA GATES FOUNDATION SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
Local sources:				
Grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>44</u>	
			<u>\$ 44</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

LANL FOUNDATION SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Grant	\$ -	\$ -	\$ 15,852	\$ 15,852
Expenditures:				
Current:				
Instruction	-	6,140	6,140	-
Support Services - Instruction	<u>17,762</u>	<u>11,622</u>	<u>11,579</u>	<u>43</u>
Total expenditures	<u>17,762</u>	<u>17,762</u>	<u>17,719</u>	<u>43</u>
Excess (deficiency) of revenues over expenditures	(17,762)	(17,762)	(1,867)	15,895
Beginning cash balance budgeted	17,762	17,762	-	(17,762)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(1,867)	<u>\$ (1,867)</u>
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>18,343</u>	
			<u>\$ 16,476</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

INQUIRY SCIENCE INITIATIVE SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Grant	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction	-	11,400	10,138	1,262
Support Services - General Administration	-	600	600	-
Total expenditures	-	12,000	10,738	1,262
Excess (deficiency) of revenues over expenditures	-	(12,000)	(10,738)	1,262
Beginning cash balance budgeted	-	12,000	-	(12,000)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(10,738)	<u>\$ (10,738)</u>
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			12,000	
			<u>\$ 1,262</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

LIBRARIES GO BOND 2008 SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ 15,625	\$ -	\$ (15,625)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>15,625</u>	<u>13,262</u>	<u>2,363</u>
Excess (deficiency) of revenues over expenditures	-	-	(13,262)	(13,262)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(13,262)	<u>\$ (13,262)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			14,272	
Change in payables			<u>(1,010)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

TECHNOLOGY FOR EDUCATION SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 2,873	\$ 3,507	\$ 634
 Expenditures:				
Current:				
Support Services - General Administration	-	2,873	2,854	19
Excess of revenues over expenditures	-	-	653	653
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	653	<u>\$ 653</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>14,925</u>	
			<u>\$ 15,578</u>	

STATE OF NEW MEXICO
 CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

INCENTIVES FOR SCHOOL IMPROVEMENT SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
 Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>6,423</u>	
			<u>\$ 6,423</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

PRE-K INITIATIVE SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ 36,010	\$ 65,225	\$ 29,215
Expenditures:				
Current:				
Instruction	-	27,741	27,736	5
Support Services - General Administration	-	42	42	-
Student Transportation	-	8,227	8,224	3
Total expenditures	-	36,010	36,002	8
Excess of revenues over expenditures	-	-	29,223	29,223
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	29,223	\$ 29,223
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(29,223)	
			\$ -	

STATE OF NEW MEXICO
 CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

BEGINNING TEACHER MENTORING SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
 Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ -</u>	

STATE OF NEW MEXICO
 CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

CHAMA PRESCHOOL SPECIAL REVENUE FUND
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
 Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>10,770</u>	
			<u>\$ 10,770</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SINOI SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ 4,000	\$ -	\$ (4,000)
Expenditures:				
Current:				
Instruction	-	4,000	-	4,000
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

STATE 21ST CCLC SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>634</u>	
			<u>\$ 634</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

PRE-K STATE SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			71	
			<u>\$ 71</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

LIBRARIES GO BOND SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

STATE DISCRETIONARY IDEA-B SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ 37,151	\$ 37,151	\$ -
 Expenditures:				
Current:				
Instruction	-	8,382	8,360	22
Support Services - Instruction	-	28,769	28,759	10
Total expenditures	-	37,151	37,119	32
Excess of revenues over expenditures	-	-	32	32
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	32	\$ 32
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			\$ 32	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

LIBRARY BOOKS SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Support Services - Instruction	-	1,237	-	1,237
Excess (deficiency) of revenues over expenditures	-	(1,237)	-	1,237
Beginning cash balance budgeted	-	1,237	-	(1,237)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	-	\$ -
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			1,237	
			\$ 1,237	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

CLOTHES HELPING KIDS SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
Local sources:				
Grant	\$ 4,652	\$ 10,625	\$ 2,500	\$ (8,125)
 Expenditures:				
Current:				
Instruction	<u>4,652</u>	<u>10,625</u>	<u>3,881</u>	<u>6,744</u>
Excess (deficiency) of revenues over expenditures	-	-	(1,381)	(1,381)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(1,381)	<u>\$ (1,381)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>1,381</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

CAPITAL PROJECTS FUNDS
Year Ended June 30, 2010

BOND BUILDING FUND

This fund provides financing for the construction of buildings, the purchase of equipment, and the acquisition and improvement of land. Funding is provided by the sale of general obligation bonds, which have been approved by the voters of the district.

SPECIAL CAPITAL OUTLAY - STATE

This fund provides financing for special appropriation monies received from the State of New Mexico under Chapter 367, Laws of 1993.

