

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

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COMPREHENSIVE FINANCIAL ANNUAL REPORT  
AND  
SUPPLEMENTAL INFORMATION  
YEAR ENDED JUNE 30, 2011  
WITH  
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

*K*EYSTONE *A*CCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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## INTRODUCTORY SECTION

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

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

OFFICIAL ROSTERS  
June 30, 2011

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BOARD OF EDUCATION

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

SCHOOL OFFICIALS

Anthony Casados	Superintendent
Danette Garcia	Business Manager

AUDIT COMMITTEE

Donald A. Valdez	Board Vice-President
Billy Joe F. Samora	Board Member
Jim Macias	Financial Professional
Jayne Macias	Financial Professional
Christine Montano	Community Member
Anthony Casados	Superintendent
Danette Garcia	Business Manager

FINANCE COMMITTEE

Thomas R. Rivas	Board President
David Leyba	Board Member
Anthony Casados	Superintendent
Danette Garcia	Business Manager

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**FINANCIAL SECTION**

**FISCAL YEAR 2011**

**JULY 1, 2010 THROUGH JUNE 30, 2011**

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# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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## 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, 2011, 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, 2011, 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, 2011, 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, 2011, 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.

# KEYSTONE ACCOUNTING, LLC

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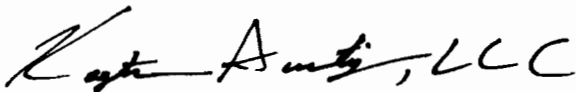
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Hector H. Balderas, State Auditor  
And the Board of Education of  
Chama Valley Independent School District No. 19

In accordance with Government Auditing Standards, we have also issued our report dated October 27, 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.

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.



October 27, 2011

## **BASIC FINANCIAL STATEMENTS**

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

STATEMENT OF NET ASSETS

June 30, 2011

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 789,463
Receivables:	
Delinquent property taxes receivable	501,734
Grant	653,954
Due from other governments	26,519
Deferred bond issuance costs	326,205
USDA commodities inventory	774
Food inventory	322
 Non-current:	
Non-depreciable assets	266,200
Depreciable capital assets, net	<u>14,602,244</u>
Total assets	<u>17,167,415</u>
 <b>LIABILITIES</b>	
Accounts payable	45,397
Accrued interest	85,803
Deferred grant revenue	25,890
Deposits held for others	2,750
Compensated absences	63,515
Noncurrent liabilities:	
Due within one year	670,000
Due in more than one year	<u>5,907,546</u>
Total liabilities	<u>6,800,901</u>
 <b>NET ASSETS</b>	
Invested in capital assets, net of related debt	9,020,527
Restricted for:	
Inventories	1,096
Special revenue funds	69,074
Capital projects	481,095
Debt service	698,985
Unrestricted	<u>95,737</u>
Total net assets	<u>\$ 10,366,514</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, 2011

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</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	\$ 3,118,181	\$ 11,955	\$ 765,600	\$ 72,079	\$ (2,268,547)
Support Services - Students	666,910	33,340	163,745	15,415	(454,410)
Support Services - Instruction	56,686	-	13,918	1,310	(41,458)
Support Services - General Administration	330,884	-	81,241	7,649	(241,994)
Support Services - School Administration	705,407	-	173,197	16,306	(515,904)
Central Services	211,046	-	51,818	-	(159,228)
Operations & Maintenance of Plant	1,607,423	-	394,667	-	(1,212,756)
Student Transportation	371,405	-	221,756	-	(149,649)
Other Support Services	8,412	-	2,065	-	(6,347)
Food Services	326,139	18,130	195,911	-	(112,098)
Bond interest paid	<u>306,133</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(306,133)</u>
Total governmental activities	<u>\$ 7,708,626</u>	<u>\$ 63,425</u>	<u>\$ 2,063,918</u>	<u>\$ 112,759</u>	<u>(5,468,524)</u>
General revenues:					
Property Taxes:					
					57,974
					1,002,424
					279,926
					4,507,400
					<u>1,709</u>
					<u>5,849,433</u>
					380,909
					<u>9,985,605</u>
					<u>\$ 10,366,514</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, 2011

		Capital Improvements SB-9 Fund #31700	Debt Service Fund #41000	Other Governmental Funds	Total Governmental Funds
	General Fund				
<b>ASSETS</b>					
Pooled cash and investments	\$ 187,660	\$ 256,718	\$ 668,546	\$ (323,461)	\$ 789,463
Receivables:					
Delinquent property taxes	15,910	96,717	389,107	-	501,734
Grant	-	-	-	653,954	653,954
Due from other governments	841	5,112	20,566	-	26,519
USDA commodities inventory	-	-	-	774	774
Food inventory	-	-	-	322	322
	<u>-</u>	<u>-</u>	<u>-</u>	<u>322</u>	<u>322</u>
<b>Total assets</b>	<b><u>\$ 204,411</u></b>	<b><u>\$ 358,547</u></b>	<b><u>\$ 1,078,219</u></b>	<b><u>\$ 331,589</u></b>	<b><u>\$ 1,972,766</u></b>
<b>LIABILITIES AND FUND BALANCE</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 26,836	\$ 1,415	\$ -	\$ 17,146	\$ 45,397
Deposits held for others	2,750	-	-	-	2,750
Deferred revenue:					
Federal, state, and local grants	-	-	-	25,890	25,890
Delinquent property taxes	<u>15,573</u>	<u>94,420</u>	<u>379,234</u>	<u>-</u>	<u>489,227</u>
<b>Total liabilities</b>	<b><u>45,159</u></b>	<b><u>95,835</u></b>	<b><u>379,234</u></b>	<b><u>43,036</u></b>	<b><u>563,264</u></b>
<b>Fund balance:</b>					
<b>Non-spendable:</b>					
Inventories	-	-	-	1,096	1,096
<b>Restricted for:</b>					
Special revenue funds	-	-	-	69,074	69,074
Capital projects funds	-	262,712	-	218,383	481,095
Debt service	-	-	698,985	-	698,985
Unassigned	<u>159,252</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>159,252</u>
<b>Total fund balance</b>	<b><u>159,252</u></b>	<b><u>262,712</u></b>	<b><u>698,985</u></b>	<b><u>288,553</u></b>	<b><u>1,409,502</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$ 204,411</u></b>	<b><u>\$ 358,547</u></b>	<b><u>\$ 1,078,219</u></b>	<b><u>\$ 331,589</u></b>	<b><u>\$ 1,972,766</u></b>

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, 2011

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

Fund balances - total governmental funds	\$	1,409,502
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital assets		21,334,344
Accumulated depreciation		(6,465,900)
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes receivable		489,227
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		(6,555,000)
Accrued interest payable		(85,803)
Accrued vacation payable		(63,515)
Bond issue costs		326,205
Bond premiums		(22,546)
		(6,905,454)
Net assets of governmental activities	\$	10,366,514

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, 2011

	General Fund	Capital Improvements SB-9 Fund #31700	Debt Service Fund #41000	Other Governmental Funds	Total Governmental Funds
Revenues:					
Federal sources:					
Forest reserve	\$ 71,016	\$ -	\$ -	\$ -	\$ 71,016
Federal flowthrough grants	10,622	-	-	618,499	629,121
Federal direct grants	8,765	-	-	401,923	410,688
Food and milk reimbursements	-	-	-	182,651	182,651
USDA Commodities	-	-	-	13,260	13,260
State sources:					
State equalization guarantee	4,379,700	-	-	-	4,379,700
Transportation	221,756	-	-	-	221,756
State instructional material	15,994	-	-	-	15,994
State grant	480,547	15,866	-	196,382	692,795
Local sources:					
Grant	5,639	-	-	-	5,639
District school tax levy	53,504	263,204	983,221	-	1,299,929
Fees and activities	11,955	-	-	51,470	63,425
Earnings from investments	1,683	773	610	346	3,412
Miscellaneous	<u>5,139</u>	<u>-</u>	<u>-</u>	<u>51,545</u>	<u>56,684</u>
 Total revenue	 \$ 5,266,320	 \$ 279,843	 \$ 983,831	 \$ 1,516,076	 \$ 8,046,070

(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, 2011

	General Fund	Capital Improvements SB-9 Fund #31700	Debt Service Fund #41000	Other Governmental Funds	Total Governmental Funds
Expenditures:					
Current:					
Instruction	\$ 2,144,636	\$ -	\$ -	\$ 776,683	\$ 2,921,319
Support Services:					
Students	563,714	-	-	61,092	624,806
Instruction	123,090	-	-	19,337	142,427
General Administration	205,803	2,338	9,772	92,081	309,994
School Administration	474,756	-	-	186,116	660,872
Central Services	184,148	-	-	13,574	197,722
Operation & Maintenance of Plant	1,032,349	440,650	-	32,942	1,505,941
Student Transportation	344,946	-	-	3,011	347,957
Other Support Services	7,881	-	-	-	7,881
Food Services Operations	93,238	-	-	212,311	305,549
Capital outlay	-	8,359	-	12,164	20,523
Debt service:					
Principal retirement	-	-	655,000	-	655,000
Bond interest paid	-	-	269,498	-	269,498
Total expenditures	<u>5,174,561</u>	<u>451,347</u>	<u>934,270</u>	<u>1,409,311</u>	<u>7,969,489</u>
Excess (deficiency) of revenues over expenditures	91,759	(171,504)	49,561	106,765	76,581
Fund balance at beginning of the year	<u>67,493</u>	<u>434,216</u>	<u>649,424</u>	<u>181,788</u>	<u>1,332,921</u>
Fund balance at end of the year	<u>\$ 159,252</u>	<u>\$ 262,712</u>	<u>\$ 698,985</u>	<u>\$ 288,553</u>	<u>\$ 1,409,502</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, 2011

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

Net change in fund balance - total governmental funds	\$	76,581
<p>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</p>		
Capital outlay		20,523
Depreciation		(467,345)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Deferred property taxes at:		
June 30, 2010		(448,832)
June 30, 2011		489,227
<p>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.</p>		
Current year principal payments		655,000
Issuance cost amortization		(44,215)
Bond premium amortization		3,070
<p>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.</p>		
Compensated absences at:		
June 30, 2010		152,835
June 30, 2011		(63,515)
Accrued interest at:		
June 30, 2010		(85,803)
June 30, 2011		<u>93,383</u>
Change in net assets of governmental activities	\$	<u>380,909</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

