

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

---

---

COMPREHENSIVE FINANCIAL ANNUAL REPORT  
AND  
SUPPLEMENTAL INFORMATION  
YEAR ENDED JUNE 30, 2013  
WITH  
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS



ACCOUNTING & FINANCIAL  
**SOLUTIONS**  
CERTIFIED PUBLIC ACCOUNTANTS

THIS PAGE INTENTIONALLY LEFT BLANK

# INTRODUCTORY SECTION

THIS PAGE INTENTIONALLY LEFT BLANK

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

TABLE OF CONTENTS  
Year Ended June 30, 2013

---

	Page
INTRODUCTORY SECTION	
Title Page	
Table of Contents	iii
Official Roster	1
FINANCIAL SECTION	
Independent Auditors' Report	5
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	8
Statement of Activities	9
Fund Financial Statements:	
Balance Sheet – Governmental Funds	10
Reconciliation of the Balance Sheet – All Governmental Funds to the Statement of Net Position	13
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	14
Reconciliation of the Statement of Revenue, Expenditures, and Changes In Fund Balance – All Governmental Funds to the Statement of Activities	15
Major Funds:	
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis):	
General Fund	16
Entitlement IDEA-B Special Revenue Fund	17
Gear Up Special Revenue Fund	18
Statement of Fiduciary Assets and Liabilities – Agency Funds	19
Notes to the Financial Statements	21
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:	
General Fund:	
Combining Balance Sheet	40
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	41
Budgetary Presentation:	
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis):	
Operating Fund	42
Teacherage Fund	43
Transportation Fund	44
Instructional Materials Fund	45
Nonmajor Governmental Funds:	
Combining Balance Sheet	48
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	59

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

TABLE OF CONTENTS  
Year Ended June 30, 2013

	Page
Budgetary Presentation:	
Schedule of Revenues, Expenditures, and Changes in	
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis):	
Nonmajor Special Revenue Funds:	
Food Service Special Revenue Fund	74
Athletics Special Revenue Fund	75
Title I Special Revenue Fund	76
Migrant Children Education Special Revenue Fund	77
Discretionary IDEA-B Special Revenue Fund	78
Competitive IDEA-B Special Revenue Fund	79
Preschool IDEA-B Special Revenue Fund	80
21st Century Grant Special Revenue Fund	81
IDEA-B “Risk Pool”	82
Title V Special Revenue Fund	83
Title III English Language Special Revenue Fund	84
Teacher/Principal Training Special Revenue Fund	85
21st Century Community Living Centers Special Revenue Fund	86
Reading First Special Revenue Fund	87
ARRA – Entitlement IDEA-B Special Revenue Fund	88
Bilingual Education Special Revenue Fund	89
Title XIX Medicaid Special Revenue Fund	90
ARRA – State Revitalization Special Revenue Fund	91
Bill & Melinda Gates Foundation Special Revenue Fund	92
LANL Foundation Special Revenue Fund	93
Dual Credit instructional Materials Special Revenue Fund	94
Libraries GO Bond 2010 Special Revenue Fund	95
Robot Systems for Math Special Revenue Fund	96
Technology for Education Special Revenue Fund	97
Incentives for School Improvement Special Revenue Fund	98
Pre-K Initiative Special Revenue Fund	99
Chama Preschool Special Revenue Fund	100
State 21st Century Special Revenue Fund	101
Pre-K State Special Revenue Fund	102
Libraries GO Bond 2006 Special Revenue Fund	103
GO Bond School Buses Special Revenue Fund	104
State Discretionary IDEA - B Special Revenue Fund	105
Library Books Special Revenue Fund	106
Clothes Helping Kids Special Revenue Fund	107
Capital Projects Funds:	
Bond Building Capital Projects Fund	110
Special Capital Outlay – State Capital Projects Fund	111
Capital Improvements SB-9 Capital Projects Fund	112
Energy Efficiency Act Capital Projects Fund	113
Public School Capital Outlay 20% Capital Projects Fund	114
Debt Service Funds	
Debt Service Fund	116
Education Technology Debt Service Fund	117

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

TABLE OF CONTENTS  
Year Ended June 30, 2013

---

OTHER SUPPLEMENTAL INFORMATION

Fiduciary Funds:	
Schedule of Changes in Assets and Liabilities – All Agency Funds	120
Schedule of Pledged Collateral	122
Cash Reconciliation	123

SINGLE AUDIT SECTION

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	129
Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133	133
Summary Schedule of Prior Year Audit Findings	135
Schedule of Findings and Questioned Costs	136
Schedule of Expenditures of Federal Awards	139
Notes to the Schedule of Expenditures of Federal Awards	141

REQUIRED DISCLOSURE	145
---------------------	-----

THIS PAGE INTENTIONALLY LEFT BLANK

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

OFFICIAL ROSTER  
June 30, 2013

---

BOARD OF EDUCATION

Donald A. Valdez	Board President
William Russom	Board Vice President
Stephanie Maestas	Board Secretary
Monica Cordova	Board Member
Earl James Martinez	Board Member

SCHOOL OFFICIALS

Anthony Casados	Superintendent
Danette Garcia	Business Manager

AUDIT COMMITTEE

Monica Cordova	Board Member
Earl James Martinez	Board Member
Jim Macias	Financial Professional
Jayne Macias-Casados	Financial Professional
Anthony Casados	Superintendent
Danette Garcia	Business Manager

FINANCE COMMITTEE

Stephanie Maestas	Board Secretary
Earl James Martinez	Board Member
Anthony Casados	Superintendent
Danette Garcia	Business Manager

THIS PAGE INTENTIONALLY LEFT BLANK

FINANCIAL SECTION

FISCAL YEAR 2013

JULY 1, 2012 THROUGH JUNE 30, 2013

THIS PAGE INTENTIONALLY LEFT BLANK

## INDEPENDENT AUDITORS' REPORT

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

### Report on the Financial Statements

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 and major special revenue funds of Chama Valley Independent School District No. 19, as of and for the year ended June 30, 2013, and the related notes to the financial statements 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 Chama Valley Independent School District No. 19's nonmajor governmental and the budgetary comparisons for the major capital project funds, debt service funds, and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2013, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Chama Valley Independent School District No. 19's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### 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, 2013, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance 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 of Chama Valley Independent School District No. 19 as of June 30, 2013, 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 accordance with accounting principles generally accepted in the United States of America.

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

## Other Matters

### *Required Supplementary Information*

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Chama Valley Independent School District No. 19's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of Federal Awards as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the other schedules required by 2.2.2.NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards and other schedules required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and other schedules required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 29, 2013 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Chama Valley Independent School District No. 19's internal control over financial reporting and compliance.