CAPITAL IMPROVEMENTS SB – 9

This fund provides financing for the purchase of equipment and capital improvements to School District property. Funding is received from a 2 mill property tax levy and interest earned on investments, under New Mexico Senate Bill 9.

ENERGY EFFICIENCY ACT

This fund permits governmental agencies of the State of New Mexico to enter into contracts with providers to reduce energy costs. Funding is provided by the State of New Mexico by authority of NMSA 1987 6-23-1.

PUBLIC SCHOOL CAPITAL OUTLAY – 20%

A capital projects fund to capture the 20% of eligible federal (Forest Reserve and Impact Aid) and local revenue (local taxes) that must be budgeted in Capital Outlay. Provides financing for the construction and improvement of buildings and land, and the purchase of equipment.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

BOND BUILDING CAPITAL PROJECTS FUND
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
Local sources:				
Earnings from investments	\$ 3,500	\$ 3,500	\$ 2,399	\$ (1,101)
Expenditures:				
Capital outlay:				
Land and improvements	5,000	5,000	-	5,000
Buildings and improvements	<u>1,818,373</u>	<u>1,818,373</u>	<u>1,220,493</u>	<u>597,880</u>
Total expenditures	<u>1,823,373</u>	<u>1,823,373</u>	<u>1,220,493</u>	<u>602,880</u>
Excess (deficiency) of revenues over expenditures	<u>(1,819,873)</u>	<u>(1,819,873)</u>	<u>(1,218,094)</u>	<u>601,779</u>
Other financing sources and financing uses:				
Sale of bonds	-	-	815,088	815,088
Refunds	<u>-</u>	<u>-</u>	<u>(1,200,907)</u>	<u>(1,200,907)</u>
Total other financing sources and financing uses	<u>-</u>	<u>-</u>	<u>(385,819)</u>	<u>(385,819)</u>
Net change in fund balance	(1,819,873)	(1,819,873)	(1,603,913)	215,960
Beginning cash balance budgeted	1,819,873	1,819,873	-	(1,819,873)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>1,576,805</u>	<u>1,576,805</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>(27,108)</u>	<u>\$ (27,108)</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>87,933</u>	
			<u>\$ 60,825</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECTS FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ 197,345	\$ 197,345	\$ -	\$ (197,345)
Local sources:				
Earnings from investments	<u>200</u>	<u>200</u>	<u>134</u>	<u>(66)</u>
Total revenues	<u>197,545</u>	<u>197,545</u>	<u>134</u>	<u>(197,411)</u>
Expenditures:				
Current:				
Operation & Maintenance of Plant	141,563	141,563	13,439	128,124
Capital outlay:				
Construction in progress	<u>146,354</u>	<u>146,354</u>	<u>-</u>	<u>146,354</u>
Total expenditures	<u>287,917</u>	<u>287,917</u>	<u>13,439</u>	<u>274,478</u>
Excess (deficiency) of revenues over expenditures	(90,372)	(90,372)	(13,305)	77,067
Beginning cash balance budgeted	90,372	90,372	-	(90,372)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>62,068</u>	<u>62,068</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>48,763</u>	<u>\$ 48,763</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ 48,763</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECTS FUND
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
State sources:				
State grant	\$ 29,369	\$ 29,369	\$ -	\$ (29,369)
Local sources:				
District school tax levy	248,277	248,277	237,045	(11,232)
Earnings from investments	<u>1,200</u>	<u>1,200</u>	<u>1,520</u>	<u>320</u>
Total revenues	<u>278,846</u>	<u>278,846</u>	<u>238,565</u>	<u>(40,281)</u>
Expenditures:				
Current:				
Support Services - General Administration	50,000	2,513	2,512	1
Operation & Maintenance of Plant	184,017	263,811	263,783	28
Capital outlay:				
Land and improvements	70,000	-	-	-
Equipment	17,000	71,591	71,590	1
Construction in progress	<u>17,000</u>	<u>102</u>	<u>102</u>	<u>-</u>
Total expenditures	<u>338,017</u>	<u>338,017</u>	<u>337,987</u>	<u>30</u>
Excess (deficiency) of revenues over expenditures	(59,171)	(59,171)	(99,422)	(40,251)
Beginning cash balance budgeted	59,171	59,171	-	(59,171)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>654,119</u>	<u>654,119</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	554,697	<u>\$ 554,697</u>
RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			1,544	
Change in due from other governments			(6,586)	
Change in payables			(111,817)	
Change in deferred property taxes			<u>(3,622)</u>	
			<u>\$ 434,216</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

ENERGY EFFICIENCY ACT CAPITAL PROJECTS FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Operation & Maintenance of Plant	<u>17,027</u>	<u>17,027</u>	<u>17,000</u>	<u>27</u>
Excess (deficiency) of revenues over expenditures	(17,027)	(17,027)	(17,000)	27
Beginning cash balance budgeted	17,027	17,027	-	(17,027)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>17,027</u>	<u>17,027</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	27	<u>\$ 27</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ 27</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