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

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
<b>Federal sources:</b>				
Forest reserve	\$ 75,929	\$ 75,929	\$ 71,016	\$ (4,913)
Federal grant	2,000	2,000	8,765	6,765
Federal direct grant	21,300	21,300	10,622	(10,678)
<b>State sources:</b>				
State equalization guarantee	4,511,643	4,383,548	4,379,700	(3,848)
Transportation	312,068	211,589	221,756	10,167
State instructional material	13,966	31,433	15,994	(15,439)
State grant	695,000	695,000	480,547	(214,453)
<b>Local sources:</b>				
Grant	1,000	1,000	5,639	4,639
District school tax levy	37,079	37,079	47,630	10,551
Fees and activities	13,700	13,700	17,938	4,238
Earnings from investments	785	785	1,683	898
Miscellaneous	-	-	5,139	5,139
<b>Total revenues</b>	<u>5,684,470</u>	<u>5,473,363</u>	<u>5,266,429</u>	<u>(206,934)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Instruction	2,634,274	2,455,752	2,128,802	326,950
<b>Support Services:</b>				
Students	522,597	563,732	563,714	18
Instruction	146,284	123,363	123,090	273
General Administration	237,408	208,681	206,791	1,890
School Administration	421,903	474,756	474,756	-
Central Services	161,557	184,149	184,148	1
Operation & Maintenance of Plant	1,213,836	1,069,001	1,034,757	34,244
Student Transportation	326,768	341,867	344,946	(3,079)
Other Support Services	6,353	11,026	7,882	3,144
Food Services Operations	67,891	95,437	93,238	2,199
<b>Capital outlay:</b>				
Construction in progress	<u>2,236</u>	<u>2,236</u>	-	<u>2,236</u>
<b>Total expenditures</b>	<u>5,741,107</u>	<u>5,530,000</u>	<u>5,162,124</u>	<u>367,876</u>
Excess (deficiency) of revenues over expenditures	(56,637)	(56,637)	104,305	160,942
Beginning cash balance budgeted	56,637	56,637	-	(56,637)
Fund balance at beginning of the year	-	-	67,493	67,493
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	171,798	<u>\$ 171,798</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			3,927	
Change in due from other governments			434	
Change in payables			(12,437)	
Change in deferred property taxes			<u>(4,470)</u>	
			<u>\$ 159,252</u>	

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

STATE OF NEW MEXICO  
HAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 1

AGENCY FUNDS  
Statement of Fiduciary Assets and Liabilities  
June 30, 2011

ASSETS

Pooled cash and investments	\$ <u>55,677</u>
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LIABILITIES

Deposits held for others	\$ <u>55,677</u>
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The notes to the financial statements are an integral part of this statement.



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

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011

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

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011

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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, 2011

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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, 2011

---

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.

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.

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

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011

---

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, 2011

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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, 2011

---

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 40 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, 2011

---

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

7. *Fund balance*

1. Non-Spendable

The non-spendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

2. Restricted

Fund balance is reported as restricted when constraints placed on the use of resources are either (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

3. Committed

Amounts that can only be used for specific purposes pursuant to constraints imposed by the formal action of the District's Board of Education should be reported as committed fund balance. The committed amounts cannot be used for any other purpose unless the District's Board of Education removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The District did not have committed fund balances for the year ended June 30, 2011.

4. Assigned

Assigned fund balance includes (a) all remaining amounts, except for negative balances, that are reported in governmental funds, other than the general fund, that are not classified as non-spendable and are neither restricted nor committed and amounts in the general fund that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Intent, and removal of, is expressed by the Board of Education or the Finance Committee. The District did not have assigned fund balances for the year ended June 30, 2011.

5. Unassigned

The remaining fund balance, after all other classifications, within the general fund is reported as unassigned fund balance. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. In governmental funds other than the general fund, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, a negative fund balance will be reported as unassigned fund balance.



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

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011

---

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

When committed, assigned, and unassigned resources are available for use, it is the District's policy to use committed first followed by assigned and unassigned resources as they are needed.

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."

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.

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, 2011

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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 \$4,379,700 in state equalization guarantee distributions during the year ended June 30, 2011.

**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 \$221,756 in transportation distributions during the year ended June 30, 2011.

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

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011

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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, 2011

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, 2011 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	\$ 5,741,107	\$ 5,530,000
Special Revenue Fund	1,089,008	1,663,202
Capital Projects Fund	2,621,267	2,632,664
Debt Service Fund	1,254,230	1,254,230
Totals	\$ 10,705,612	\$ 11,080,096

B. Budgetary Violations

The District exceeded its legal budget in individual funds as referenced in Finding 2011-1 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, 2011.

III. DETAILED NOTES ON ALL FUNDS

A. Cash and Temporary Investments

At June 30, 2011, the carrying amount of the District's deposits was \$845,140 and the bank balance was \$1,361,751 with the difference being outstanding checks. Of this balance \$250,000 was covered by federal depository insurance and \$761,412 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, 2011

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, 2011, \$350,339 of the District's bank balance of \$1,361,751 was exposed to custodial risk as follows:

Uninsured and uncollateralized	\$	350,339
Uninsured and collateral held by pledging bank's trust dept not in the District's name		761,412
Total uninsured		1,111,751
Insured (FDIC)		250,000
Total deposits	\$	1,361,751
State of New Mexico collateral requirement:		
50% of uninsured public fund bank deposits	\$	555,876
Pledged security		761,412
Over collateralized	\$	205,536

The collateral pledged is listed on Page 126 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, 2011

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>Capital Improvements SB-9</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>
Receivables:				
Delinquent property taxes	\$ 15,910	\$ 96,717	\$ 389,107	\$ -
Grant	-	-	-	653,954
Due from other:				
Governments	<u>841</u>	<u>5,112</u>	<u>20,566</u>	<u>-</u>
Total	<u>\$ 16,751</u>	<u>\$ 101,829</u>	<u>\$ 409,673</u>	<u>\$ 653,954</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	\$ -	\$ 25,890
Delinquent property taxes		
General Fund	15,573	-
Capital Improvements SB-9	94,420	-
Debt Service	<u>379,234</u>	<u>-</u>
Total deferred/unearned revenue for governmental funds	<u>\$ 489,227</u>	<u>\$ 25,890</u>

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

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011

III. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2011 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	-	-	-	-	-
Total capital assets, not being depreciated	<u>\$ 266,200</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 266,200</u>
Capital assets, being depreciated:					
Land improvements	\$ 1,041,230	\$ -	\$ -	\$ -	\$ 1,041,230
Buildings and improvements	18,050,456	12,164	-	217,999	18,280,619
Furniture, fixtures, and equipment	<u>1,955,935</u>	<u>8,359</u>	-	<u>(217,999)</u>	<u>1,746,295</u>
Total capital assets being depreciated	<u>21,047,621</u>	<u>20,523</u>	-	-	<u>21,068,144</u>
Less accumulated depreciation for:					
Land improvements	(709,204)	(20,399)	-	-	(729,603)
Buildings and improvements	(3,834,630)	(388,484)	-	-	(4,223,114)
Furniture, fixtures, and equipment	<u>(1,454,721)</u>	<u>(58,462)</u>	-	-	<u>(1,513,183)</u>
Total accumulated depreciation	<u>(5,998,555)</u>	<u>(467,345)</u>	-	-	<u>(6,465,900)</u>
Total capital assets being depreciated, net	<u>\$ 15,049,066</u>	<u>\$ (446,822)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,602,244</u>

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

<u>Depreciation Allocation to Functions</u>	
Instruction	\$ 196,862
Support Services - Students	42,104
Support Services - Instruction	3,579
Support Services - General Administration	20,890
Support Services - School Administration	44,535
Central Services	13,324
Operations & Maintenance of Plant	101,482
Student Transportation	23,448
Other Support Services	531
Food Services	<u>20,590</u>
Total Depreciation Expense	<u>\$ 467,345</u>

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

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011

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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, 2011.

The District is involved in several long-term construction projects as part of their master plan for upgrading the district buildings. The amount of \$481,095 in the capital projects fund designated for subsequent years expenditures are committed for funding these projects. Interest on construction projects is not capitalized.

D. Inter-Fund Receivables and Payables

There were not any inter-fund receivables or payables at June 30, 2011.

E. Inter-Fund Transfers

There were not any inter-fund transfers at June 30, 2011.

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, 2011 are as follows:



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

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011

III. DETAILED NOTES ON ALL FUNDS (continued)

<u>General Obligations Bonds</u>		<u>Original Amount</u>	<u>Interest Rates</u>	<u>Balance June 30, 2011</u>	<u>Amount Due Within One Year</u>
Series	2004	\$ 2,500,000	2.20% to 3.50%	\$ 1,420,000	\$ 210,000
Series	2005	2,000,000	2.25% to 4.00%	1,270,000	165,000
Series	2005B	1,000,000	4.00%	735,000	70,000
Series	2006	800,000	3.45% to 4.20%	425,000	75,000
Series	2007	775,000	3.40% to 3.54%	675,000	25,000
Series	2007B	390,000	3.75% to 4.50%	365,000	15,000
Series	2008	325,000	2.785% to 4.40%	250,000	25,000
Series	2008B	600,000	3.35% to 4.875%	580,000	10,000
Series	2009	540,000	3.625% to 4.00%	490,000	50,000
Series	2010	<u>370,000</u>	3.50% to 3.75%	<u>345,000</u>	<u>25,000</u>
<b>Total</b>		<b>\$ 9,300,000</b>		<b>\$ 6,555,000</b>	<b>\$ 670,000</b>

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>
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	765,000	137,801	902,801
2017 - 2021	<u>2,970,000</u>	<u>218,673</u>	<u>3,188,673</u>
<b>Total</b>	<b>\$ 6,555,000</b>	<b>\$ 1,165,802</b>	<b>\$ 7,720,802</b>

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

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011

III. DETAILED NOTES ON ALL FUNDS (continued)

G. Long-Term Debt (continued)

Changes in long term debt – During the year ended June 30, 2011 the following changes occurred in liabilities reported in the general obligation bonds account group:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending</u> <u>Balance</u>	<u>Amount Due</u> <u>Within One Year</u>
Compensated absences:					
Compensated vacation	\$ 152,835	\$ 22,274	\$ 111,594	\$ 63,515	\$ 63,515
Bonds payable	<u>7,210,000</u>	<u>-</u>	<u>655,000</u>	<u>6,555,000</u>	<u>670,000</u>
	<u>\$ 7,362,835</u>	<u>\$ 22,274</u>	<u>\$ 766,594</u>	<u>\$ 6,618,515</u>	<u>\$ 733,515</u>

Reconciliation of non-current liabilities as of June 30, 2011:

Bonds payable	\$ 6,555,000
Unamortized:	
Bond premiums	22,546
Less: current maturities	<u>(670,000)</u>
Total non-current liabilities	<u>\$ 5,907,546</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, 2011

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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, 2011.

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

STATE OF NEW MEXICO  
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NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011

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IV. OTHER INFORMATION (continued)

C. Employee Retirement Plan (continued)

Funding Policy - Effective July 1, 2009 through June 30, 2011, plan members were required by statute to contribute 7.9% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually were required to contribute 9.4% of their gross salary. The District was required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, and 10.9% of the gross covered salary of employees earning more than \$20,000 annually. Effective July 1, 2011 plan members are required by statute to contribute 7.9% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually are required to contribute 11.15% of their gross salary. The District is required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, and 9.15% of the gross covered salary of employees earning more than \$20,000 annually. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to the ERB for the years ended June 30, 2011, 2010, and 2009 were \$391,986, \$414,250, and \$382,931, respectively, equal to the amount of the required contribution for the year

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, 2011

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. During the fiscal year ended June 30, 2011, the statute required each participating employer to contribute 1.666% of each participating employee’s annual salary; each participating employee was required to contribute .8333% of their salary. In the fiscal years ending June 30, 2012 and June 30, 2013 the contribution rates for employees and employers will rise as follows:

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Employee Contribution</u>
2011-2012	1.834%	0.917%
2012-2013	2.000%	1.000%

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, 2011, 2010, and 2009 were \$55,882, \$45,697, and \$46,363, respectively, which equal the required contributions for each year.