*Accounting & Financial Solutions, LLC*  
Farmington, NM  
October 29, 2013

## BASIC FINANCIAL STATEMENTS

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

STATEMENT OF NET POSITION  
 June 30, 2013

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 943,491
Receivables:	
Delinquent property taxes receivable	292,196
Grant	409,028
Due from other governments	21,886
Food inventory	1,516
Non-current:	
Non-depreciable assets	244,256
Depreciable capital assets, net	<u>13,026,789</u>
Total assets	<u>14,939,162</u>
<b>LIABILITIES</b>	
Accounts payable	3,182
Accrued interest	67,517
Deposits held for others	550
Compensated absences	62,885
Noncurrent liabilities:	
Due within one year	715,000
Due in more than one year	<u>4,491,404</u>
Total liabilities	5,340,538
Deferred inflows of resources:	
Advances of federal, state, and local grants	<u>31,890</u>
Total liabilities and deferred inflows of resources	<u>5,372,428</u>
<b>NET POSITION</b>	
Net investment in capital assets	8,270,550
Restricted for:	
Inventories	1,516
Special revenue funds	49,489
Capital projects	482,358
Debt service	776,209
Unrestricted	<u>(13,388)</u>
Total net position	<u>\$ 9,566,734</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, 2013

	Program Revenues				Net (Expense) Revenue and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities
Primary government:					
Governmental activities:					
Instruction	\$ 3,009,485	\$ 28,161	\$ 628,824	\$ 55,268	\$ (2,297,232)
Support Services - Students	656,395	38,346	137,152	12,054	(468,843)
Support Services - Instruction	86,389	-	18,051	1,587	(66,751)
Support Services - General Administration	300,933	-	62,879	5,527	(232,527)
Support Services - School Administration	525,404	-	109,782	9,649	(405,973)
Central Services	170,408	-	35,606	-	(134,802)
Operations & Maintenance of Plant	1,223,153	-	255,574	-	(967,579)
Student Transportation	298,128	-	264,046	-	(34,082)
Other Support Services	10,027	-	2,095	-	(7,932)
Food Services	307,409	15,570	200,238	-	(91,601)
Bond interest paid	<u>205,450</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(205,450)</u>
Total governmental activities	<u>\$ 6,793,181</u>	<u>\$ 82,077</u>	<u>\$ 1,714,247</u>	<u>\$ 84,085</u>	<u>(4,912,772)</u>
			General revenues:		
			Property Taxes:		
			General purposes		39,738
			Debt service		755,736
			Capital projects		198,013
			Grants and contributions not restricted		3,981,188
			Unrestricted investment earnings		<u>283</u>
			Total general revenues		<u>4,974,958</u>
			Loss on asset disposal		<u>(566,069)</u>
			Change in net position		<u>(503,883)</u>
			Net position - beginning		10,403,014
			Restatement		<u>(332,397)</u>
			Net position - beginning as restated		<u>10,070,617</u>
			Net position - ending		<u>\$ 9,566,734</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, 2013

	General Fund	Entitlement IDEA-B Fund #24106	Gear Up Fund #25211	Capital Improvements SB-9 Fund #31700
<b>ASSETS</b>				
Pooled cash and investments	\$ 60	\$ -	\$ -	\$ -
Receivables:				
Property taxes	10,241	-	-	46,671
Grant	-	104,425	105,218	-
Due from other governments	656	-	-	4,485
Due from other funds	53,644	-	-	288,580
Food inventory	-	-	-	-
Total assets	<u>\$ 64,601</u>	<u>\$ 104,425</u>	<u>\$ 105,218</u>	<u>\$ 339,736</u>
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	\$ 2,565	\$ -	\$ 347	\$ -
Due to other funds	2,271	104,425	104,871	-
Deposits held for others	550	-	-	-
Total liabilities	<u>5,386</u>	<u>104,425</u>	<u>105,218</u>	<u>-</u>
Deferred inflows of resources:				
Advances of federal, state, and local grants	-	-	-	-
Delinquent property taxes	9,718	-	-	42,897
Total deferred inflows of resources	<u>9,718</u>	<u>-</u>	<u>-</u>	<u>42,897</u>
Total liabilities and deferred inflows of resources	<u>15,104</u>	<u>104,425</u>	<u>105,218</u>	<u>42,897</u>
Fund balance:				
Non-spendable:				
Inventories	-	-	-	-
Restricted for:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	296,839
Debt service	-	-	-	-
Unassigned	49,497	-	-	-
Total fund balance	<u>49,497</u>	<u>-</u>	<u>-</u>	<u>296,839</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 64,601</u>	<u>\$ 104,425</u>	<u>\$ 105,218</u>	<u>\$ 339,736</u>

( cont'd; 1 of 2 )

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, 2013

	<u>Debt Service</u> <u>Fund #41000</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<b>ASSETS</b>			
Pooled cash and investments	\$ 744,690	\$ 198,741	\$ 943,491
Receivables:			
Property taxes	235,284	-	292,196
Grant	-	199,385	409,028
Due from other governments	16,745	-	21,886
Due from other funds	-	68,458	410,682
Food inventory	-	1,516	1,516
Total assets	<u>\$ 996,719</u>	<u>\$ 468,100</u>	<u>\$ 2,078,799</u>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities:			
Accounts payable	\$ -	\$ 270	\$ 3,182
Due to other funds	-	199,115	410,682
Deposits held for others	-	-	550
Total liabilities	<u>-</u>	<u>199,385</u>	<u>414,414</u>
Deferred inflows of resources:			
Advances of federal, state, and local grants	-	31,890	31,890
Delinquent property taxes	<u>220,811</u>	<u>-</u>	<u>273,426</u>
Total deferred inflows of resources	<u>220,811</u>	<u>31,890</u>	<u>305,316</u>
Total liabilities and deferred inflows of resources	<u>220,811</u>	<u>231,275</u>	<u>719,730</u>
Fund balance:			
Non-spendable:			
Inventories	-	1,516	1,516
Restricted for:			
Special revenue funds	-	49,489	49,489
Capital projects funds	-	185,519	482,358
Debt service	775,908	301	776,209
Unassigned	<u>-</u>	<u>-</u>	<u>49,497</u>
Total fund balance	<u>775,908</u>	<u>236,825</u>	<u>1,359,069</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 996,719</u>	<u>\$ 468,100</u>	<u>\$ 2,078,799</u>

( 2 of 2 )

THIS PAGE INTENTIONALLY LEFT BLANK

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

RECONCILIATION OF THE BALANCE SHEET - ALL GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF NET POSITION

June 30, 2013

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

Fund balances - total governmental funds	\$	1,359,069
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital assets		19,077,523
Accumulated depreciation		(5,806,478)
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes receivable		273,426
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		(5,190,000)
Accrued interest payable		(67,517)
Accrued vacation payable		(62,885)
Bond premiums		(16,404)
		<u>(16,404)</u>
Net position of governmental activities	\$	<u>9,566,734</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  
 Statement of Revenues, Expenditures, and  
 Changes in Fund Balance  
 Year Ended June 30, 2013