PUBLIC SCHOOL CAPITAL OUTLAY - 20% CAPITAL PROJECTS FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Earnings from investments	\$ -	\$ -	\$ 1	\$ 1
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	1	1
Fund balance at beginning of the year	-	-	100	100
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	101	<u>\$ 101</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 101</u>	

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

DEBT SERVICE FUND
Year Ended June 30, 2010

DEBT SERVICE FUND

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

THIS PAGE INTENTIONALLY LEFT BLANK

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

DEBT SERVICE FUND
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Local sources:				
District school tax levy	\$ 792,118	\$ 792,118	\$ 1,101,034	\$ 308,916
Earnings from investments	<u>500</u>	<u>500</u>	<u>591</u>	<u>91</u>
Total revenues	<u>792,618</u>	<u>792,618</u>	<u>1,101,625</u>	<u>309,007</u>
Expenditures:				
Current:				
Support Services - General Administration	7,921	10,736	10,736	-
Debt service:				
Principal retirement	565,000	565,000	565,000	-
Bond interest paid	227,118	257,645	257,645	-
Reserves	<u>583,987</u>	<u>550,645</u>	<u>-</u>	<u>550,645</u>
Total expenditures	<u>1,384,026</u>	<u>1,384,026</u>	<u>833,381</u>	<u>550,645</u>
Excess (deficiency) of revenues over expenditures	(591,408)	(591,408)	268,244	859,652
Beginning cash balance budgeted	591,408	591,408	-	(591,408)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>407,719</u>	<u>407,719</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	675,963	<u>\$ 675,963</u>
RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			96,555	
Change in due from other governments			(23,991)	
Change in deferred property taxes			<u>(99,103)</u>	
			<u>\$ 649,424</u>	

THIS PAGE INTENTIONALLY LEFT BLANK

OTHER SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

FIDUCIARY FUNDS
Schedule of Changes in Assets and Liabilities - All Agency Funds
Year Ended June 30, 2010

Activity		Balance			Balance
<u>Fund</u>	<u>ASSETS</u>	<u>June 30, 2009</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2010</u>
23001	Central Office Activity	\$ 357	\$ 222	\$ 290	\$ 289
23003	Transportation Activity	62	-	-	62
23110	Escalante - Natural Helpers	10	-	10	-
23112	Escalante - Office/Admin	3,308	7,628	9,945	991
23116	Escalante - Library	116	2	-	118
23116	Escalante - FFA	1,271	6,548	2,521	5,298
23118	Escalante - BPA	3,288	10,180	11,798	1,670
23119	Escalante - Third Rock	179	-	179	-
23120	Escalante - Student Council	426	9,200	8,175	1,451
23121	Escalante - Honor Society	513	834	626	721
23129	Escalante - Class 2010	3,310	1,893	5,203	-
23131	Escalante - Journalism	2,811	2,675	2,533	2,953
23132	Escalante - Class 05	13	-	13	-
23133	Escalante - Class 06	101	1,094	1,195	-
23134	Escalante - Class 07	2	569	569	2
23135	Escalante - Business Ed	24	406	430	-
23135	Escalante - Class 08	487	1	-	488
23137	Escalante - Weight Room	1,029	622	1,189	462
23138	Escalante - Class 09	3,064	28	151	2,941
23139	Art Lab	662	2,683	1,876	1,469
23140	EHS Cheerleaders	2,307	13,660	9,497	6,470
23141	Class 2011	2,935	819	2,581	1,173
23142	Escalante - Class of 2012	826	3,930	791	3,965
23143	Class of 2013	-	990	-	990
23201	TA Mid - Athletics	-	4	2	2
23203	TA Mid - Cheerleaders	-	200	200	-
23204	TA Mid - Close-up	9	37,256	37,265	-
23212	TA Mid - Office/Admin.	790	721	856	655
23216	TA Mid - Library	227	-	37	190
23218	TA Mid - BPA	24	-	24	-
23219	TA Mid - BPA Boosters	7	-	7	-
23220	TA Mid - Student Council	6,253	13,367	17,198	2,422
23227	TA Mid - Class of 01	110	-	110	-
23232	TA Mid - Class of 06	312	-	312	-
23233	TA Mid - Class of 07	34	-	34	-
23301	TA Elem - 5th & 6th Basketball	995	838	480	1,353
23302	TA Elem - 3rd & 4th Basketball	1,802	42	1,385	459
23303	TA Elem - T.A.P.T.O.	185	-	-	185
23313	TA Elem - Administration	1,251	1,436	2,375	312
23315	TA Elem - Lost Books	\$ 182	\$ -	\$ -	\$ 182

(continued)