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

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2011

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IV. OTHER INFORMATION (continued)

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 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, 2011**

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**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, 2011

	General Funds				Total General Funds
	Operational Fund #11000	Teacherage Fund #12000	Transportation Fund #13000	Instructional Materials Fund #14000	
<b>ASSETS</b>					
Pooled cash and investments	\$ 156,557	\$ 16,527	\$ 8,516	\$ 6,060	\$ 187,660
Receivables:					
Delinquent property taxes	15,910	-	-	-	15,910
Due from other governments	841	-	-	-	841
Total assets	\$ 173,308	\$ 16,527	\$ 8,516	\$ 6,060	\$ 204,411
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities:					
Accounts payable	\$ 26,664	\$ 172	\$ -	\$ -	\$ 26,836
Deposits held for others	-	2,750	-	-	2,750
Deferred revenue:					
Delinquent property taxes	15,573	-	-	-	15,573
Total liabilities	42,237	2,922	-	-	45,159
Fund balance:					
Unassigned	131,071	13,605	8,516	6,060	159,252
Total liabilities and fund balance	\$ 173,308	\$ 16,527	\$ 8,516	\$ 6,060	\$ 204,411



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, 2011

	General Funds				Total General Fund
	Operational	Teacherege	Transportation	Instructional	
	<u>Fund #11000</u>	<u>Fund #12000</u>	<u>Fund #13000</u>	<u>Fund #14000</u>	
<b>Revenues:</b>					
Federal sources:					
Forest reserve	\$ 71,016	\$ -	\$ -	\$ -	\$ 71,016
Federal flowthrough grants	10,622	-	-	-	10,622
Federal direct grants	8,765	-	-	-	8,765
State sources:					
State equalization guarantee	4,379,700	-	-	-	4,379,700
Transportation	-	-	221,756	-	221,756
State instructional material	-	-	-	15,994	15,994
State grant	480,547	-	-	-	480,547
Local sources:					
Grant	5,639	-	-	-	5,639
District school tax levy	53,504	-	-	-	53,504
Fees and activities	825	11,130	-	-	11,955
Earnings from investments	1,593	31	37	22	1,683
Miscellaneous	5,139	-	-	-	5,139
Total revenue	\$ 5,017,350	\$ 11,161	\$ 221,793	\$ 16,016	\$ 5,266,320

(continued)

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, 2011

	<u>General Funds</u>				<u>Total General Fund</u>
	<u>Operational Fund #11000</u>	<u>Teacherage Fund #12000</u>	<u>Transportation Fund #13000</u>	<u>Instructional Materials Fund #14000</u>	
Expenditures:					
Current:					
Instruction	\$ 2,117,213	\$ -	\$ -	\$ 27,423	\$ 2,144,636
Support Services:					
Students	563,714	-	-	-	563,714
Instruction	123,090	-	-	-	123,090
General Administration	205,803	-	-	-	205,803
School Administration	474,756	-	-	-	474,756
Central Services	184,148	-	-	-	184,148
Operation & Maintenance of Plant	1,023,149	9,200	-	-	1,032,349
Student Transportation	130,278	-	214,668	-	344,946
Other Support Services	7,881	-	-	-	7,881
Food Services Operations	<u>93,238</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>93,238</u>
Total expenditures	<u>4,923,270</u>	<u>9,200</u>	<u>214,668</u>	<u>27,423</u>	<u>5,174,561</u>
Excess (deficiency) of revenues over expenditures	94,080	1,961	7,125	(11,407)	91,759
Fund balance at beginning of the year	<u>36,991</u>	<u>11,644</u>	<u>1,391</u>	<u>17,467</u>	<u>67,493</u>
Fund balance at end of the year	<u>\$ 131,071</u>	<u>\$ 13,605</u>	<u>\$ 8,516</u>	<u>\$ 6,060</u>	<u>\$ 159,252</u>

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

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

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
<b>Federal sources:</b>				
Forest reserve	\$ 75,929	\$ 75,929	\$ 71,016	\$ (4,913)
Federal grant	2,000	2,000	8,765	6,765
Federal direct grant	21,300	21,300	10,622	(10,678)
<b>State sources:</b>				
State equalization guarantee	4,511,643	4,383,548	4,379,700	(3,848)
State grant	695,000	695,000	480,547	(214,453)
<b>Local sources:</b>				
Grant	1,000	1,000	5,639	4,639
District school tax levy	37,079	37,079	47,630	10,551
Fees and activities	3,700	3,700	6,808	3,108
Earnings from investments	700	700	1,593	893
Miscellaneous	-	-	5,139	5,139
Total revenues	<u>5,348,351</u>	<u>5,220,256</u>	<u>5,017,459</u>	<u>(202,797)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Instruction	2,619,020	2,423,031	2,101,379	321,652
<b>Support Services:</b>				
Students	522,597	563,732	563,714	18
Instruction	146,284	123,363	123,090	273
General Administration	237,408	208,681	206,791	1,890
School Administration	421,903	474,756	474,756	-
Central Services	161,557	184,149	184,148	1
Operation & Maintenance of Plant	1,196,336	1,051,501	1,025,648	25,853
Student Transportation	14,700	130,278	130,278	-
Other Support Services	6,353	11,026	7,882	3,144
Food Services Operations	<u>67,891</u>	<u>95,437</u>	<u>93,238</u>	<u>2,199</u>
Total expenditures	<u>5,394,049</u>	<u>5,265,954</u>	<u>4,910,924</u>	<u>355,030</u>
Excess (deficiency) of revenues over expenditures	(45,698)	(45,698)	106,535	152,233
Beginning cash balance budgeted	45,698	45,698	-	(45,698)
Fund balance at beginning of the year	-	-	36,991	36,991
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	143,526	<u>\$ 143,526</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			3,927	
Change in due from other governments			434	
Change in payables			(12,346)	
Change in deferred property taxes			<u>(4,470)</u>	
			<u>\$ 131,071</u>	

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

TEACHERAGE FUND

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

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
<b>Revenues:</b>				
Local sources:				
Fees and activities	\$ 10,000	\$ 10,000	\$ 11,130	\$ 1,130
Earnings from investments	<u>35</u>	<u>35</u>	<u>31</u>	<u>(4)</u>
Total revenues	<u>10,035</u>	<u>10,035</u>	<u>11,161</u>	<u>1,126</u>
<b>Expenditures:</b>				
Current:				
Support Services:				
Operation & Maintenance of Plant	17,500	17,500	9,109	8,391
Capital outlay:				
Construction in progress	<u>2,236</u>	<u>2,236</u>	<u>-</u>	<u>2,236</u>
Total expenditures	<u>19,736</u>	<u>19,736</u>	<u>9,109</u>	<u>10,627</u>
Excess (deficiency) of revenues over expenditures	(9,701)	(9,701)	2,052	11,753
Beginning cash balance budgeted	9,701	9,701	-	(9,701)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>11,644</u>	<u>11,644</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	13,696	<u>\$ 13,696</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			<u>(91)</u>	
			<u>\$ 13,605</u>	

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

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

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
<b>Revenues:</b>				
State sources:				
Transportation	\$ 312,068	\$ 211,589	\$ 221,756	\$ 10,167
Local sources:				
Earnings from investments	-	-	37	37
Total revenues	312,068	211,589	221,793	10,204
<b>Expenditures:</b>				
Current:				
Support Services:				
Student Transportation	312,068	211,589	214,668	(3,079)
Excess of revenues over expenditures	-	-	7,125	7,125
Fund balance at beginning of the year	-	-	1,391	1,391
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	8,516	<u>\$ 8,516</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
			<u>\$ 8,516</u>	

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

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

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
State sources:				
State instructional material	\$ 13,966	\$ 31,433	\$ 15,994	\$ (15,439)
Local sources:				
Earnings from investments	<u>50</u>	<u>50</u>	<u>22</u>	<u>(28)</u>
Total revenues	14,016	31,483	16,016	(15,467)
<b>Expenditures:</b>				
Current:				
Instruction	<u>15,254</u>	<u>32,721</u>	<u>27,423</u>	<u>5,298</u>
Excess (deficiency) of revenues over expenditures	(1,238)	(1,238)	(11,407)	(10,169)
Beginning cash balance budgeted	1,238	1,238	-	(1,238)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>17,467</u>	<u>17,467</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>6,060</u>	<u>\$ 6,060</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			<u>-</u>	
			<u>\$ 6,060</u>	

**NONMAJOR GOVERNMENTAL FUNDS**

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

GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2011

Special Revenue Funds

	<u>Food Service Fund #21000</u>	<u>Athletics Fund #22000</u>	<u>Title I Fund #24101</u>	<u>Migrant Children Education Fund #24103</u>	<u>Entitlement IDEA-B Fund #24106</u>	<u>Discretionary IDEA-B Fund #24107</u>	<u>Competitive IDEA-B Fund #24108</u>	<u>Preschool IDEA-B Fund #24109</u>
<b>ASSETS</b>								
Pooled cash and investments	\$ 2,147	\$ 1,835	\$ (1,733)	\$ (2,036)	\$ (172,849)	\$ 8,353	\$ 916	\$ (9,768)
Receivables:								
Grant	3,325	-	1,733	2,036	189,529	-	-	9,768
USDA commodities inventory	774	-	-	-	-	-	-	-
Food inventory	<u>322</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 6,568</u>	<u>\$ 1,835</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,680</u>	<u>\$ 8,353</u>	<u>\$ 916</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCE</b>								
Liabilities:								
Accounts payable	\$ -	\$ 251	\$ -	\$ -	\$ 16,680	\$ -	\$ -	\$ -
Deferred revenue:								
Federal, state, and local grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,353</u>	<u>916</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>251</u>	<u>-</u>	<u>-</u>	<u>16,680</u>	<u>8,353</u>	<u>916</u>	<u>-</u>
Fund balance:								
Non-spendable:								
Inventories	1,096	-	-	-	-	-	-	-
Restricted for:								
Special revenue funds	5,472	1,584	-	-	-	-	-	-
Capital projects funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>6,568</u>	<u>1,584</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 6,568</u>	<u>\$ 1,835</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,680</u>	<u>\$ 8,353</u>	<u>\$ 916</u>	<u>\$ -</u>

(continued)