	General Fund	Entitlement IDEA-B Fund #24106	Gear Up Fund #25211	Capital Improvements SB-9 Fund #31700	Debt Service Fund #41000	Other Governmental Funds	Total Governmental Funds
Revenues:							
Federal sources:							
Forest reserve	\$ 57,417	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,417
Federal flowthrough grants	-	96,788	-	-	-	180,859	277,647
Federal direct grants	9,597	-	253,086	-	-	24,850	287,533
Food and milk reimbursements	-	-	-	-	-	188,485	188,485
USDA Commodities	-	-	-	-	-	11,753	11,753
State sources:							
State equalization guarantee	3,920,644	-	-	-	-	-	3,920,644
State flow through grants	92,338	-	-	-	-	-	92,338
Transportation	264,046	-	-	-	-	-	264,046
State instructional material	20,489	-	-	-	-	-	20,489
State grant	507,122	-	-	77,460	-	58,080	642,662
Local sources:							
Grant	1,430	-	-	-	-	7,805	9,235
District school tax levy	44,420	-	-	264,735	963,008	304	1,272,467
Fees and activities	28,161	-	-	-	-	53,916	82,077
Earnings from investments	267	-	-	371	445	273	1,356
Miscellaneous	3,127	-	-	-	-	-	3,127
Total revenue	<u>4,949,058</u>	<u>96,788</u>	<u>253,086</u>	<u>342,566</u>	<u>963,453</u>	<u>526,325</u>	<u>7,131,276</u>
Expenditures:							
Current:							
Instruction	2,325,422	50,634	173,047	-	-	228,711	2,777,814
Support Services:							
Students	547,296	33,324	-	-	-	25,246	605,866
Instruction	66,685	12,391	-	-	-	669	79,745
General Administration	220,785	-	10,885	2,656	9,698	33,743	277,767
School Administration	398,689	439	69,154	-	-	16,676	484,958
Central Services	157,290	-	-	-	-	-	157,290
Operation & Maintenance of Plant	834,255	-	-	265,929	-	28,811	1,128,995
Student Transportation	274,722	-	-	-	-	456	275,178
Other Support Services	9,255	-	-	-	-	-	9,255
Food Services Operations	55,095	-	-	-	-	228,650	283,745
Capital outlay	25,000	-	-	35,032	-	-	60,032
Debt service:							
Principal retirement	-	-	-	-	695,000	-	695,000
Bond interest paid	-	-	-	-	215,710	-	215,710
Total expenditures	<u>4,914,494</u>	<u>96,788</u>	<u>253,086</u>	<u>303,617</u>	<u>920,408</u>	<u>562,962</u>	<u>7,051,355</u>
Excess (deficiency) of revenues over expenditures	34,564	-	-	38,949	43,045	(36,637)	79,921
Other financing sources:							
Sale of assets	-	-	-	100,000	-	-	100,000
Net change in fund balance	34,564	-	-	138,949	43,045	(36,637)	179,921
Fund balance at beginning of the year	14,933	-	-	157,890	732,863	273,462	1,179,148
Fund balance at end of the year	<u>\$ 49,497</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 296,839</u>	<u>\$ 775,908</u>	<u>\$ 236,825</u>	<u>\$ 1,359,069</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, 2013

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

Net change in fund balance - total governmental funds	\$	179,921
<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		60,032
Depreciation		(507,124)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
<p>Deferred property taxes at:</p>		
June 30, 2012		(552,406)
June 30, 2013		273,426
<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 position. 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		695,000
Bond premium amortization		3,071
<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>		
<p>Compensated absences at:</p>		
June 30, 2012		62,891
June 30, 2013		(62,885)
<p>Accrued interest at:</p>		
June 30, 2012		77,777
June 30, 2013		(67,517)
Loss on asset disposal		(666,069)
Change in net position of governmental activities	\$	<u>(503,883)</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, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
<b>Revenues:</b>				
Federal sources:				
Forest reserve	\$ -	\$ 57,417	\$ 57,417	\$ -
Federal grant	22,490	22,490	-	(22,490)
Federal direct grant	293	293	9,597	9,304
State sources:				
State equalization guarantee	3,958,981	3,921,747	3,920,644	(1,103)
Transportation	308,462	264,046	264,046	-
State instructional material	20,489	20,489	20,489	-
State grant	713,076	574,798	599,461	24,663
Local sources:				
Grant	20	20	1,430	1,410
District school tax levy	44,775	44,775	44,604	(171)
Fees and activities	12,100	12,100	28,161	16,061
Earnings from investments	522	522	267	(255)
Miscellaneous	6,179	6,179	3,127	(3,052)
Total revenues	5,087,387	4,924,876	4,949,243	24,367
<b>Expenditures:</b>				
Current:				
Instruction	2,438,002	2,339,374	2,327,312	12,062
Support Services:				
Students	420,723	414,723	547,296	(132,573)
Instruction	132,845	142,027	66,685	75,342
General Administration	228,825	219,825	221,298	(1,473)
School Administration	481,920	481,136	398,647	82,489
Central Services	174,118	174,118	157,290	16,828
Operation & Maintenance of Plant	832,347	801,045	851,866	(50,821)
Student Transportation	332,571	276,191	275,028	1,163
Other Support Services	4,504	14,504	9,255	5,249
Food Services Operations	60,200	85,200	55,286	29,914
Capital outlay:				
Construction in progress	-	25,000	25,000	-
Total expenditures	5,106,055	4,973,143	4,934,963	38,180
Excess (deficiency) of revenues over expenditures	(18,668)	(48,267)	14,280	62,547
Beginning cash balance budgeted	18,668	48,267	-	(48,267)
Fund balance at beginning of the year	-	-	14,933	14,933
Fund balance at end of the year	\$ -	\$ -	29,213	\$ 29,213
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			(4,839)	
Change in due from other governments			(28)	
Change in payables			20,469	
Change in deferred property taxes			4,682	
			\$ 49,497	

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

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

ENTITLEMENT IDEA-B FUND - NO. 24106  
 Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
Revenues:				
Federal sources:				
Federal grant	\$ 89,216	\$ 96,788	\$ 197,986	\$ 101,198
 Expenditures:				
Current:				
Instruction	57,481	65,053	50,634	14,419
Support Services:				
Students	18,353	18,353	33,324	(14,971)
Instruction	13,382	13,382	12,391	991
School Administration	-	-	439	(439)
Total expenditures	89,216	96,788	96,788	-
Excess of revenues over expenditures	-	-	101,198	101,198
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	101,198	\$ 101,198
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(101,198)	
			\$ -	

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

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

GEAR UP FUND - NO. 25211  
 Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
Revenues:				
Federal sources:				
Federal direct grant	\$ -	\$ 317,665	\$ 243,314	\$ (74,351)
 Expenditures:				
Current:				
Instruction	-	232,446	172,807	59,639
Support Services:				
General Administration	-	9,072	10,884	(1,812)
School Administration	-	76,147	69,107	7,040
Total expenditures	-	317,665	252,798	64,867
 Excess (deficiency) of revenues over expenditures	-	-	(9,484)	(9,484)
 Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(9,484)	<u>\$ (9,484)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			9,771	
Change in payables			(287)	
			<u>\$ -</u>	

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

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

AGENCY FUNDS  
Statement of Fiduciary Assets and Liabilities  
June 30, 2013

ASSETS

Pooled cash and investments	\$	<u>50,679</u>
-----------------------------	----	---------------

LIABILITIES

Deposits held for others	\$	<u>50,679</u>
--------------------------	----	---------------

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

THIS PAGE INTENTIONALLY LEFT BLANK

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

---

---

NOTE	PAGE
I. SUMMARY OF ALL SIGNIFICANT ACCOUNTING POLICIES	
A. Reporting Entity	22
1. Blended Component Units	
2. Discretely Presented Component Units	
B. Government-Wide and Fund Financial Statements	22
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	23
1. Major Funds	24
D. Assets, Liabilities, and Net Position or Equity	25
II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY	
A. Budgetary Information	29
B. Budgetary Violations	30
C. Deficit Fund Equity	30
III. DETAILED NOTES ON ALL FUNDS	
A. Cash and Temporary Investments	30
B. Receivables	31
C. Capital Assets	32
D. Inter-Fund Receivables and Payables	33
E. Inter-Fund Transfers	33
F. Long-Term Debt	33
IV. OTHER INFORMATION	34

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

---

---

## 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.

Generally Accepted Accounting Principles (GAAP) requires that financial statements present the District (primary government) and its component units. The District has no 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 District'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 District conform to GAAP as applied to governmental units. 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.