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

FIDUCIARY FUNDS
Schedule of Changes in Assets and Liabilities - All Agency Funds
Year Ended June 30, 2010

Activity		Balance				Balance
<u>Fund</u>	<u>ASSETS</u>	<u>June 30, 2009</u>	<u>Receipts</u>	<u>Disbursements</u>		<u>June 30, 2010</u>
23316	TA Elem - Library	\$ 1,281	\$ 3	\$ -		\$ 1,284
23350	TA Elem - Kindergarten	21	-	-		21
23351	TA Elem - 1st Grade	6	-	-		6
23352	TA Elem - 2nd Grade	36	-	-		36
23353	TA Elem - 3rd Grade	83	-	-		83
23354	TA Elem - 4th Grade	-	2,006	2,005		1
23355	TA Elem - 5th Grade	26	-	-		26
23603	Chama - 7th & 8th Grade	-	237	237		-
23604	Chama - 5th & 6th Grade	879	3,696	2,508		2,067
23610	Chama - Natural Helpers	1	115	115		1
23612	Chama Mid Administration	2,067	1,350	1,957		1,460
23613	Chama Elem. Administration	498	-	180		318
23615	Chama Textbooks	69	-	-		69
23616	Chama Library	1,231	132	153		1,210
23620	Chama Student Council	1,750	3	113		1,640
23640	Chamce Spelling Bee	8	-	-		8
23645	Chama Book Orders	48	600	611		37
23660	Chama Close-up	2	13,391	11,668		1,725
23661	Escalante Mid - High School	<u>1,031</u>	<u>7,970</u>	<u>5,236</u>		<u>3,765</u>
	Pooled cash and investments	<u>\$ 48,319</u>	<u>\$ 147,351</u>	<u>\$ 144,640</u>		<u>\$ 51,030</u>
	LIABILITIES					
	Deposits held for others	<u>\$ 48,319</u>	<u>\$ 147,351</u>	<u>\$ 144,640</u>		<u>\$ 51,030</u>

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SCHEDULE OF PLEDGED COLLATERAL
June 30, 2010

		<u>Community Bank</u>		
Cash on deposit at June 30, 2010	\$	1,332,931		
Less FDIC coverage		<u>250,000</u>		
Uninsured funds	\$	<u>1,082,931</u>		
50% collateral requirement	\$	541,466		
Pledged collateral		<u>1,119,383</u>		
Excess (deficiency) of pledged collateral	\$	<u>577,917</u>		

Pledged collateral of financial institutions consists of the following at June 30, 2010

	<u>Maturity</u>	<u>CUSIP #</u>		<u>Market Value</u>
Community Bank:				
FFCB	8/15/2011	31331Y6G0	\$	1,037,484
FNMA	12/1/2020	3128M1ET2		53,324
FHLMC	10/1/2021	31292GCY0		5,068
FNMA	4/1/2024	31360FC45		<u>23,507</u>
			\$	<u>1,119,383</u>

The above securities are held at Federal Home Loan Bank in Dallas, TX.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

CASH RECONCILIATION
June 30, 2010

	Beginning Cash	Receipts	Distributions	Other	Net Cash End of Period	Adjustments to the report	Total Cash on Report
Operations	\$ 8,389	\$ 4,744,779	\$ (4,703,048)	\$ (97)	\$ 50,023	\$ -	\$ 50,023
Teacherage	13,932	8,638	(8,095)	-	14,475	-	14,475
Transportation	1,334	311,857	(311,800)	-	1,391	-	1,391
Instructional Materials	28,761	15,439	(26,733)	-	17,467	-	17,467
Food Services	21,265	191,406	(209,274)	-	3,397	-	3,397
Athletics	822	46,873	(32,988)	-	14,707	-	14,707
Federal Flowthrough Funds	(304,705)	614,173	(736,877)	97	(427,312)	-	(427,312)
Federal Direct Funds	15,610	488,798	(628,304)	-	(123,896)	-	(123,896)
Local Grants	30,387	15,852	(28,457)	-	17,782	-	17,782
State Flowthrough Funds	(57,385)	105,883	(89,236)	-	(40,738)	-	(40,738)
Local/State	-	2,500	(3,881)	-	(1,381)	-	(1,381)
Bond Building	1,690,635	817,487	(1,220,493)	(1,200,907)	86,722	-	86,722
Special Capital Outlay - State	62,068	134	(13,439)	-	48,763	-	48,763
Capital Improvements SB-9	637,465	238,565	(337,987)	-	538,043	-	538,043
Energy Efficiency Act	17,027	-	(17,000)	-	27	-	27
Public School Capital Outlay - 20%	100	1	-	-	101	-	101
Debt Service	346,970	1,111,297	(843,052)	-	615,215	-	615,215
Agency Funds	-	-	-	-	-	51,030	51,030
Total	\$ 2,512,675	\$ 8,713,682	\$ (9,210,664)	\$ (1,200,907)	\$ 814,786	\$ 51,030	\$ 865,816