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

GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2011

Special Revenue Funds

	<u>ARRA - Title I Fund #24201</u>	<u>ARRA - Entitlement IDEA-B Fund #24206</u>	<u>ARRA - Preschool IDEA-B Fund #24209</u>	<u>Bilingual Education Fund #25109</u>	<u>Title XIX Medicaid Fund #25153</u>	<u>Gear Up Fund #25211</u>	<u>Rural Education Achievement Fund #25233</u>	<u>ARRA - State Revitalization Fund #25250</u>
<b>ASSETS</b>								
Pooled cash and investments	\$ (1,051)	\$ 460	\$ -	\$ 4	\$ 32,311	\$ (67,677)	\$ (1,434)	\$ (105,610)
Receivables:								
Grant	1,051	-	-	-	-	67,677	1,434	105,610
USDA commodities inventory	-	-	-	-	-	-	-	-
Food inventory	-	-	-	-	-	-	-	-
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 460</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 32,311</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCE</b>								
<b>Liabilities:</b>								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue:								
Federal, state, and local grants	-	460	-	4	-	-	-	-
<b>Total liabilities</b>	-	460	-	4	-	-	-	-
<b>Fund balance:</b>								
<b>Non-spendable:</b>								
Inventories	-	-	-	-	-	-	-	-
<b>Restricted for:</b>								
Special revenue funds	-	-	-	-	32,311	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-
<b>Total fund balance</b>	-	-	-	-	32,311	-	-	-
<b>Total liabilities and fund balance</b>	<u>\$ -</u>	<u>\$ 460</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 32,311</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, 2011

Special Revenue Funds

	<u>Education Jobs Fund #25255</u>	<u>Bill &amp; Melinda Gates Foundation Fund #26104</u>	<u>LANL Foundation Fund #26113</u>	<u>Inquiry Science Initiative Fund #26189</u>	<u>GO Bond Library Fund #27105</u>	<u>Technology for Education Fund #27117</u>	<u>Incentives for School Improvement Fund #27138</u>
<b>ASSETS</b>							
Pooled cash and investments	\$ (127,557)	\$ 44	\$ 1,217	\$ -	\$ (2,363)	\$ 10,730	\$ 1,804
Receivables:							
Grant	127,557	-	-	-	2,363	-	-
USDA commodities inventory	-	-	-	-	-	-	-
Food inventory	-	-	-	-	-	-	-
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 44</u>	<u>\$ 1,217</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,730</u>	<u>\$ 1,804</u>
<b>LIABILITIES AND FUND BALANCE</b>							
<b>Liabilities:</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue:							
Federal, state, and local grants	-	-	-	-	-	-	-
<b>Total liabilities</b>	-	-	-	-	-	-	-
<b>Fund balance:</b>							
<b>Non-spendable:</b>							
Inventories	-	-	-	-	-	-	-
<b>Restricted for:</b>							
Special revenue funds	-	44	1,217	-	-	10,730	1,804
Capital projects funds	-	-	-	-	-	-	-
<b>Total fund balance</b>	-	<u>44</u>	<u>1,217</u>	-	-	<u>10,730</u>	<u>1,804</u>
<b>Total liabilities and fund balance</b>	<u>\$ -</u>	<u>\$ 44</u>	<u>\$ 1,217</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,730</u>	<u>\$ 1,804</u>

(continued)

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

GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2011

	<b>Special Revenue Funds</b>							
	Pre-K Initiative <u>Fund #27149</u>	Chama Preschool <u>Fund #27161</u>	State 21st Century Community Learning Center <u>Fund #27167</u>	Pre-K State <u>Fund #27169</u>	Libraries GO Bond 2006 <u>Fund #27170</u>	State Discretionary IDEA-B <u>Fund #27200</u>	Library Books <u>Fund #27549</u>	Clothes Helping Kids <u>Fund #29102</u>
<b>ASSETS</b>								
Pooled cash and investments	\$ (82,264)	\$ 10,770	\$ 634	\$ 71	\$ (10,180)	\$ 218	\$ 1,237	\$ 2,982
Receivables:								
Grant	82,264	-	-	-	10,180	-	-	-
USDA commodities inventory	-	-	-	-	-	-	-	-
Food inventory	-	-	-	-	-	-	-	-
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 10,770</u>	<u>\$ 634</u>	<u>\$ 71</u>	<u>\$ -</u>	<u>\$ 218</u>	<u>\$ 1,237</u>	<u>\$ 2,982</u>
<b>LIABILITIES AND FUND BALANCE</b>								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue:								
Federal, state, and local grants	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	-	-	-	-	-	-	-	-
Fund balance:								
Non-spendable:								
Inventories	-	-	-	-	-	-	-	-
Restricted for:								
Special revenue funds	-	10,770	634	71	-	218	1,237	2,982
Capital projects funds	-	-	-	-	-	-	-	-
<b>Total fund balance</b>	-	<u>10,770</u>	<u>634</u>	<u>71</u>	-	<u>218</u>	<u>1,237</u>	<u>2,982</u>
<b>Total liabilities and fund balance</b>	<u>\$ -</u>	<u>\$ 10,770</u>	<u>\$ 634</u>	<u>\$ 71</u>	<u>\$ -</u>	<u>\$ 218</u>	<u>\$ 1,237</u>	<u>\$ 2,982</u>

(continued)

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

GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2011

	Capital Projects Funds							
	Total Non-Major Special Revenue Funds	Bond Building Fund #31100	Public School Capital Outlay Fund #31200	Special Capital Outlay - State Fund #31400	Energy Efficiency Act Fund #31800	Public School Capital Outlay - 20% Fund #32100	Total Non-Major Capital Projects Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>								
Pooled cash and investments	\$ (541,844)	\$ 98,810	\$ -	\$ 119,445	\$ 27	\$ 101	\$ 218,383	\$ (323,461)
Receivables:								
Grant	653,954	-	-	-	-	-	-	653,954
USDA commodities inventory	774	-	-	-	-	-	-	774
Food inventory	<u>322</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>322</u>
Total assets	<u>\$ 113,206</u>	<u>\$ 98,810</u>	<u>\$ -</u>	<u>\$ 119,445</u>	<u>\$ 27</u>	<u>\$ 101</u>	<u>\$ 218,383</u>	<u>\$ 331,589</u>
<b>LIABILITIES AND FUND BALANCE</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 17,146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,146
Deferred revenue:								
Federal, state, and local grants	<u>25,890</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,890</u>
Total liabilities	<u>43,036</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,036</u>
<b>Fund balance:</b>								
<b>Non-spendable:</b>								
Inventories	1,096	-	-	-	-	-	-	1,096
<b>Restricted for:</b>								
Special revenue funds	69,074	-	-	-	-	-	-	69,074
Capital projects funds	<u>-</u>	<u>98,810</u>	<u>-</u>	<u>119,445</u>	<u>27</u>	<u>101</u>	<u>218,383</u>	<u>218,383</u>
Total fund balance	<u>70,170</u>	<u>98,810</u>	<u>-</u>	<u>119,445</u>	<u>27</u>	<u>101</u>	<u>218,383</u>	<u>288,553</u>
Total liabilities and fund balance	<u>\$ 113,206</u>	<u>\$ 98,810</u>	<u>\$ -</u>	<u>\$ 119,445</u>	<u>\$ 27</u>	<u>\$ 101</u>	<u>\$ 218,383</u>	<u>\$ 331,589</u>

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, 2011

	Special Revenue Funds				
	Food Service	Athletics	Title I	Migrant Children Education	Entitlement IDEA-B
	<u>Fund #21000</u>	<u>Fund #22000</u>	<u>Fund #24101</u>	<u>Fund #24103</u>	<u>Fund #24106</u>
<b>Revenues:</b>					
Federal sources:					
Federal flowthrough grants	\$ -	\$ -	\$ 130,021	\$ 15,047	\$ 144,407
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	182,651	-	-	-	-
USDA Commodities	13,260	-	-	-	-
State sources:					
State grant	-	-	-	-	-
Local sources:					
Fees and activities	18,130	33,340	-	-	-
Earnings from investments	<u>-</u>	<u>26</u>	<u>-</u>	<u>-</u>	<u>-</u>
Miscellaneous	-	-	-	-	-
Total revenue	<u>214,041</u>	<u>33,366</u>	<u>130,021</u>	<u>15,047</u>	<u>144,407</u>
<b>Expenditures:</b>					
Current:					
Instruction	-	46,447	73,771	750	100,355
Support Services:					
Students	-	-	-	-	39,275
Instruction	-	-	-	-	-
General Administration	-	42	47,485	10,982	4,777
School Administration	-	-	680	379	-
Central Services	-	-	2,936	2,936	-
Operation & Maintenance of Plant	-	-	5,149	-	-
Student Transportation	-	-	-	-	-
Food Services Operations	212,311	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>212,311</u>	<u>46,489</u>	<u>130,021</u>	<u>15,047</u>	<u>144,407</u>
Excess (deficiency) of revenues over expenditures	1,730	(13,123)	-	-	-
Fund balance at beginning of the year	<u>4,838</u>	<u>14,707</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ 6,568</u>	<u>\$ 1,584</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, 2011

	Special Revenue Funds				
	Discretionary IDEA-B <u>Fund #24107</u>	Competitive IDEA-B <u>Fund #24108</u>	Preschool IDEA-B <u>Fund #24109</u>	21st Century Grant <u>Fund #24119</u>	Title V <u>Fund #24150</u>
<b>Revenues:</b>					
Federal sources:					
Federal flowthrough grants	\$ -	\$ -	\$ 4,962	\$ 193,350	\$ -
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
State sources:					
State grant	-	-	-	-	-
Local sources:					
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenue	-	-	4,962	193,350	-
<b>Expenditures:</b>					
Current:					
Instruction	-	-	4,962	150,499	-
Support Services:					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General Administration	-	-	-	3,942	-
School Administration	-	-	-	37,950	-
Central Services	-	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-	-
Student Transportation	-	-	-	-	-
Food Services Operations	-	-	-	-	-
Capital outlay	-	-	-	959	-
Total expenditures	-	-	4,962	193,350	-
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Fund balance at beginning of the year	-	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	\$ -	\$ -	\$ -

(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, 2011

	Special Revenue Funds				
	Title III English Language <u>Fund #24153</u>	Teacher/Principa l Training <u>Fund #24154</u>	Title IV Drug Free Schools <u>Fund #24157</u>	21st Century Community Living Centers <u>Fund #24159</u>	Reading First <u>Fund #24167</u>
<b>Revenues:</b>					
Federal sources:					
Federal flowthrough grants	\$ 35,938	\$ 35,652	\$ 818	\$ -	\$ -
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
State sources:					
State grant	-	-	-	-	-
Local sources:					
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total revenue</b>	<u>35,938</u>	<u>35,652</u>	<u>818</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>					
Current:					
Instruction	35,717	16,246	818	-	-
Support Services:					
Students	155	6,453	-	-	-
Instruction	-	2,775	-	-	-
General Administration	-	9,394	-	-	-
School Administration	66	784	-	-	-
Central Services	-	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-	-
Student Transportation	-	-	-	-	-
Food Services Operations	-	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<u>35,938</u>	<u>35,652</u>	<u>818</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
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, 2011