### B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the school district. For the most part, the effect of inter-fund 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.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

---

---

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

During fiscal year 2013, Chama Valley Independent School District No. 19 adopted the following GASB Statements:

- GASB 60, Accounting and Financial Reporting for Service Concession Arrangements, improves financial reporting by addressing uses related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. This Statement establishes recognition, measurement, and disclosure requirements for SCAs for both transferors and governmental operators.
- GASB 61, The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34, is effective for the District beginning with its year ending June 30, 2013. This Statement modifies certain requirements for inclusion of component units in the financial reporting entity
- GASB 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, is effective for the District beginning with its year ending June 30, 2013. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements.
- GASB 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, standardizes the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position.
- GASB 64, Derivative Instruments: Application of Hedge Accounting Termination Provisions — an Amendment to GASB Statement No. 53, which had no impact on the current year financial statements. The objective of this statement is to enhance comparability and improve financial reporting by clarifying the circumstances in which hedge accounting should continue when a swap counterparty, or a swap counterparty's credit support provider, is replaced.
- GASB 65, Items Previously Reported as Assets and Liabilities, establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement resulted in a restatement of the financial statements which is detailed in Note IV.E on page 37.

Other accounting standards that Chama Valley Independent School District No. 19 is currently reviewing for applicability and potential impact on the financial statements include:

- GASB 66, Technical Corrections: an amendment to GASB Statements No. 10 and No. 62, resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. This Statement will be effective for the year ended June 30, 2014.
- GASB 67, Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25, establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of this Statement, as well as for nonemployer governments that have a legal obligation to contribute to those plans. This Statement will be effective for the year ended June 30, 2014.
- GASB 68, Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27, this Statement addresses accounting and financial reporting for pensions that are provided to the employees of state and local governmental employers through pension plans that are administered through trusts. This Statement will be effective for the year ended June 30, 2015.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

---

---

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (cont'd)

- GASB 69, Government Combinations and Disposals of Government Operations, which had distinguishes between a government merger and a government acquisition and establishes accounting and financial reporting standards related to government combinations and disposals of government operations. This Statement will be effective for the year ended June 30, 2015.
- GASB 70, Accounting and Financial Reporting for Nonexchange Financial, June 30, 2014 the requirements of this Statement will enhance comparability of financial statements among governments by requiring consistent reporting by those governments that extend nonexchange financial guarantees and by those governments that receive nonexchange financial guarantees. This Statement will be effective for the year ended June 30, 2014.

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. Revenues received during the year but are applicable to subsequent years are reported as deferred inflows of resources. 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. Expenditures incurred during the year that are for the benefit of subsequent years are reported as deferred outflows of resources.

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.

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.

Entitlement IDEA-B Special Revenue Fund – The Entitlement 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.

Gear Up Special Revenue Fund – 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.

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.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

---

---

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (cont'd)

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.

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.

### D. Assets, Liabilities, and Net Position 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 from/to other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due from/to 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.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### D. Assets, Liabilities, and Net Position or Equity (cont'd)

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 uncollectible amounts has not been recorded.

#### 3. *Inventories*

USDA Commodities are recorded at estimated costs and other inventories are recorded at cost, which approximates market. Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

#### 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. 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.

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 & Improvements	20-40
Land Improvements	10-20
Equipment	3-7

#### 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.

Accumulated sick leave is not payable upon termination 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 Position. 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.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

---

---

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### D. Assets, Liabilities, and Net Position or Equity (cont'd)

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.

#### 7. *Fund balance*

##### a. 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.

##### b. 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.

##### c. 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, 2013.

##### d. 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, 2013.

##### e. 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.

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.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

---

---

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### D. Assets, Liabilities, and Net Position or Equity (cont'd)

#### 8. *Net Position*

Net Position is presented on the statement of Net Position and may be presented in any of three components.

##### a. Invested in capital assets, net of related debt

This component of Net Position 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 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 Position

Net Position 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 Position

Unrestricted Net Position consists of Net Position that does 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 Position often is designated to indicate that management does not consider them to be available for general operations. In contrast to restricted Net Position, 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.

#### 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”.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

---

---

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### D. Assets, Liabilities, and Net Position or Equity (cont'd)

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 \$3,920,644 in state equalization guarantee distributions during the year ended June 30, 2013.

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 \$264,046 in transportation distributions during the year ended June 30, 2013.

## 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.
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.

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

### II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont'd)

#### A. Budgetary Information (cont'd)

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, 2013 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	\$ 5,106,055	\$ 4,973,143
Special Revenue Fund	488,116	1,022,642
Capital Projects Fund	529,518	529,518
Debt Service Fund	1,570,538	1,570,834
Totals	\$ 7,694,227	\$ 8,096,137

#### B. Budgetary Violations

The District exceeded its legal budget in individual funds as referenced in Finding 2013-1 on page 137. 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 was one deficit fund balance of \$2,271 as of June 30, 2013 in Instructional Materials. This deficit will be funded by future grants or by the Operational Fund.

### III. DETAILED NOTES ON ALL FUNDS

#### A. Cash and Temporary Investments

At June 30, 2013, the carrying amount of the District's deposits was \$994,170 and the bank balance was \$1,253,111 with the difference consisting of outstanding checks. Of this balance \$250,000 was covered by federal depository insurance and \$702,468 was covered by collateral held in joint safekeeping by a third party.

##### 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, 2013, \$300,643 of the District's bank balance of \$1,253,111 was exposed to custodial risk as follows:

Uninsured and uncollateralized	\$ 300,643
Uninsured and collateral held by pledging bank's trust dept not in the District's name	702,468
Total uninsured	1,003,111
Insured (FDIC)	250,000
Total deposits	\$ 1,253,111
State of New Mexico collateral requirement:	
50% of uninsured public fund bank deposits	\$ 501,556
Pledged security	702,468
Over collateralized	\$ 200,912

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

### III. DETAILED NOTES ON ALL FUNDS (cont'd)

#### A. Cash and Temporary Investments (cont'd)

The collateral pledged is listed on Page 122 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.

#### B. Receivables

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

	Receivables		Due from Other	
	Delinquent		<u>Governments</u>	<u>Funds</u>
	<u>Property Taxes</u>	<u>Grant</u>		
Major Funds:				
General	\$ 10,241	\$ -	\$ 656	\$ 53,644
Entitlement IDEA-B	-	104,425	-	-
Gear Up	-	105,218	-	-
Capital Improvements SB - 9	46,671	-	4,485	288,580
Debt Service	235,284	-	16,745	-
Other Governmental Funds	-	199,385	-	68,458
Total	\$ 292,196	\$ 409,028	\$ 21,886	\$ 410,682

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	\$ -	\$ 31,890
Delinquent property taxes		
General Fund	9,718	-
Capital Improvements SB - 9	42,897	-
Debt Service Fund	220,811	-
Total deferred/unearned revenue for governmental funds	\$ 273,426	\$ 31,890

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

### III. DETAILED NOTES ON ALL FUNDS (cont'd)

#### C. Capital Assets

Capital asset activity for the year ended June 30, 2013 was as follows:

	Beginning <u>Balance</u>	Restatement	Beginning <u>Restated</u>	Increases	Decreases	Ending <u>Balance</u>
Governmental activities:						
Capital assets not being depreciated:						
Land	\$ 266,200	\$ -	\$ 266,200	\$ -	\$ (21,944)	\$ 244,256
Capital assets being depreciated:						
Land improvements	1,041,230	(31,910)	1,009,320	-	(403,791)	605,529
Buildings and improvements	18,198,292	(263,940)	17,934,352	32,228	(1,382,264)	16,584,316
Furniture, fixtures, and equipment	<u>1,757,014</u>	<u>(33,629)</u>	<u>1,723,385</u>	<u>27,804</u>	<u>(107,767)</u>	<u>1,643,422</u>
Total capital assets being depreciated	<u>20,996,536</u>	<u>(329,479)</u>	<u>20,667,057</u>	<u>60,032</u>	<u>(1,893,822)</u>	<u>18,833,267</u>
Less accumulated depreciation for:						
Land improvements	(749,784)	31,888	(717,896)	(15,863)	381,812	(351,947)
Buildings and improvements	(4,648,278)	213,555	(4,434,723)	(414,993)	767,015	(4,082,701)
Furniture, fixtures, and equipment	<u>(1,430,061)</u>	<u>33,629</u>	<u>(1,396,432)</u>	<u>(76,268)</u>	<u>100,870</u>	<u>(1,371,830)</u>
Total accumulated depreciation	<u>(6,828,123)</u>	<u>279,072</u>	<u>(6,549,051)</u>	<u>(507,124)</u>	<u>1,249,697</u>	<u>(5,806,478)</u>
Total capital assets being depreciated, net	<u>14,168,413</u>	<u>(50,407)</u>	<u>14,118,006</u>	<u>(447,092)</u>	<u>(644,125)</u>	<u>13,026,789</u>
Total capital assets, net	<u>\$ 14,434,613</u>	<u>\$ (50,407)</u>	<u>\$ 14,384,206</u>	<u>\$ (447,092)</u>	<u>\$ (666,069)</u>	<u>\$ 13,271,045</u>

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

<u>Depreciation Allocation to Functions</u>	
Instruction	\$ 231,827
Support Services - Students	50,815
Support Services - Instruction	6,655
Support Services - General Administration	22,930
Support Services - School Administration	40,473
Central Services	13,127
Operations & Maintenance of Plant	93,880
Student Transportation	22,965
Food Services	772
Community Services	<u>23,680</u>
Total Depreciation Expense	<u>\$ 507,124</u>

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.

During the year the district sold property to the County of Rio Arriba for \$100,000. Several offers were made to the county from the District for the sale of the property. There were two pieces of property consisting of land with improvements that were appraised at \$560,000 and \$107,000. One property was not being used and the other contained the central office and elementary school. The sale, along with a loss of \$7,492 on equipment disposal, resulted in a net loss in the amount of \$566,069.

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

### III. DETAILED NOTES ON ALL FUNDS (cont'd)

#### C. Capital Assets (cont'd)

Capital assets and accumulated depreciation have been adjusted for \$50,407 and is detailed in Note IV.E on page 37.

#### Construction commitments

The District is involved in long-term construction projects as part of their master plan for upgrading the district buildings. The amount of \$482,358 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

The inter-fund receivables and payables at June 30, 2013 were:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 53,644	\$ 2,271
Entitlement IDEA-B	-	104,425
Gear Up	-	104,871
Capital Projects SB-9	288,580	-
Other Governmental Funds	68,458	199,115
Total	\$ 410,682	\$ 410,682

The inter-fund loans were made for the purposes of cash shortfalls within the individual funds. The loans are expected to be repaid within the next fiscal year.

#### E. Inter-Fund Transfers

There was not any inter-fund transfers made during the year ended June 30, 2013.

#### 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, 2013 are as follows:

<u>General Obligations Bonds</u>	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Balance</u>	<u>Amount Due Within One Year</u>
Series 2004	\$ 2,500,000	2.20% to 3.50%	\$ 990,000	\$ 230,000
Series 2005	2,000,000	2.25% to 4.00%	935,000	175,000
Series 2005B	1,000,000	4.00%	590,000	75,000
Series 2006	800,000	3.45% to 4.20%	275,000	75,000
Series 2007	775,000	3.40% to 3.54%	625,000	25,000
Series 2007B	390,000	3.75% to 4.50%	335,000	15,000
Series 2008	325,000	2.785% to 4.40%	200,000	25,000
Series 2008B	600,000	3.35% to 4.875%	560,000	10,000
Series 2009	540,000	3.625% to 4.00%	385,000	60,000
Series 2010	370,000	3.50% to 3.75%	295,000	25,000
Total	\$ 9,300,000		\$ 5,190,000	\$ 715,000

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

### III. DETAILED NOTES ON ALL FUNDS (cont'd)

#### F. Long-Term Debt (cont'd)

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

	<u>Balance</u>
Bonds payable	\$ 5,190,000
Less: current maturities	(715,000)
Unamortized:	
Bond premiums	16,404
Total non-current liabilities	<u>\$ 4,491,404</u>

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

General Obligation Bonds			
Year Ending	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
June 30,			Requirements
2014	\$ 715,000	\$ 191,239	\$ 906,239
2015	740,000	165,688	905,688
2016	765,000	137,801	902,801
2017	1,115,000	107,854	1,222,854
2018	820,000	65,793	885,793
2019 - 2023	<u>1,035,000</u>	<u>45,025</u>	<u>1,080,025</u>
Total	<u>\$ 5,190,000</u>	<u>\$ 713,400</u>	<u>\$ 5,903,400</u>

Changes in long term debt – During the year ended June 30, 2013 the following changes occurred in liabilities reported in the general obligation bonds account group:

	Beginning			Ending	Amount Due
	<u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u>	<u>Within One Year</u>
Compensated absences:					
Compensated vacation	\$ 62,891	\$ 17,954	\$ 17,960	\$ 62,885	\$ 62,885
Bonds payable	<u>5,885,000</u>	<u>-</u>	<u>695,000</u>	<u>5,190,000</u>	<u>715,000</u>
	<u>\$ 5,947,891</u>	<u>\$ 17,954</u>	<u>\$ 712,960</u>	<u>\$ 5,252,885</u>	<u>\$ 777,885</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

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

---

---

## IV. OTHER INFORMATION (cont'd)

### A. Risk Management (cont'd)

institutions. The District pays an annual premium to the pool for its general insurance coverage. 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, 2013.

### B. 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)

#### *Funding Policy*

#### Member Contributions

Plan members whose annual salary is \$20,000 or less are required by statute to contribute 7.9% of their gross salary. Plan members whose annual salary is over \$20,000 are required to make the following contributions to the Plan: 9.40% of their gross salary in fiscal year 2013; 10.1% of their gross salary in fiscal year 2014; and 10.7% of their gross salary in fiscal year 2015 and thereafter.

#### Employer Contributions

In fiscal year 2013, the (name of employer) was required to contribute 12.4% of the gross covered salary for employees whose annual salary is \$20,000 or less, and 10.9% of the gross covered salary for employees whose annual salary is more than \$20,000. In the future, the District will contribute the following percentages of the gross covered salary of employees: 13.15% of gross covered salary in fiscal year 2014; and 13.9% of gross covered salary in fiscal year 2015. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2013, 2012, and 2011, were \$341,035, \$313,197, and \$391,986, respectively, which equal the amount of the required contributions for each fiscal year.

### C. Post-Retirement Health Care Benefits

#### *Plan Description*

Chama Valley Independent School District No. 19 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.

# NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

---

---

## IV. OTHER INFORMATION (cont'd)

### C. Post-Retirement Health Care Benefits (cont'd)

Eligible retirees are:

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

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

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 employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

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. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2013, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2013, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The District's contributions to the RHCA for the years ended June 30, 2013, 2012 and 2011 were \$61,137, \$58,275, and \$55,882, respectively, which equal the required contributions for each year.

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

---

---

### IV. OTHER INFORMATION (cont'd)

#### D. 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.

#### E. Restatement

There was a restatement of the financials to reduce net position for \$332,397. Of this amount, \$50,407 was due to capital assets of \$329,479 that were demolished in prior years during new construction yet were still being carried on the records. Those assets had an accumulated depreciation of \$279,072. The remaining \$281,990, unamortized issuance costs, is for the implementation of GASB65 which requires issuance costs associated with general obligation bond issues to be expensed in the year in which they are incurred.

#### F. Cash Flows

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

#### G. Subsequent Events

Subsequent events were evaluated through October 29, 2013, which is the date the financial statements were available to be issued.

THIS PAGE INTENTIONALLY LEFT BLANK

**GENERAL FUNDS**  
YEAR ENDED JUNE 30, 2013

---

---

**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, 2013

	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	\$ -	\$ -	\$ 60	\$ -	\$ 60
Receivables:					
Property taxes	10,241	-	-	-	10,241
Due from other governments	656	-	-	-	656
Due from other funds	<u>30,846</u>	<u>22,798</u>	<u>-</u>	<u>-</u>	<u>53,644</u>
Total assets	<u>\$ 41,743</u>	<u>\$ 22,798</u>	<u>\$ 60</u>	<u>\$ -</u>	<u>\$ 64,601</u>
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities:					
Accounts payable	\$ 2,565	\$ -	\$ -	\$ -	\$ 2,565
Due to other funds	-	-	-	2,271	2,271
Deposits held for others	<u>-</u>	<u>550</u>	<u>-</u>	<u>-</u>	<u>550</u>
Total liabilities	2,565	550	-	2,271	5,386
Deferred inflows of resources:					
Delinquent property taxes	<u>9,718</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,718</u>
Total liabilities and deferred inflows of resources	<u>12,283</u>	<u>550</u>	<u>-</u>	<u>2,271</u>	<u>15,104</u>
Fund balance:					
Unassigned	<u>29,460</u>	<u>22,248</u>	<u>60</u>	<u>(2,271)</u>	<u>49,497</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 41,743</u>	<u>\$ 22,798</u>	<u>\$ 60</u>	<u>\$ -</u>	<u>\$ 64,601</u>

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

GENERAL FUND  
 Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balance  
 Year Ended June 30, 2013

	<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>	
Revenues:					
Federal sources:					
Forest reserve	\$ 57,417	\$ -	\$ -	\$ -	\$ 57,417
Federal direct grants	9,597	-	-	-	9,597
State sources:					
State equalization guarantee	3,920,644	-	-	-	3,920,644
State flow through grants	92,338	-	-	-	92,338
Transportation	-	-	264,046	-	264,046
State instructional material	-	-	-	20,489	20,489
State grant	507,122	-	-	-	507,122
Local sources:					
Grant	1,430	-	-	-	1,430
District school tax levy	44,420	-	-	-	44,420
Fees and activities	576	27,585	-	-	28,161
Earnings from investments	216	-	48	3	267
Miscellaneous	<u>3,127</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,127</u>
Total revenue	<u>4,636,887</u>	<u>27,585</u>	<u>264,094</u>	<u>20,492</u>	<u>4,949,058</u>
Expenditures:					
Current:					
Instruction	2,308,629	-	-	16,793	2,325,422
Support Services:					
Students	547,296	-	-	-	547,296
Instruction	66,685	-	-	-	66,685
General Administration	220,785	-	-	-	220,785
School Administration	398,689	-	-	-	398,689
Central Services	157,290	-	-	-	157,290
Operation & Maintenance of Plant	825,646	8,609	-	-	834,255
Student Transportation	10,982	-	263,740	-	274,722
Other Support Services	9,255	-	-	-	9,255
Food Services Operations	55,095	-	-	-	55,095
Capital outlay	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
Total expenditures	<u>4,625,352</u>	<u>8,609</u>	<u>263,740</u>	<u>16,793</u>	<u>4,914,494</u>
Excess of revenues over expenditures	11,535	18,976	354	3,699	34,564
Fund balance at beginning of the year	<u>17,925</u>	<u>3,272</u>	<u>(294)</u>	<u>(5,970)</u>	<u>14,933</u>
Fund balance at end of the year	<u>\$ 29,460</u>	<u>\$ 22,248</u>	<u>\$ 60</u>	<u>\$ (2,271)</u>	<u>\$ 49,497</u>

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

OPERATIONAL FUND - NO. 11000  
 Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
Revenues:				
Federal sources:				
Forest reserve	\$ -	\$ 57,417	\$ 57,417	\$ -
Federal grant	22,490	22,490	-	(22,490)
Federal direct grant	293	293	9,597	9,304
State sources:				
State equalization guarantee	3,958,981	3,921,747	3,920,644	(1,103)
State grant	713,076	574,798	599,461	24,663
Local sources:				
Grant	20	20	1,430	1,410
District school tax levy	44,775	44,775	44,604	(171)
Fees and activities	600	600	576	(24)
Earnings from investments	500	500	216	(284)
Miscellaneous	<u>6,179</u>	<u>6,179</u>	<u>3,127</u>	<u>(3,052)</u>
Total revenues	<u>4,746,914</u>	<u>4,628,819</u>	<u>4,637,072</u>	<u>8,253</u>
Expenditures:				
Current:				
Instruction	2,417,503	2,318,875	2,310,519	8,356
Support Services:				
Students	420,723	414,723	547,296	(132,573)
Instruction	132,845	142,027	66,685	75,342
General Administration	228,825	219,825	221,298	(1,473)
School Administration	481,920	481,136	398,647	82,489
Central Services	174,118	174,118	157,290	16,828
Operation & Maintenance of Plant	814,047	782,745	840,944	(58,199)
Student Transportation	24,109	12,145	10,982	1,163
Other Support Services	4,504	14,504	9,255	5,249
Food Services Operations	60,200	85,200	55,286	29,914
Capital outlay:				
Construction in progress	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total expenditures	<u>4,758,794</u>	<u>4,670,298</u>	<u>4,643,202</u>	<u>27,096</u>
Excess (deficiency) of revenues over expenditures	(11,880)	(41,479)	(6,130)	35,349
Beginning cash balance budgeted	11,880	41,479	-	(41,479)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>17,925</u>	<u>17,925</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>11,795</u>	<u>\$ 11,795</u>
RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			(4,839)	
Change in due from other governments			(28)	
Change in payables			17,850	
Change in deferred property taxes			<u>4,682</u>	
			<u>\$ 29,460</u>	

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

TEACHERAGE FUND - NO. 12000  
 Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
Revenues:				
Local sources:				
Fees and activities	\$ 11,500	\$ 11,500	\$ 27,585	\$ 16,085
Earnings from investments	<u>12</u>	<u>12</u>	<u>-</u>	<u>(12)</u>
Total revenues	11,512	11,512	27,585	16,073
 Expenditures:				
Current:				
Support Services:				
Operation & Maintenance of Plant	<u>18,300</u>	<u>18,300</u>	<u>10,922</u>	<u>7,378</u>
Excess (deficiency) of revenues over expenditures	(6,788)	(6,788)	16,663	23,451
Beginning cash balance budgeted	6,788	6,788	-	(6,788)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>3,272</u>	<u>3,272</u>
Fund balance at end of the year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u>19,935</u>	<u><u>\$ 19,935</u></u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>2,313</u>	
			<u><u>\$ 22,248</u></u>	