Account Name	Account Type	Bank Name	Bank Amount	Adjustments to report:	
				Agency Funds	\$ 51,030
Operational	Checking	Community Bank	\$ 1,332,931	Adjustments to cash:	
				Bank Balance	\$ 1,332,931
				Outstanding checks	(467,115)
				Total adjustment to cash	\$ 865,816

THIS PAGE INTENTIONALLY LEFT BLANK

SINGLE AUDIT SECTION

THIS PAGE INTENTIONALLY LEFT BLANK

**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**

THIS PAGE INTENTIONALLY LEFT BLANK

KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101
Farmington, NM 87401

keystone@keystoneacct.com

Telephone (505) 566-1900
Fax (505) 566-1911

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

Hector H. Balderas, State Auditor
and the Board of Education
Chama Valley Independent School District No. 19

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds presented as supplemental information of Chama Valley Independent School District No. 19 as of and for the year ended June 30, 2011, and have issued our report thereon dated September 22, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Chama Valley Independent School District No. 19 is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Chama Valley Independent School District No. 19's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Chama Valley Independent School District No. 19's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Chama Valley Independent School District No. 19's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 a significant deficiency in internal control over financial reporting. Findings 2010-01 through 2010 – 6, and 2010 – 7C. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101
Farmington, NM 87401

keystone@keystoneacct.com

Telephone (505) 566-1900
Fax (505) 566-1911

Hector H. Balderas, State Auditor
and the Board of Education
Chama Valley Independent School District No. 19

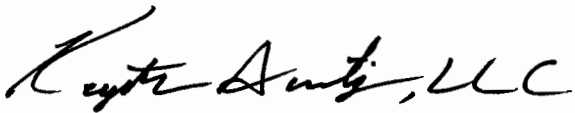
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Chama Valley Independent School District No. 19'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 is required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as Finding 2010-1 and 2010-7C.

We also noted certain other matters that are required to be reported pursuant to *Government Auditing Standards* paragraphs 5.14 and 5.16, and pursuant to Section 12-6- 5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as findings 2010 – 2 through 2010 – 6.

Chama Valley Independent School District No. 19's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Chama Valley Independent School District No. 19's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Education of Chama Valley Independent School District No. 19, others within Chama Valley Independent School District No. 19, the U.S. Department of Education, the State Auditor, the New Mexico Legislature, the New Mexico Public Education Department, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.



September 12, 2011

**INDEPENDENT AUDITORS' 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**

THIS PAGE INTENTIONALLY LEFT BLANK

KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101
Farmington, NM 87401

keystone@keystoneacct.com

Telephone (505) 566-1900
Fax (505) 566-1911

INDEPENDENT AUDITORS' 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

Independent Auditor's Report

Hector H. Balderas, State Auditor
And the Board of Education
Chama Valley Independent School District No. 19

Compliance

We have audited Chama Valley Independent School District No. 19's compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* (Revised March 2011) that could have a direct and material effect on each of Chama Valley Independent School District No. 19's major federal programs for the year ended June 30, 2011. Chama Valley Independent School District No. 19's major federal programs are identified in the summary of auditor's 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 Chama Valley Independent School District No. 19's management. Our responsibility is to express an opinion on Chama Valley Independent School District No. 19'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; 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 Chama Valley Independent School District No. 19'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 Chama Valley Independent School District No. 19's compliance with those requirements.

In our opinion, Chama Valley Independent School District No. 19, complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2010-7C.

KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101
Farmington, NM 87401

keystone@keystoneacct.com

Telephone (505) 566-1900
Fax (505) 566-1911

Hector H. Balderas, State Auditor
And the Board of Education
Chama Valley Independent School District No. 19

Internal Control Over Compliance

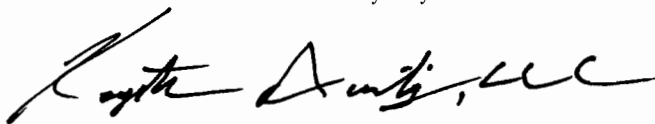
Management of Chama Valley Independent School District No. 19 is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Chama Valley Independent School District No. 19's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Chama Valley Independent School District No. 19's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 2010-7C. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Chama Valley Independent School District No. 19's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Chama Valley Independent School District No. 19's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, others within the Chama Valley Independent School District No. 19, the U.S. Department of Education, the State Auditor, the New Mexico Legislature, New Mexico Public Education Department, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.