	Special Revenue Funds					
	ARRA - Title I Fund #24201	ARRA - Entitlement IDEA-B Fund #24206	ARRA - Preschool IDEA-B Fund #24209	Bilingual Education Fund #25109	Title XIX Medicaid Fund #25153	Gear Up Fund #25211
<b>Revenues:</b>						
Federal sources:						
Federal flowthrough grants	\$ 56,539	\$ 1,765	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	-	-	45,083	173,862
Food and milk reimbursements	-	-	-	-	-	-
USDA Commodities	-	-	-	-	-	-
State sources:						
State grant	-	-	-	-	-	-
Local sources:						
Fees and activities	-	-	-	-	-	-
Earnings from investments	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
<b>Total revenue</b>	<u>56,539</u>	<u>1,765</u>	<u>-</u>	<u>-</u>	<u>45,083</u>	<u>173,862</u>
<b>Expenditures:</b>						
Current:						
Instruction	54,387	1,765	-	-	5,991	63,426
Support Services:						
Students	-	-	-	-	2,220	-
Instruction	-	-	-	-	-	-
General Administration	2,152	-	-	-	4,477	8,721
School Administration	-	-	-	-	84	101,715
Central Services	-	-	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-	-	-
Student Transportation	-	-	-	-	-	-
Food Services Operations	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<u>56,539</u>	<u>1,765</u>	<u>-</u>	<u>-</u>	<u>12,772</u>	<u>173,862</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	32,311	-
Fund balance at beginning of the year	-	-	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,311</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, 2011

	Special Revenue Funds			
	Rural Education Achievement Fund #25233	ARRA - State Revitalization Fund #25250	Education Jobs Fund #25255	Bill & Melinda Gates Foundation Fund #26104
<b>Revenues:</b>				
Federal sources:				
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -
Federal direct grants	7,702	47,719	127,557	-
Food and milk reimbursements	-	-	-	-
USDA Commodities	-	-	-	-
State sources:				
State grant	-	-	-	-
Local sources:				
Fees and activities	-	-	-	-
Earnings from investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenue	7,702	47,719	127,557	-
<b>Expenditures:</b>				
Current:				
Instruction	-	-	127,557	-
Support Services:				
Students	-	3,152	-	-
Instruction	-	-	-	-
General Administration	-	109	-	-
School Administration	-	44,458	-	-
Central Services	7,702	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	7,702	47,719	127,557	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	44
Fund balance at end of the year	\$ -	\$ -	\$ -	\$ 44

(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, 2011

	Special Revenue Funds				
	LANL Foundation <u>Fund #26113</u>	Inquiry Science Initiative <u>Fund #26189</u>	GO Bond Library <u>Fund #27105</u>	Technology for Education <u>Fund #27117</u>	Incentives for School Improvement <u>Fund #27138</u>
<b>Revenues:</b>					
Federal sources:					
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
State sources:					
State grant	-	-	1,353	200	-
Local sources:					
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenue	<u>-</u>	<u>-</u>	<u>1,353</u>	<u>200</u>	<u>-</u>
<b>Expenditures:</b>					
Current:					
Instruction	-	1,262	1,353	-	-
Support Services:					
Students	-	-	-	5,048	4,619
Instruction	15,259	-	-	-	-
General Administration	-	-	-	-	-
School Administration	-	-	-	-	-
Central Services	-	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-	-
Student Transportation	-	-	-	-	-
Food Services Operations	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>15,259</u>	<u>1,262</u>	<u>1,353</u>	<u>5,048</u>	<u>4,619</u>
Excess (deficiency) of revenues over expenditures	(15,259)	(1,262)	-	(4,848)	(4,619)
Fund balance at beginning of the year	<u>16,476</u>	<u>1,262</u>	<u>-</u>	<u>15,578</u>	<u>6,423</u>
Fund balance at end of the year	<u>\$ 1,217</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,730</u>	<u>\$ 1,804</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, 2011

	Special Revenue Funds			
	Pre-K Initiative Fund #27149	Chama Preschool Fund #27161	State 21st Century Community Learning Center Fund #27167	Pre-K State Fund #27169
<b>Revenues:</b>				
Federal sources:				
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	-	-
Food and milk reimbursements	-	-	-	-
USDA Commodities	-	-	-	-
State sources:				
State grant	32,461	-	-	-
Local sources:				
Fees and activities	-	-	-	-
Earnings from investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenue	<u>32,461</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction	29,280	-	-	-
Support Services:				
Students	170	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	3,011	-	-	-
Food Services Operations	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>32,461</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	10,770	634	71
Fund balance at end of the year	<u>\$ -</u>	<u>\$ 10,770</u>	<u>\$ 634</u>	<u>\$ 71</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, 2011

	Special Revenue Funds			
	Libraries GO Bond 2006 Fund #27170	State Discretionary IDEA-B Fund #27200	Library Books Fund #27549	Clothes Helping Kids Fund #29102
<b>Revenues:</b>				
Federal sources:				
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	-	-
Food and milk reimbursements	-	-	-	-
USDA Commodities	-	-	-	-
State sources:				
State grant	-	57,699	-	8,869
Local sources:				
Fees and activities	-	-	-	-
Earnings from investments	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenue</b>	-	57,699	-	8,869
<b>Expenditures:</b>				
Current:				
Instruction	-	56,210	-	5,887
Support Services:				
Students	-	-	-	-
Instruction	-	1,303	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	-	57,513	-	5,887
Excess (deficiency) of revenues over expenditures	-	186	-	2,982
Fund balance at beginning of the year	-	32	1,237	-
Fund balance at end of the year	\$ -	\$ 218	\$ 1,237	\$ 2,982

(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, 2011

	Capital Projects Funds			
	Total Nonmajor Special Revenue Funds	Bond Building Fund #31100	Public School Capital Outlay Fund #31200	Special Capital Outlay - State Fund #31400
<b>Revenues:</b>				
Federal sources:				
Federal flowthrough grants	\$ 618,499	\$ -	\$ -	\$ -
Federal direct grants	401,923	-	-	-
Food and milk reimbursements	182,651	-	-	-
USDA Commodities	13,260	-	-	-
State sources:				
State grant	100,582	-	-	95,800
Local sources:				
Fees and activities	51,470	-	-	-
Earnings from investments	<u>26</u>	<u>192</u>	<u>-</u>	<u>128</u>
Miscellaneous	-	51,545	-	-
Total revenue	<u>1,368,411</u>	<u>51,737</u>	<u>-</u>	<u>95,928</u>
<b>Expenditures:</b>				
Current:				
Instruction	776,683	-	-	-
Support Services:				
Students	61,092	-	-	-
Instruction	19,337	-	-	-
General Administration	92,081	-	-	-
School Administration	186,116	-	-	-
Central Services	13,574	-	-	-
Operation & Maintenance of Plant	5,149	2,547	-	25,246
Student Transportation	3,011	-	-	-
Food Services Operations	212,311	-	-	-
Capital outlay	<u>959</u>	<u>11,205</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,370,313</u>	<u>13,752</u>	<u>-</u>	<u>25,246</u>
Excess (deficiency) of revenues over expenditures	(1,902)	37,985	-	70,682
Fund balance at beginning of the year	<u>72,072</u>	<u>60,825</u>	<u>-</u>	<u>48,763</u>
Fund balance at end of the year	<u>\$ 70,170</u>	<u>\$ 98,810</u>	<u>\$ -</u>	<u>\$ 119,445</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, 2011

	<u>Capital Projects Funds</u>			
	Energy Efficiency Act Fund #31800	Public School Capital Outlay - 20% Fund #32100	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Federal sources:				
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ 618,499
Federal direct grants	-	-	-	401,923
Food and milk reimbursements	-	-	-	182,651
USDA Commodities	-	-	-	13,260
State sources:				
State grant	-	-	95,800	196,382
Local sources:				
Fees and activities	-	-	-	51,470
Earnings from investments	-	-	320	346
Miscellaneous	-	-	51,545	51,545
Total revenue	<u>-</u>	<u>-</u>	<u>147,665</u>	<u>1,516,076</u>
<b>Expenditures:</b>				
Current:				
Instruction	-	-	-	776,683
Support Services:				
Students	-	-	-	61,092
Instruction	-	-	-	19,337
General Administration	-	-	-	92,081
School Administration	-	-	-	186,116
Central Services	-	-	-	13,574
Operation & Maintenance of Plant	-	-	27,793	32,942
Student Transportation	-	-	-	3,011
Food Services Operations	-	-	-	212,311
Capital outlay	-	-	11,205	12,164
Total expenditures	<u>-</u>	<u>-</u>	<u>38,998</u>	<u>1,409,311</u>
Excess (deficiency) of revenues over expenditures	-	-	108,667	106,765
Fund balance at beginning of the year	<u>27</u>	<u>101</u>	<u>109,716</u>	<u>181,788</u>
Fund balance at end of the year	<u>\$ 27</u>	<u>\$ 101</u>	<u>\$ 218,383</u>	<u>\$ 288,553</u>

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## **BUDGETARY PRESENTATION**

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

SPECIAL REVENUE FUNDS  
Year Ended June 30, 2011

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**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.

**21<sup>st</sup> 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, 2011

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**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.

**TEACHER/PRINCIPAL TRAINING**

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.

**21<sup>ST</sup> 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, 2011

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**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 2011 (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 2011 (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 2011 (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, 2011

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**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 2010 (ARRA), Division A, Title XIV, Public Law 111-5.

**EDUCATION JOBS**

To provide funds to States to assist local educational agencies (LEAs) in saving or creating education jobs for school year 2010-2011. Authorization: Title I, Public Law 111-126.

**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.

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

SPECIAL REVENUE FUNDS  
Year Ended June 30, 2011

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**GO BOND LIBRARY**

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

**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.

**CHAMA PRESCHOOL**

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

**STATE 21<sup>ST</sup> 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 2006**

Funding made available to update and expand library collections.