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

TRANSPORTATION FUND - NO. 13000  
 Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
Revenues:				
State sources:				
Transportation	\$ 308,462	\$ 264,046	\$ 264,046	\$ -
Local sources:				
Earnings from investments	-	-	48	48
Total revenues	308,462	264,046	264,094	48
Expenditures:				
Current:				
Support Services:				
Student Transportation	308,462	264,046	264,046	-
Excess of revenues over expenditures	-	-	48	48
Fund balance (deficit) at beginning of the year	-	-	(294)	(294)
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(246)	<u>\$ (246)</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			306	
			<u>\$ 60</u>	

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

INSTRUCTIONAL MATERIALS FUND - NO. 14000  
 Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
Revenues:				
State sources:				
State instructional material	\$ 20,489	\$ 20,489	\$ 20,489	\$ -
Local sources:				
Earnings from investments	<u>10</u>	<u>10</u>	<u>3</u>	<u>(7)</u>
Total revenues	20,499	20,499	20,492	(7)
Expenditures:				
Current:				
Instruction	<u>20,499</u>	<u>20,499</u>	<u>16,793</u>	<u>3,706</u>
Excess of revenues over expenditures	-	-	3,699	3,699
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>(5,970)</u>	<u>(5,970)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>(2,271)</u>	<u>\$ (2,271)</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ (2,271)</u>	

THIS PAGE INTENTIONALLY LEFT BLANK

## NONMAJOR GOVERNMENTAL FUNDS

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

GOVERNMENTAL FUNDS  
 Combining Balance Sheet  
 June 30, 2013

	<b>Special Revenue Funds</b>			
	Food Service <u>Fund #21000</u>	Athletics <u>Fund #22000</u>	Title I <u>Fund #24101</u>	Migrant Children Education <u>Fund #24103</u>
<b>ASSETS</b>				
Pooled cash and investments	\$ 19,245	\$ 251	\$ -	\$ -
Receivables:				
Grant	-	-	11,260	764
Due from other funds	-	-	-	-
Food inventory	<u>1,516</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 20,761</u>	<u>\$ 251</u>	<u>\$ 11,260</u>	<u>\$ 764</u>
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	<u>-</u>	<u>-</u>	<u>11,260</u>	<u>764</u>
Total liabilities	-	-	11,260	764
Deferred inflows of resources:				
Advances of federal, state, and local grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>-</u>	<u>11,260</u>	<u>764</u>
Fund balance:				
Non-spendable:				
Inventories	1,516	-	-	-
Restricted for:				
Special revenue funds	19,245	251	-	-
Capital projects funds	-	-	-	-
Debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>20,761</u>	<u>251</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 20,761</u>	<u>\$ 251</u>	<u>\$ 11,260</u>	<u>\$ 764</u>

( cont'd; 1 of 11 )

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

GOVERNMENTAL FUNDS  
 Combining Balance Sheet  
 June 30, 2013

	<b>Special Revenue Funds</b>		
	Discretionary IDEA-B <u>Fund #24107</u>	Competitive IDEA-B <u>Fund #24108</u>	Preschool IDEA-B <u>Fund #24109</u>
	ASSETS		
Pooled cash and investments	\$ 8,388	\$ 916	\$ -
Receivables:			
Grant	-	-	3,824
Due from other funds	-	-	-
Food inventory	-	-	-
Total assets	\$ 8,388	\$ 916	\$ 3,824
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	3,824
Total liabilities	-	-	3,824
Deferred inflows of resources:			
Advances of federal, state, and local grants	8,388	916	-
Total liabilities and deferred inflows of resources	8,388	916	3,824
Fund balance:			
Non-spendable:			
Inventories	-	-	-
Restricted for:			
Special revenue funds	-	-	-
Capital projects funds	-	-	-
Debt service	-	-	-
Total fund balance	-	-	-
Total liabilities, deferred inflows of resources, and fund balance	\$ 8,388	\$ 916	\$ 3,824

( cont'd; 2 of 11 )

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

GOVERNMENTAL FUNDS  
 Combining Balance Sheet  
 June 30, 2013

	<b>Special Revenue Funds</b>			
	21st Century Grant <u>Fund #24119</u>	IDEA-B "Risk Pool" <u>Fund #24120</u>	Title V <u>Fund #24150</u>	Title III English Language <u>Fund #24153</u>
<b>ASSETS</b>				
Pooled cash and investments	\$ 20,350	\$ -	\$ -	\$ -
Receivables:				
Grant	-	-	7	27,216
Due from other funds	-	-	-	-
Food inventory	-	-	-	-
Total assets	<u>\$ 20,350</u>	<u>\$ -</u>	<u>\$ 7</u>	<u>\$ 27,216</u>
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	7	27,216
Total liabilities	-	-	7	27,216
Deferred inflows of resources:				
Advances of federal, state, and local grants	<u>20,350</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>20,350</u>	<u>-</u>	<u>7</u>	<u>27,216</u>
Fund balance:				
Non-spendable:				
Inventories	-	-	-	-
Restricted for:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Debt service	-	-	-	-
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 20,350</u>	<u>\$ -</u>	<u>\$ 7</u>	<u>\$ 27,216</u>

( cont'd; 3 of 11 )

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

GOVERNMENTAL FUNDS  
 Combining Balance Sheet  
 June 30, 2013

	<b>Special Revenue Funds</b>			
	Teacher/Principal Training Fund #24154	21st Century Community Living Centers Fund #24159	Reading First Fund #24167	ARRA - Entitlement IDEA-B Fund #24206
<b>ASSETS</b>				
Pooled cash and investments	\$ -	\$ -	\$ -	\$ 2,226
Receivables:				
Grant	62,747	604	11,826	-
Due from other funds	-	-	-	-
Food inventory	-	-	-	-
Total assets	\$ 62,747	\$ 604	\$ 11,826	\$ 2,226
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	\$ 270	\$ -	\$ -	\$ -
Due to other funds	62,477	604	11,826	-
Total liabilities	62,747	604	11,826	-
Deferred inflows of resources:				
Advances of federal, state, and local grants	-	-	-	2,226
Total liabilities and deferred inflows of resources	62,747	604	11,826	2,226
Fund balance:				
Non-spendable:				
Inventories	-	-	-	-
Restricted for:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Debt service	-	-	-	-
Total fund balance	-	-	-	-
Total liabilities, deferred inflows of resources, and fund balance	\$ 62,747	\$ 604	\$ 11,826	\$ 2,226

( cont'd; 4 of 11 )