September 12, 2011

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
Year Ended June 30, 2010

A. PRIOR YEAR AUDIT FINDINGS

2008 – 1 PREPARATION OF FINANCIAL STATEMENTS

Current Status: Not resolved. Repeated in the current year as finding 2010 – 1.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2010

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements of Chama Valley Independent School District No. 19.
2. There were seven significant deficiencies disclosed during the audit of the financial statements in the 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. There were no deficiencies disclosed as material weaknesses.
3. No instances of noncompliance material to the financial statements of Chama Valley Independent School District No. 19 were disclosed during the audit.
4. There was one significant deficiency disclosed during the audit of the major federal awards program in the Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for Chama Valley Independent School District No. 19 expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award programs for Chama Valley Independent School District No. 19 that is required to be reported in accordance with OMB Circular A-133.510(a).
7. The programs treated as major programs include:
 - Title I, Part A Cluster CFDA# 84.010 and 84.389;
 - Special Education (IDEA) Cluster CFDA# 84.027, 84.173, 84.391, and 84.392;
 - 21st Century Grant CFDA #84.287; and
 - ARRA State Revitalization CFDA# 84.394
8. The threshold for distinguishing types A and B programs was \$300,000.
9. Chama Valley Independent School District No. 19 was not determined to be a low-risk auditee.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2010

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2010 – 1 PREPARATION OF FINANCIAL STATEMENTS
(Repeat of prior year Finding 2008 – 1)

Significant Deficiency?
Yes

Material Weakness?
No

Internal Control?
Yes

Compliance?
Yes

Other Matter?
No

Condition: The financial statements were prepared by the auditor.

Criteria: Per SAS 115, management is required to have an internal control system of financial reporting including the preparation of the financial statements.

Effect of Condition: Management’s ability to ascertain the accuracy and completeness of the financial statements has been diminished.

Cause: Management does not have internal controls in place that are necessary for the preparation of the financial statements.

Recommendation: Management should develop a plan and system of controls that enable them to review the accuracy and completeness of the financial statements.

Management’s Response: A system of controls will be developed and implemented that will allow management to determine the accuracy and fair presentation of the financial statements.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2010

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2010 – 2 LATE AUDIT REPORT

Significant Deficiency?

Yes

Material Weakness?

No

Internal Control?

Yes

Compliance?

No

Other Matter?

Yes

Condition: The June 30, 2010 audit report was not submitted and accepted by the New Mexico State Auditor's Office by the due date of September 15, 2011.

Criteria: The New Mexico State Auditor has issued NMAC 2.2.2, Requirements for Contracting and Conducting Audits of Agencies, setting due dates for school audits to be in the office by November 15, 2010.

Effect of Condition: The report was not available for the New Mexico Department of Education and other state agencies to review on a timely basis.

Cause: The audit was not contracted for until after the due date of November 15, 2010.

Recommendation: We recommend communication with the New Mexico State Auditor's Office to ensure that the audit contract is in place in time for the audit report to be submitted in a timely manner.

Management Response: The Chama Valley Schools Business Manager will complete the Audit Contract in a timely manner and will confirm received with the New Mexico State Auditor's Office.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2010

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2010 – 3 MISSING BACKGROUND CHECK

Significant Deficiency?

Yes

Material Weakness?

No

Internal Control?

Yes

Compliance?

No

Other Matter?

Yes

Condition: Two of 30 employee files selected for testing had missing background checks.

Criteria: In accordance 1978 NMSA 22-10A-5, all employees who have access to children are required to have a background check completed and approved.

Cause: The District is not maintaining adequate controls over employee hiring.

Effect of Condition: The District is out of compliance with requirements for 1978 NMSA 22-10A-5.

Recommendation: The District should not employ any individual without prior receipt of the cleared background check.

Management's Response: The District has since addressed the missing background checks as well as set a system of controls in place to ensure all employee backgrounds are complete before being employed by the District.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2010

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2010 – 4 EXPENDITURES WERE PAID IN EXCESS OF BUDGETED AMOUNT

<u>Significant Deficiency?</u>	<u>Material Weakness?</u>	
Yes	No	
<u>Internal Control?</u>	<u>Compliance?</u>	<u>Other Matter?</u>
Yes	No	Yes

Condition: Certain funds had expenditures that were paid in excess of the total operating budget established for those funds. The following fund over expensed its budget.

	Final Approved <u>Expenditures</u>	Actual <u>Expenditures</u>	Negative Variance with <u>Final Budget</u>
ARRA - State Revitalization	\$ 336,435	\$ 397,543	\$ (61,108)

Criteria: According to NMSA 1978 Section 22.8.11.B all fiscal agents of public monies have a responsibility to monitor spending to comply with established budget guidelines.

Cause: Improper monitoring of line item expenditures by comparing budgeted amounts and actual amounts spent allowed unfavorable (negative) variances, overspending of line item budgets, to occur.

Effect of Condition: Violation of NMSA 1978 Section 22.8.11.B. Expenditures were made without the approval of the New Mexico Public Education Department.