**STATE DISCRETIONARY IDEA-B**

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

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

SPECIAL REVENUE FUNDS  
Year Ended June 30, 2011

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**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, 2011

	<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>		
<b>Revenues:</b>				
Federal sources:				
Food and milk reimbursements	\$ 206,000	\$ 206,000	\$ 180,087	\$ (25,913)
State sources:				
State grant	236	236	-	(236)
Local sources:				
Fees and activities	<u>12,000</u>	<u>12,000</u>	<u>18,130</u>	<u>6,130</u>
Total revenues	218,236	218,236	198,217	(20,019)
<b>Expenditures:</b>				
Current:				
Food Services Operations	<u>218,236</u>	<u>218,236</u>	<u>199,468</u>	<u>18,768</u>
Excess (deficiency) of revenues over expenditures	-	-	(1,251)	(1,251)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>4,838</u>	<u>4,838</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	3,587	<u>\$ 3,587</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in inventory			417	
Change in grant receivable			<u>2,564</u>	
			<u>\$ 6,568</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, 2011

	<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	\$ 40,000	\$ 40,000	\$ 33,340	\$ (6,660)
Earnings from investments	<u>30</u>	<u>30</u>	<u>26</u>	<u>(4)</u>
Total revenues	<u>40,030</u>	<u>40,030</u>	<u>33,366</u>	<u>(6,664)</u>
 Expenditures:				
Current:				
Instruction	63,580	63,538	46,196	17,342
Support Services:				
General Administration	<u>-</u>	<u>42</u>	<u>42</u>	<u>-</u>
Total expenditures	<u>63,580</u>	<u>63,580</u>	<u>46,238</u>	<u>17,342</u>
Excess (deficiency) of revenues over expenditures	(23,550)	(23,550)	(12,872)	10,678
Beginning cash balance budgeted	23,550	23,550	-	(23,550)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>14,707</u>	<u>14,707</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,835	<u>\$ 1,835</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>(251)</u>	
			<u>\$ 1,584</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, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Federal sources:				
Federal grant	\$ 135,934	\$ 151,823	\$ 174,063	\$ 22,240
<b>Expenditures:</b>				
Current:				
Instruction	70,338	79,645	73,771	5,874
Support Services:				
Students	7,000	4,120	-	4,120
Instruction	20,668	4,202	-	4,202
General Administration	33,978	54,868	47,485	7,383
School Administration	250	681	680	1
Central Services	-	2,938	2,936	2
Operation & Maintenance of Plant	<u>3,700</u>	<u>5,369</u>	<u>5,149</u>	<u>220</u>
Total expenditures	<u>135,934</u>	<u>151,823</u>	<u>130,021</u>	<u>21,802</u>
Excess of revenues over expenditures	-	-	44,042	44,042
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>	44,042	<u>\$ 44,042</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			<u>(44,042)</u>	
			<u>\$ -</u>	

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, 2011

	<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>		
<b>Revenues:</b>				
Federal sources:				
Federal grant	\$ 15,000	\$ 18,163	\$ 15,943	\$ (2,220)
<b>Expenditures:</b>				
Current:				
Instruction	6,000	3,503	750	2,753
Support Services:				
Students	1,000	-	-	-
General Administration	8,000	11,233	10,982	251
School Administration	-	489	379	110
Central Services	-	2,938	2,936	2
Total expenditures	<u>15,000</u>	<u>18,163</u>	<u>15,047</u>	<u>3,116</u>
Excess of revenues over expenditures	-	-	896	896
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	896	<u>\$ 896</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			<u>(896)</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, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Federal sources:				
Federal grant	\$ -	\$ 184,339	\$ 217,883	\$ 33,544
<b>Expenditures:</b>				
Current:				
Instruction	-	134,646	83,674	50,972
Support Services:				
Students	-	39,286	39,275	11
General Administration	-	4,778	4,777	1
Capital outlay:				
Equipment	-	5,629	-	5,629
Total expenditures	-	184,339	127,726	56,613
Excess of revenues over expenditures	-	-	90,157	90,157
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	90,157	\$ 90,157
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			(73,477)	
Change in payables			(16,680)	
			\$ -	

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, 2011

	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

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, 2011

	<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	\$ -	\$ -	\$ -	\$ -
 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, 2011

	<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	\$ -	\$ 4,962	\$ 5,413	\$ 451
 Expenditures:				
Current:				
Instruction	-	4,962	4,962	-
Excess of revenues over expenditures	-	-	451	451
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	451	<u>\$ 451</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(451)	
			<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, 2011

	<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	\$ 232,400	\$ 267,712	\$ 162,132	\$ (105,580)
Expenditures:				
Current:				
Instruction	173,874	205,606	150,499	55,107
Support Services:				
General Administration	7,111	8,191	3,942	4,249
School Administration	<u>51,415</u>	<u>53,915</u>	<u>38,909</u>	<u>15,006</u>
Total expenditures	<u>232,400</u>	<u>267,712</u>	<u>193,350</u>	<u>74,362</u>
Excess (deficiency) of revenues over expenditures	-	-	(31,218)	(31,218)
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>	(31,218)	<u>\$ (31,218)</u>
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>31,218</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget 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, 2011

	<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	\$ 13,527	\$ 41,848	\$ 34,334	\$ (7,514)
Expenditures:				
Current:				
Instruction	13,527	41,628	39,307	2,321
Support Services:				
Students	-	155	155	-
School Administration	<u>-</u>	<u>65</u>	<u>65</u>	<u>-</u>
Total expenditures	<u>13,527</u>	<u>41,848</u>	<u>39,527</u>	<u>2,321</u>
Excess (deficiency) of revenues over expenditures	-	-	(5,193)	(5,193)
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>	(5,193)	<u>\$ (5,193)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			1,603	
Change in payables			<u>3,590</u>	
			<u>\$ -</u>	

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

TEACHER/PRINCIPAL TRAINING SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
<b>Revenues:</b>				
Federal sources:				
Federal grant	\$ 42,748	\$ 42,748	\$ 31,144	\$ (11,604)
<b>Expenditures:</b>				
Current:				
Instruction	20,408	20,408	16,148	4,260
Support Services:				
Students	10,000	6,560	6,452	108
Instruction	-	2,775	2,775	-
General Administration	2,522	10,756	9,395	1,361
School Administration	9,818	2,249	784	1,465
Total expenditures	42,748	42,748	35,554	7,194
Excess (deficiency) of revenues over expenditures	-	-	(4,410)	(4,410)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(4,410)	\$ (4,410)
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			4,508	
Change in payables			(98)	
			\$ -	

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, 2011

	<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	\$ 818	\$ 818	\$ 1,854	\$ 1,036
Expenditures:				
Current:				
Instruction	<u>818</u>	<u>818</u>	<u>818</u>	<u>-</u>
Excess of revenues over expenditures	-	-	1,036	1,036
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>	1,036	<u>\$ 1,036</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(1,036)</u>	
			<u>\$ -</u>	

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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
<b>Revenues:</b>				
Federal sources:				
Federal grant	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>				
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>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
			<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, 2011

	<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	\$ -	\$ -	\$ -	\$ -
 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, 2011

	<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	\$ 56,972	\$ 56,539	\$ 64,129	\$ 7,590
Expenditures:				
Current:				
Instruction	53,972	54,387	54,387	-
Support Services:				
General Administration	<u>3,000</u>	<u>2,152</u>	<u>2,152</u>	<u>-</u>
Total expenditures	<u>56,972</u>	<u>56,539</u>	<u>56,539</u>	<u>-</u>
Excess of revenues over expenditures	-	-	7,590	7,590
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>	7,590	<u>\$ 7,590</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(7,590)</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, 2011

	<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	\$ -	\$ 1,765	\$ 110,731	\$ 108,966
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>1,765</u>	<u>1,765</u>	<u>-</u>
Excess of revenues over expenditures	-	-	108,966	108,966
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>	108,966	<u>\$ 108,966</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(108,506)	
Change in deferred revenue			<u>(460)</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, 2011

	<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	-	-	-	-
Excess of revenues over expenditures	-	-	4,233	4,233
Fund balance at beginning of the year	-	-	-	-
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, 2011

	<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	\$ -	\$ -	\$ -	\$ -
 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, 2011

	<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	\$ 12,830	\$ 12,830	\$ 36,491	\$ 23,661
Expenditures:				
Current:				
Instruction	-	5,991	5,991	-
Support Services:				
Students	12,830	2,278	2,220	58
General Administration	-	4,477	4,477	-
School Administration	-	84	84	-
Total expenditures	<u>12,830</u>	<u>12,830</u>	<u>12,772</u>	<u>58</u>
Excess of revenues over expenditures	-	-	23,719	23,719
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	23,719	<u>\$ 23,719</u>
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>8,592</u>	
			<u>\$ 32,311</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
<b>Revenues:</b>				
Federal sources:				
Federal direct grant	\$ 201,600	\$ 207,387	\$ 179,350	\$ (28,037)
<b>Expenditures:</b>				
Current:				
Instruction	101,851	93,078	63,425	29,653
Support Services:				
General Administration	11,894	11,894	8,721	3,173
School Administration	87,855	102,415	101,715	700
Total expenditures	201,600	207,387	173,861	33,526
Excess of revenues over expenditures	-	-	5,489	5,489
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	5,489	\$ 5,489
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			(5,489)	
			\$ -	

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, 2011

	<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>		
<b>Revenues:</b>				
Federal sources:				
Federal direct grant	\$ -	\$ 11,492	\$ 8,024	\$ (3,468)
<b>Expenditures:</b>				
Current:				
Instruction	-	3,467	-	3,467
Support Services:				
Central Services	-	8,025	8,024	1
Total expenditures	-	11,492	8,024	3,468
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>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			(322)	
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, 2011

	<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	\$ 47,155	\$ 108,827	\$ -	\$ (108,827)
Expenditures:				
Current:				
Support Services:				
Students	-	18,871	3,152	15,719
General Administration	-	41,103	109	40,994
School Administration	<u>47,155</u>	<u>48,853</u>	<u>44,458</u>	<u>4,395</u>
Total expenditures	<u>47,155</u>	<u>108,827</u>	<u>47,719</u>	<u>61,108</u>
Excess (deficiency) of revenues over expenditures	-	-	(47,719)	(47,719)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(47,719)	<u>\$ (47,719)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>47,719</u>	
			<u>\$ -</u>	

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

EDUCATION JOBS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<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 direct grant	\$ -	\$ 127,557	\$ -	\$ (127,557)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>127,557</u>	<u>127,557</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	(127,557)	(127,557)
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>	(127,557)	<u>\$ (127,557)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>127,557</u>	
			<u>\$ -</u>	

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, 2011

	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	-	-	44	44
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	44	<u>\$ 44</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<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, 2011

	<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:				
Local sources:				
Grant	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Instruction	<u>15,698</u>	<u>15,698</u>	<u>15,259</u>	<u>439</u>
Excess (deficiency) of revenues over expenditures	(15,698)	(15,698)	(15,259)	439
Beginning cash balance budgeted	15,698	15,698	-	(15,698)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>16,476</u>	<u>16,476</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,217	<u>\$ 1,217</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ 1,217</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, 2011

	<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:				
Local sources:				
Grant	\$ -	\$ 1,262	\$ -	\$ (1,262)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>1,262</u>	<u>1,262</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	(1,262)	(1,262)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>1,262</u>	<u>1,262</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ -</u>	

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

GO BOND LIBRARY SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<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	\$ -	\$ 2,363	\$ 13,262	\$ 10,899
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>2,363</u>	<u>2,363</u>	<u>-</u>
Excess of revenues over expenditures	-	-	10,899	10,899
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>	10,899	<u>\$ 10,899</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(11,909)	
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, 2011

	<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	\$ -	\$ 14,879	\$ 200	\$ (14,679)
 Expenditures:				
Current:				
Support Services:				
Students	<u>-</u>	<u>14,879</u>	<u>5,048</u>	<u>9,831</u>
Excess (deficiency) of revenues over expenditures	-	-	(4,848)	(4,848)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>15,578</u>	<u>15,578</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>10,730</u>	<u>\$ 10,730</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ 10,730</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
<b>Revenues:</b>				
State sources:				
State grant	\$ -	\$ 6,422	\$ -	\$ (6,422)
<b>Expenditures:</b>				
Current:				
Instruction	-	6,422	4,619	1,803
Excess (deficiency) of revenues over expenditures	-	-	(4,619)	(4,619)
Fund balance at beginning of the year	-	-	6,423	6,423
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,804	<u>\$ 1,804</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
			<u>\$ 1,804</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
<b>Revenues:</b>				
State sources:				
State grant	\$ 32,510	\$ 32,510	\$ 2,238	\$ (30,272)
<b>Expenditures:</b>				
Current:				
Instruction	22,145	29,329	29,280	49
Support Services:				
Students	-	170	170	-
Student Transportation	10,365	3,011	3,011	-
Total expenditures	32,510	32,510	32,461	49
Excess (deficiency) of revenues over expenditures	-	-	(30,223)	(30,223)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(30,223)	\$ (30,223)
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			30,223	
			\$ -	