Recommendation: Current policies and procedures provide for methods to change original approved budget expenses when necessary. Management should immediately implement and enforce internal controls to insure that no expenditures be charged against an item until proper approval, based on guidelines established by the New Mexico Public Education Department, have been received. When adherence is made to these policies, discipline then becomes established beginning at the requisition level.

Management's Response: An internal monthly audit system will be developed and implemented to routinely monitor that all necessary transfers, budget adjustment requests, and maintenance of budgets are being carried out.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2010

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2010 – 5 PURCHASES MADE PRIOR TO APPROVAL

<u>Significant Deficiency?</u>	<u>Material Weakness?</u>	<u>Internal Control?</u>	<u>Compliance?</u>	<u>Other Matter?</u>
Yes	No	Yes	No	Yes

Condition: One of the thirty disbursements tested that purchases were made prior to the approval of purchase orders. Purchase orders are used to control cash and to authorize the purchases in accordance with the authorized budget.

Criteria: Authorization for a purchase is acquired through the completion of a purchase order, which is signed by a person given authority over purchase control. The purchase order must be approved prior to the purchase or ordering of goods as per PSAB Supplement 13.

Cause: Personnel initiated and/or completed purchases prior to obtaining approval for the purchase in accordance with established policies and regulations.

Effect of Condition: Any purchases made without prior authorization have the potential to cause cash deficits in the funds from which they are made or violations of the approved budget.

Recommendation: The importance of cash controls and adequate planning need to be made clear to all personnel that will be making purchases for the school.

Management's Response: The internal control system in place since has been evaluated and reorganized to avoid and prevent from purchases being made prior to appropriate approval. An internal monthly audit system has also been developed to ensure that procurement process is being followed.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2010

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2010 – 6 UNTIMELY DEPOSIT OF RECEIPTS

Significant Deficiency?

Yes

Material Weakness?

No

Internal Control?

Yes

Compliance?

No

Other Matter?

Yes

Condition: Four of the thirty receipts tested were not deposited within one banking day.

Criteria: NMAC 6.20.2.14 (c) states that money received and receipted shall be deposited in the bank within 24 hours or one banking day.

Effect of Condition: The District is in violation of NMAC 6.20.2.14 (c). Also, the time between the receipt of the funds and deposit makes the District susceptible to fraud.

Cause: The receipts were held from 2 days to about one month before being deposited.

Recommendation: Receipts should be deposited within one banking day.

Management's Response: A system of control has been set and implemented to ensure all deposits are deposited within one banking day. An internal monthly audit system has also been developed to ensure deposits are appropriately deposited and posted to the general ledger daily.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2010

C. AUDIT FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

DEPARTMENT OF INTERIOR AND DEPARTMENT OF EDUCATION
Title I, Part A Cluster CFDA # 84.010 and 84.389
Special Education (IDEA-B) Cluster CFDA #84.027, 84.173, 84.391, and 84.392
ARRA - State Revitalization CFDA # 84.394
21st Century Grant CFDA # 84.287

2010 – 7C LATE FILING OF FEDERAL CLEARING HOUSE REPORTING

Significant Deficiency?
Yes

Material Weakness?
No

Internal Control?
Yes

Compliance?
Yes

Other Matter?
No

Condition: The June 30, 2010 audit report and data collection form were sent to the Federal Clearing House after the due date of either 30 days after the date of the audit report or nine months after the year end.

Criteria: The OMB A-133 requires the Federal Clearing House Data Collection Form and the audit report be filed either one month after the date of the audit report release, or nine months after the year end.

Effect of Condition: The report was not available for the filing of the Federal Clearing House report on a timely basis.

Cause: Information required to complete the audit was not available from the District.

Recommendation: We recommend that all information be made available to the auditor on a timely basis.

Management's Response: Management commits to communicating and making all required data and samples available to the auditor on a timely basis.

THIS PAGE INTENTIONALLY LEFT BLANK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2010

<u>Federal Grantor/Pass - Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture:</u>			
Pass-Through Program From:			
New Mexico Department of Education:			
<u>Child Nutrition -- Cluster:</u>			
USDA National School Lunch Program	10.555	21000	\$ 119,969
USDA School Breakfast Program	10.553	21000	<u>57,644</u>
 Total Child Nutrition Cluster			 177,613
 Direct Program:			
Forest Reserve	10.670	11000	84,366
 Pass-Through Program From:			
New Mexico Human Service Department:			
USDA Commodities Program	10.550	21000	<u>14,942</u>
 Total U.S. Department of Agriculture			 <u>276,921</u>
 <u>U.S. Department of Education:</u>			
Direct Programs:			
Gear Up	84.358A	25211	\$ 196,451
21st Century Grant	84.287	24119	<u>213,782</u>
 Pass-Through Programs From:			
New Mexico Department of Education:			
<u>Special Education (IDEA-B Cluster):</u>			
IDEA-B Entitlement	84.027	24106	181,828
IDEA-B Preschool	84.173	24109	5,414
ARRA - Entitlement IDEA-B	84.391	24206	108,506
ARRA - Preschool IDEA-B	84.392	24209	<u>4,233</u>
 Total Special Education (IDEA-B) Cluster			 \$ <u>299,981</u>

(continued)

See accompanying notes to the
Schedule of Expenditures of Federal Awards.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2010

<u>Federal Grantor/Pass - Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Education (continued):</u>			
Pass-Through Programs From (continued):			
New Mexico Department of Education (continued):			
<u>Title I, Part A Cluster:</u>			
Title I Basic Education Grant	84.010	24101	\$ 133,387
ARRA - Title I	84.389	24201	<u>30,381</u>
Total Title I, Part A Cluster			<u>163,768</u>
Title III English Language	84.365	24153	17,569
Title II Improving Teacher Quality	84.367	24154	34,124
Title IV - Safe and Drug-Free Schools	84.186	24157	1,945
Migrant Children Education	84.011	24103	8,996
Rural Education Achievement Program	84.358A	25233	1,756
ARRA - State Revitalization	81.394	25250	<u>397,543</u>
Subtotal Pass-Through Programs			<u>925,682</u>
Total U.S. Department of Education			<u>1,335,915</u>
<u>U.S. Department of Health and Human Services:</u>			
Pass-Through Program From:			
New Mexico Department of Health:			
Title XIX Medicaid	93.778	25153	<u>32,877</u>
Total Expenditures of Federal Awards			<u>\$ 1,645,713</u>

See accompanying notes to the
Schedule of Expenditures of Federal Awards.

STATE OF NEW MEXICO
 CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

Notes To The Schedule Of Expenditures Of Federal Awards
 Year Ended June 30, 2010

1. Scope of audit pursuant to OMB Circular A-133

All federal grant operations of Chama Valley Independent School District No. 19 (the “School District”) are included in the scope of the Office of management and Budget (“OMB”) Circular A-133 audit (the “Single Audit”). The Single Audit was performed in accordance with the provisions of the OMB Circular Compliance Supplement (Revised June 2010 the “Compliance Supplement”). Compliance testing of all requirements are described in the Compliance Supplement, was performed for the grants programs noted below. These programs represent all federal award programs and other grants with fiscal 2010 cash and non-cash expenditures to ensure coverage of at least 50% (HIGH risk auditee) of federally granted funds. Actual coverage is approximately 65% of total cash and non-cash federal award program expenditures. Total cash expenditures were in the amount of \$1,630,771 and all non-cash expenditures amounted to \$14,942.

Major Federal Award Program Description	Fiscal 2010 <u>Expenditure</u>
Cash assistance:	
21st Century Grant	\$ 213,782
Title I, Part A Cluster	163,768
Special Education (IDEA-B) Cluster	299,981
ARRA - State Revitalization	<u>397,543</u>
Total	<u>\$ 1,075,074</u>

The District’s federal program ARRA – State Revitalization was considered a high risk Type A program, and the programs 21st Century Grant, Title I, Part A Cluster, and Special Education (IDEA-B) Cluster were considered a low risk Type B program for the 2010 audit.

The U.S. Department of Education is the School District’s oversight agency for single audit.

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

Notes To The Schedule Of Expenditures Of Federal Awards
Year Ended June 30, 2010

2. Summary of significant accounting policies

Basis of presentation

The accompanying Schedule of Expenditure of Federal Awards includes all federal grants to the School District that had activity during the fiscal year ended June 30, 2010. This Statement has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the School District has met the qualifications for the respective grant.

Accrued and deferred reimbursements

Various reimbursement procedures are used for Federal awards received by the School District. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year. Accrued balances at year end represent an excess of reimbursable expenditures over receipts to date. Deferred balance at year-end represent an excess of cash receipts over reimbursable expenditure to date. Generally, accrued or deferred balances covered by differences in the timing of cash receipts and expenditures will be reversed in the remaining grant period.

3. Audits performed by other entities

There were no other audits performed by other organizations on the School Districts federal grant programs in 2010.

THIS PAGE INTENTIONALLY LEFT BLANK

REQUIRED DISCLOSURE

THIS PAGE INTENTIONALLY LEFT BLANK

STATE OF NEW MEXICO
CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

REQUIRED DISCLOSURES
Year Ended June 30, 2010

REQUIRED DISCLOSURE

The financial statements were prepared by the independent public accountants.

An exit conference was held September 12, 2011, during which the audit findings were discussed. The exit conference was attended by the following individuals:

CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

William Russom
Danette Garcia

Board Member
Business Manager

KEYSTONE ACCOUNTING, LLC

Terry Ogle, CPA

Partner