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, 2011

	<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:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	10,770	10,770
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	10,770	<u>\$ 10,770</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 10,770</u>	

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

STATE 21ST CENTURY COMMUNITY LEARNING CENTER SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<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	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	634	634
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	634	<u>\$ 634</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<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, 2011

	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	-	-	71	71
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	71	<u>\$ 71</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 71</u>	

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

LIBRARIES GO BOND 2006 SPECIAL REVENUE FUND  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2011

	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, 2011

	<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	\$ -	\$ 57,699	\$ 57,699	\$ -
Expenditures:				
Current:				
Instruction	-	56,396	56,210	186
Support Services:				
Instruction	-	<u>1,303</u>	<u>1,303</u>	-
Total expenditures	-	<u>57,699</u>	<u>57,513</u>	<u>186</u>
Excess of revenues over expenditures	-	-	186	186
Fund balance at beginning of the year	-	-	<u>32</u>	<u>32</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	218	<u>\$ 218</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 218</u>	

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, 2011

	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	-	-	1,237	1,237
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,237	<u>\$ 1,237</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 1,237</u>	

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, 2011

	<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	\$ -	\$ 11,743	\$ 10,250	\$ (1,493)
 Expenditures:				
Current:				
Instruction	-	11,743	5,887	5,856
Excess of revenues over expenditures	-	-	4,363	4,363
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	4,363	<u>\$ 4,363</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(1,381)</u>	
			<u>\$ 2,982</u>	

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

**CAPITAL PROJECTS FUNDS**  
Year Ended June 30, 2011

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**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.

**PUBLIC SCHOOL CAPITAL OUTLAY**

This fund provides financing from Public Schools Critical Capital Outlay committee under chapter and laws of the New Mexico Lottery Receipts Act.

**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

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

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Local sources:				
Earnings from investments	\$ 1,500	\$ 1,500	\$ 192	\$ (1,308)
Miscellaneous	-	-	51,545	51,545
Total revenues	1,500	1,500	51,737	50,237
<b>Expenditures:</b>				
Current:				
Support Services:				
Operation & Maintenance of Plant	80,000	80,000	19,798	60,202
Capital outlay:				
Construction in progress	910,783	910,783	19,851	890,932
Total expenditures	990,783	990,783	39,649	951,134
Excess (deficiency) of revenues over expenditures	(989,283)	(989,283)	12,088	1,001,371
Beginning cash balance budgeted	989,283	989,283	-	(989,283)
Fund balance at beginning of the year	-	-	60,825	60,825
Fund balance at end of the year	\$ -	\$ -	72,913	\$ 72,913
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			25,897	
			\$ 98,810	



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

PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECTS FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive <u>(Negative)</u>
<b>Revenues:</b>				
State sources:				
State grant	\$ 742,625	\$ 742,625	\$ -	\$ (742,625)
<b>Expenditures:</b>				
Capital outlay:				
Construction in progress	<u>742,625</u>	<u>742,625</u>	-	<u>742,625</u>
Excess of revenues over expenditures	-	-	-	-
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>-</u>	<u>\$ -</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables				
			<u>-</u>	
			<u>\$ -</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, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
State sources:				
State grant	\$ 193,342	\$ 193,342	\$ 95,800	\$ (97,542)
Local sources:				
Earnings from investments	80	80	128	48
Total revenues	193,422	193,422	95,928	(97,494)
<b>Expenditures:</b>				
Current:				
Support Services:				
Operation & Maintenance of Plant	23,817	25,247	25,246	1
Capital outlay:				
Construction in progress	217,159	215,729	-	215,729
Total expenditures	240,976	240,976	25,246	215,730
Excess (deficiency) of revenues over expenditures	(47,554)	(47,554)	70,682	118,236
Beginning cash balance budgeted	47,554	47,554	-	(47,554)
Fund balance at beginning of the year	-	-	48,763	48,763
Fund balance at end of the year	\$ -	\$ -	119,445	\$ 119,445
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
			\$ 119,445	

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, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
State sources:				
State grant	\$ -	\$ 13,935	\$ 15,866	\$ 1,931
Local sources:				
District school tax levy	245,875	243,337	263,785	20,448
Earnings from investments	1,000	1,000	773	(227)
Total revenues	246,875	258,272	280,424	22,152
<b>Expenditures:</b>				
Current:				
Support Services:				
General Administration	4,000	4,000	2,338	1,662
Operation & Maintenance of Plant	506,881	589,061	555,194	33,867
Capital outlay:				
Equipment	75,000	4,217	4,217	-
Construction in progress	60,875	60,875	-	60,875
Total expenditures	646,756	658,153	561,749	96,404
Excess (deficiency) of revenues over expenditures	(399,881)	(399,881)	(281,325)	118,556
Beginning cash balance budgeted	399,881	399,881	-	(399,881)
Fund balance at beginning of the year	-	-	434,216	434,216
Fund balance at end of the year	\$ -	\$ -	152,891	\$ 152,891
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			13,847	
Change in due from other governments			2,295	
Change in payables			110,401	
Change in deferred property taxes			(16,722)	
			\$ 262,712	

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, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive <u>(Negative)</u>
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Operation & Maintenance of Plant	<u>27</u>	<u>27</u>	-	<u>27</u>
Excess (deficiency) of revenues over expenditures	(27)	(27)	-	27
Beginning cash balance budgeted	27	27	-	(27)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>27</u>	<u>27</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, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive <u>(Negative)</u>
Revenues:				
Local sources:				
Grant	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Support Services:				
Central Services	<u>100</u>	<u>100</u>	<u>-</u>	<u>100</u>
Excess (deficiency) of revenues over expenditures	(100)	(100)	-	100
Beginning cash balance budgeted	100	100	-	(100)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>101</u>	<u>101</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	101	<u>\$ 101</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ 101</u>	

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

DEBT SERVICE FUND  
Year Ended June 30, 2011

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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.

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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, 2011

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Local sources:				
District school tax levy	\$ 915,034	\$ 915,034	\$ 986,991	\$ 71,957
Earnings from investments	<u>200</u>	<u>200</u>	<u>610</u>	<u>410</u>
Total revenues	<u>915,234</u>	<u>915,234</u>	<u>987,601</u>	<u>72,367</u>
<b>Expenditures:</b>				
Current:				
Support Services:				
General Administration	9,150	9,150	9,772	(622)
Debt service:				
Principal retirement	655,000	655,000	655,000	-
Bond interest paid	260,034	260,034	269,498	(9,464)
Reserves	<u>330,046</u>	<u>330,046</u>	<u>-</u>	<u>330,046</u>
Total expenditures	<u>1,254,230</u>	<u>1,254,230</u>	<u>934,270</u>	<u>319,960</u>
Excess (deficiency) of revenues over expenditures	(338,996)	(338,996)	53,331	392,327
Beginning cash balance budgeted	338,996	338,996	-	(338,996)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>649,424</u>	<u>649,424</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	702,755	<u>\$ 702,755</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			7,829	
Change in due from other governments			7,604	
Change in deferred property taxes			<u>(19,203)</u>	
			<u>\$ 698,985</u>	

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**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, 2011

Activity		Balance			Balance
Fund	ASSETS	<u>June 30, 2010</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2011</u>
23000	Non-instructional support	\$ -	\$ 11	\$ -	\$ 11
23001	Central Office Activity	289	38	181	146
23003	Transportation Activity	62	1	-	63
23112	Escalante - Office/Admin	991	2,147	2,671	467
23116	Escalante - Library	118	-	-	118
23117	Escalante - FFA	5,298	2,871	3,420	4,749
23118	Escalante - BPA	1,671	5,696	7,367	-
23120	Escalante - Student Council	1,451	3,937	3,820	1,568
23121	Escalante - Honor Society	721	437	706	452
23128	Escalante - Class 2014	-	1,433	-	1,433
23129	Escalante - Class 2010	-	80	-	80
23131	Escalante - Journalism	2,954	6	-	2,960
23134	Escalante - Class 07	2	-	-	2
23135	Escalante - Business Ed	-	383	299	84
23136	Escalante - Class 08	488	1	489	-
23137	Escalante - Weight Room	462	86	383	165
23138	Escalante - Class 09	2,942	5	-	2,947
23139	Art Lab	1,469	3	268	1,204
23140	EHS Cheerleaders	6,470	8,909	11,829	3,550
23141	Class 2011	1,173	2,920	3,930	163
23142	Escalante - Class of 2012	3,965	5,058	4,200	4,823
23143	Class of 2013	990	10,673	5,145	6,518
23201	TA Mid - Athletics	(2)	4	-	2
23212	TA Mid - Office/Admin.	655	2	400	257
23216	TA Mid - Library	190	1	-	191
23220	TA Mid - Student Council	2,422	4	1,145	1,281
23301	TA Elem - 5th & 6th Basketball	1,353	1,432	2,201	584
23302	TA Elem - 3rd & 4th Basketball	459	5,767	3,181	3,045
23303	TA Elem - T.A.P.T.O.	185	1	-	186
23313	TA Elem - Administration	312	773	1,085	-
23315	TA Elem - Lost Books	\$ 182	\$ 1	\$ -	\$ 183

(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, 2011

Activity		Balance			Balance
Fund	ASSETS	<u>June 30, 2010</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2011</u>
23316	TA Elem - Library	\$ 1,284	\$ 18	\$ 962	\$ 340
23350	TA Elem - Kindergarten	21	94	94	21
23351	TA Elem - 1st Grade	6	-	-	6
23352	TA Elem - 2nd Grade	36	1	-	37
23353	TA Elem - 3rd Grade	83	-	-	83
23354	TA Elem - 4th Grade	1	18	19	-
23355	TA Elem - 5th Grade	26	1,537	1,214	349
23604	Chama - 5th & 6th Grade	2,068	2,134	2,675	1,527
23610	Chama - Natural Helpers	1	-	-	1
23612	Chama Mid Administration	1,460	12	1,170	302
23613	Chama Elem. Administration	318	16,511	11,056	5,773
23615	Chama Textbooks	69	-	-	69
23616	Chama Library	1,210	77	-	1,287
23620	Chama Student Council	1,640	399	335	1,704
23640	Chamce Spelling Bee	8	-	8	-
23645	Chama Book Orders	37	-	-	37
23660	Chama Close-up	1,725	24,439	26,164	-
23661	Escalante Mid - High School	<u>3,765</u>	<u>8,801</u>	<u>5,657</u>	<u>6,909</u>
	Pooled cash and investments	<u>\$ 51,030</u>	<u>\$ 106,721</u>	<u>\$ 102,074</u>	<u>\$ 55,677</u>
	<b>LIABILITIES</b>				
	Deposits held for others	<u>\$ 51,030</u>	<u>\$ 106,721</u>	<u>\$ 102,074</u>	<u>\$ 55,677</u>

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

SCHEDULE OF PLEDGED COLLATERAL  
June 30, 2011

	<u>Community Bank</u>
Cash on deposit at June 30, 2011	\$ 1,361,751
Less FDIC coverage	<u>250,000</u>
Uninsured funds	<u>\$ 1,111,751</u>
50% collateral requirement	\$ 555,876
Pledged collateral	<u>761,412</u>
Excess (deficiency) of pledged collateral	<u>\$ 205,536</u>

Pledged collateral of financial institutions consists of the following at June 30, 2011

	<u>Maturity</u>	<u>CUSIP #</u>	<u>Market Value</u>
Community Bank:			
FFCB	6/3/2013	31331JQU0	\$ 102,037
FFCB	8/15/2011	31331Y6G0	100,476
FFCB	8/15/2011	31331Y6G0	301,429
FHLB	10/30/2012	3133XWKD0	203,471
FNMA	12/1/2020	3128M1ET2	35,366
FHLMC	10/1/2021	31292GCY0	764
FNMA	4/1/2024	31360FC45	4,151
FNMA	4/1/2024	31360FC45	<u>13,718</u>
			<u>\$ 761,412</u>

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

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

CASH RECONCILIATION  
June 30, 2011

	Beginning Cash	Receipts	Distributions	Other	Net Cash End of Period	Adjustments to the report	Total Cash on Report
Operations	\$ 50,023	\$ 5,017,459	\$ (4,910,925)	\$ -	\$ 156,557	\$ -	\$ 156,557
Teacherage	14,475	11,161	(9,109)	-	16,527	-	16,527
Transportation	1,391	221,793	(214,668)	-	8,516	-	8,516
Instructional Materials	17,467	16,016	(27,423)	-	6,060	-	6,060
Food Services	3,397	198,218	(199,468)	-	2,147	-	2,147
Athletics	14,707	33,366	(46,238)	-	1,835	-	1,835
Federal Flowthrough Funds	(427,312)	821,859	(605,310)	-	(210,763)	-	(210,763)
Federal Direct Funds	(123,896)	223,866	(369,933)	-	(269,963)	-	(269,963)
Local Grants	17,782	-	(16,521)	-	1,261	-	1,261
State Flowthrough Funds	(40,738)	73,399	(102,004)	-	(69,343)	-	(69,343)
Local/State	(1,381)	10,250	(5,887)	-	2,982	-	2,982
Bond Building	86,722	51,737	(39,649)	-	98,810	-	98,810
Special Capital Outlay - State	48,763	95,928	(25,246)	-	119,445	-	119,445
Capital Improvements SB-9	538,043	280,423	(561,748)	-	256,718	-	256,718
Energy Efficiency Act	27	-	-	-	27	-	27
Public School Capital Outlay - 20%	101	-	-	-	101	-	101
Debt Service	615,215	987,601	(934,270)	-	668,546	-	668,546
Agency Funds	-	-	-	-	-	55,677	55,677
<b>Total</b>	<b>\$ 814,786</b>	<b>\$ 8,043,076</b>	<b>\$ (8,068,399)</b>	<b>\$ -</b>	<b>\$ 789,463</b>	<b>\$ 55,677</b>	<b>\$ 845,140</b>

Account Name	Account Type	Bank Name	Bank Amount	Adjustments to report:	
Operational	Checking	Bank of Las Vegas	\$ 1,361,751	Agency funds	\$ 55,677
				Adjustments to cash:	
				Bank Balance	\$ 1,361,751
				Outstanding deposits	18,214
				Outstanding checks	(534,825)
				Total adjustment to cash	\$ 845,140

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**SINGLE AUDIT SECTION**

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

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

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 October 27, 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 a certain deficiency 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 2011-1 through 2011-3. 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.

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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 are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2011 – 1.

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 2011 – 2 and 2011 – 3.

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

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, 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.



October 27, 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**

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## 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  
The Board of Education of  
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 compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

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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 would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of 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.



October 27, 2011

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

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
Year Ended June 30, 2011

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A. PRIOR YEAR AUDIT FINDINGS

NOT RESOLVED

2008 – 1 PREPARATION OF FINANCIAL STATEMENTS

*Current Status:* Not resolved. Repeated in the current year as finding 2011 – 1.

2010 – 6 UNTIMELY DEPOSIT OF RECEIPTS

*Current Status:* Not resolved. Repeated in the current year as finding 2011 – 3.

RESOLVED

2010 – 2 LATE AUDIT REPORT

*Current Status:* Resolved. Not repeated in the current year.

2010 – 3 MISSING BACKGROUND CHECK

*Current Status:* Resolved. Not repeated in the current year.

2010 – 4 EXPENDITURES WERE PAID IN EXCESS OF BUDGETED AMOUNT

*Current Status:* Resolved. Not repeated in the current year.

2010 – 5 PURCHASES MADE PRIOR TO APPROVAL

*Current Status:* Resolved. Not repeated in the current year.

2010 – 7C LATE FILING OF FEDERAL CLEARING HOUSE REPORTING

*Current Status:* Resolved. Not repeated in the current year.

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2011

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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 three 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. None of the significant deficiencies were considered to be a material weakness.
3. There were no instances of noncompliance material to the financial statements of Chama Valley Independent School District No. 19 were disclosed during the audit.
4. There were no significant deficiencies 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:
  - Child Nutrition (USDA) Cluster CFDA# 10.553 and 10.555;
  - 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; and
  - 21<sup>st</sup> Century Grant CFDA #84.287.
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, 2011

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2011 – 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:** In concurrence with professional development for management a system of control s will also 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, 2011

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2011 – 2 BUDGET LINE ITEMS OVER EXPENDED

<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:** There were unfavorable variances between actual and budgeted line item expenditures. The following funds had unfavorable variances between budgeted amounts at fiscal yearend:

Transportation Fund	Support Services	\$	3,079
Debt Service Fund	Support Services - Gen Admin	\$	622
Debt Service Fund	Support Services - Gen Admin	\$	9,464

**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, over spending of public monies. Could lead to expenditures being paid in excess of total budgeted amounts.

**Recommendation:** Management should implement immediate steps to provide adequate financial reports to allow for proper and timely monitoring of line item expenditures. Budget adjustment requests should be approved by the Board of Education and State Department of Education (when required) to receive approval to make necessary changes to the records prior to being presented for audit.

**Management's response:** A schedule of monthly transfers and budget adjustments has been set by the District's internal Auditing committee that holds the Business Manager responsible.

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2011

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2011 – 3    UNTIMELY DEPOSIT OF RECEIPTS  
(Repeat of prior year Finding 2010 – 6)

Significant Deficiency?  
Yes

Material Weakness?  
No

Internal Control?  
Yes

Compliance?  
No

Other Matter?  
Yes

Condition: Eight 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 set of controls has already been set and implemented both at School sites as well as at the Business office that holds personnel accountable for daily deposits and postings of the deposits to the appropriate ledgers.

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2011

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C. AUDIT FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

No audit findings to report.



**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, 2011

<u>Federal Grantor/Pass - Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Cluster Programs</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture:</u>				
Direct Program:				
Forest Reserve	10.670	11000		\$ 71,016
Pass-Through Program From:				
New Mexico Department of Education:				
<u>Child Nutrition Cluster:</u>				
USDA National School Lunch Program	10.555	21000	117,044	
USDA School Breakfast Program	10.553	21000	<u>65,607</u>	
Total Child Nutrition Cluster				182,651
Pass-Through Program From:				
New Mexico Human Service Department:				
USDA Commodities Program	10.550	21000		<u>13,260</u>
Subtotal Pass-Through Programs				<u>195,911</u>
Total U.S. Department of Agriculture				<u>266,927</u>
<u>U.S. Department of Education:</u>				
Direct Programs:				
Gear Up	84.334	25211		173,862
Rural Education Achievement	84.358A	25233		<u>7,702</u>
Subtotal Direct Programs				<u>181,564</u>
Pass-Through Programs From:				
New Mexico Department of Education:				
<u>Special Education (IDEA) Cluster:</u>				
Entitlement IDEA-B	84.027	24106	144,407	
Preschool IDEA-B	84.173	24109	4,962	
ARRA - Entitlement IDEA-B	84.391	24206	<u>1,765</u>	
Total Special Education (IDEA) Cluster				151,134
<u>Title I, Part A Cluster:</u>				
Title I	84.010	24101	130,021	
ARRA - Title I	84.389	24201	<u>56,539</u>	
Total Title I, Part A Cluster:				\$ 186,560

(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, 2011

<u>Federal Grantor/Pass - Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Cluster Programs</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Education (continued):</u>				
Pass-Through Programs From (continued):				
New Mexico Department of Education (continued):				
Migrant Children Education	84.011	24103		\$ 15,047
21st Century Grant	84.287	24119		193,350
Title III English Language	84.365	24153		35,938
Teacher/Principal Training	84.367	24154		35,652
Title IV Drug Free Schools	84.186	24157		818
ARRA - State Revitalization	84.394	25250		47,719
Education Jobs	84.410	25255		<u>127,557</u>
Subtotal Pass-Through Programs				<u>793,775</u>
Total U.S. Department of Education				<u>975,339</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>12,772</u>
Total Expenditures of Federal Awards				<u>\$ 1,255,038</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, 2011

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 March 2011 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 2011 cash and non-cash expenditures to ensure coverage of at least 50% (HIGH risk auditee) of federally granted funds. Actual coverage is approximately 57% of total cash and non-cash federal award program expenditures. Total cash expenditures were in the amount of \$1,241,778 and all non-cash expenditures amounted to \$13,260.

Major Federal Award Program Description	Fiscal 2011 <u>Expenditure</u>
Cash assistance:	
Child Nutrition (USDA) Cluster	\$ 182,651
21st Century Grant	193,350
Title I, Part A Cluster	186,560
Special Education (IDEA-B) Cluster	<u>151,134</u>
Total	<u>\$ 713,695</u>

The District did not have any Type A programs for the year ended June 30, 2011.

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

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, 2011. 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.

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

Notes To The Schedule Of Expenditures Of Federal Awards  
Year Ended June 30, 2011

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3. Audits performed by other entities

There were no other audits performed by other organizations on the School Districts federal grant programs in 2011.

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**REQUIRED DISCLOSURE**

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

REQUIRED DISCLOSURES  
Year Ended June 30, 2011

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**REQUIRED DISCLOSURE**

The financial statements were prepared by the independent public accountants.

An exit conference was held October 27, 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  
Anthony Casados  
Danette Garcia

Board Secretary  
Superintendent  
Business Manager

**KEYSTONE ACCOUNTING, LLC**

Terry Ogle, CPA

Partner