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

GOVERNMENTAL FUNDS  
 Combining Balance Sheet  
 June 30, 2013

	<b>Special Revenue Funds</b>		
	Bilingual Education <u>Fund #25109</u>	Title XIX Medicaid <u>Fund #25153</u>	ARRA - State Revitalization <u>Fund #25250</u>
<b>ASSETS</b>			
Pooled cash and investments	\$ 4	\$ -	\$ 6
Receivables:			
Grant	-	5,555	-
Due from other funds	-	-	-
Food inventory	-	-	-
Total assets	\$ 4	\$ 5,555	\$ 6
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	5,555	-
Total liabilities	-	5,555	-
Deferred inflows of resources:			
Advances of federal, state, and local grants	4	-	6
Total liabilities and deferred inflows of resources	4	5,555	6
Fund balance:			
Non-spendable:			
Inventories	-	-	-
Restricted for:			
Special revenue funds	-	-	-
Capital projects funds	-	-	-
Debt service	-	-	-
Total fund balance	-	-	-
Total liabilities, deferred inflows of resources, and fund balance	\$ 4	\$ 5,555	\$ 6

( cont'd; 5 of 11 )

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

GOVERNMENTAL FUNDS  
 Combining Balance Sheet  
 June 30, 2013

	<b>Special Revenue Funds</b>			
	Bill & Melinda Gates Foundation <u>Fund #26104</u>	LANL Foundation <u>Fund #26113</u>	Dual Credit Instructional Materials <u>Fund #27103</u>	Libraries GO Bond 2010 <u>Fund #27106</u>
<b>ASSETS</b>				
Pooled cash and investments	\$ 44	\$ 53	\$ -	\$ -
Receivables:				
Grant	-	-	-	831
Due from other funds	-	-	-	-
Food inventory	-	-	-	-
Total assets	\$ 44	\$ 53	\$ -	\$ 831
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	831
Total liabilities	-	-	-	831
Deferred inflows of resources:				
Advances of federal, state, and local grants	-	-	-	-
Total liabilities and deferred inflows of resources	-	-	-	831
Fund balance:				
Non-spendable:				
Inventories	-	-	-	-
Restricted for:				
Special revenue funds	44	53	-	-
Capital projects funds	-	-	-	-
Debt service	-	-	-	-
Total fund balance	44	53	-	-
Total liabilities, deferred inflows of resources, and fund balance	\$ 44	\$ 53	\$ -	\$ 831

( cont'd; 6 of 11 )

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

GOVERNMENTAL FUNDS  
 Combining Balance Sheet  
 June 30, 2013

	<b>Special Revenue Funds</b>			
	Robot Systems for Math Fund #27115	Technology for Education Fund #27117	Incentives for School Improvement Fund #27138	Pre-K Initiative Fund #27149
<b>ASSETS</b>				
Pooled cash and investments	\$ -	\$ 10,730	\$ 1,804	\$ -
Receivables:				
Grant	1,838	-	-	62,733
Due from other funds	-	-	-	-
Food inventory	-	-	-	-
Total assets	\$ 1,838	\$ 10,730	\$ 1,804	\$ 62,733
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	1,838	-	-	62,733
Total liabilities	1,838	-	-	62,733
Deferred inflows of resources:				
Advances of federal, state, and local grants	-	-	-	-
Total liabilities and deferred inflows of resources	1,838	-	-	62,733
Fund balance:				
Non-spendable:				
Inventories	-	-	-	-
Restricted for:				
Special revenue funds	-	10,730	1,804	-
Capital projects funds	-	-	-	-
Debt service	-	-	-	-
Total fund balance	-	10,730	1,804	-
Total liabilities, deferred inflows of resources, and fund balance	\$ 1,838	\$ 10,730	\$ 1,804	\$ 62,733

( cont'd; 7 of 11 )

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

GOVERNMENTAL FUNDS  
 Combining Balance Sheet  
 June 30, 2013

	<b>Special Revenue Funds</b>			
	Chama Preschool <u>Fund #27161</u>	State 21st Century <u>Fund #27167</u>	Pre-K State <u>Fund #27169</u>	Libraries GO Bond 2006 <u>Fund #27170</u>
<b>ASSETS</b>				
Pooled cash and investments	\$ 10,770	\$ 674	\$ 71	\$ -
Receivables:				
Grant	-	-	-	10,180
Due from other funds	-	-	-	-
Food inventory	-	-	-	-
Total assets	<u>\$ 10,770</u>	<u>\$ 674</u>	<u>\$ 71</u>	<u>\$ 10,180</u>
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	10,180
Total liabilities	-	-	-	10,180
Deferred inflows of resources:				
Advances of federal, state, and local grants	-	-	-	-
Total liabilities and deferred inflows of resources	-	-	-	10,180
Fund balance:				
Non-spendable:				
Inventories	-	-	-	-
Restricted for:				
Special revenue funds	10,770	674	71	-
Capital projects funds	-	-	-	-
Debt service	-	-	-	-
Total fund balance	<u>10,770</u>	<u>674</u>	<u>71</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 10,770</u>	<u>\$ 674</u>	<u>\$ 71</u>	<u>\$ 10,180</u>

( cont'd; 8 of 11 )

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

GOVERNMENTAL FUNDS  
 Combining Balance Sheet  
 June 30, 2013

	<b>Special Revenue Funds</b>			
	GO Bond School Buses <u>Fund #27172</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	\$ -	\$ 668	\$ 1,237	\$ 3,942
Receivables:				
Grant	-	-	-	-
Due from other funds	-	-	-	-
Food inventory	-	-	-	-
Total assets	\$ -	\$ 668	\$ 1,237	\$ 3,942
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Total liabilities	-	-	-	-
Deferred inflows of resources:				
Advances of federal, state, and local grants	-	-	-	-
Total liabilities and deferred inflows of resources	-	-	-	-
Fund balance:				
Non-spendable:				
Inventories	-	-	-	-
Restricted for:				
Special revenue funds	-	668	1,237	3,942
Capital projects funds	-	-	-	-
Debt service	-	-	-	-
Total fund balance	-	668	1,237	3,942
Total liabilities, deferred inflows of resources, and fund balance	\$ -	\$ 668	\$ 1,237	\$ 3,942

( cont'd; 9 of 11 )

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

GOVERNMENTAL FUNDS  
 Combining Balance Sheet  
 June 30, 2013

	Total	<b>Capital Projects Funds</b>		
	Non-Major Special Funds	Bond Building Fund #31100	Special Capital Outlay - State Fund #31400	Energy Efficiency Act Fund #31800
<b>ASSETS</b>				
Pooled cash and investments	\$ 81,379	\$ 69,366	\$ 47,567	\$ 27
Receivables:				
Grant	199,385	-	-	-
Due from other funds	-	-	68,458	-
Food inventory	<u>1,516</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 282,280</u>	<u>\$ 69,366</u>	<u>\$ 116,025</u>	<u>\$ 27</u>
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	\$ 270	\$ -	\$ -	\$ -
Due to other funds	<u>199,115</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	199,385	-	-	-
Deferred inflows of resources:				
Advances of federal, state, and local grants	<u>31,890</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>231,275</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance:				
Non-spendable:				
Inventories	1,516	-	-	-
Restricted for:				
Special revenue funds	49,489	-	-	-
Capital projects funds	-	69,366	116,025	27
Debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>51,005</u>	<u>69,366</u>	<u>116,025</u>	<u>27</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 282,280</u>	<u>\$ 69,366</u>	<u>\$ 116,025</u>	<u>\$ 27</u>

( cont'd; 10 of 11 )

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

GOVERNMENTAL FUNDS  
 Combining Balance Sheet  
 June 30, 2013

	<b>Capital Projects Funds</b>			
	Public School Capital <u>Fund #32100</u>	Total Non-Major Capital Projects Funds	Education Technology Debt Service <u>Fund #43000</u>	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Pooled cash and investments	\$ 101	\$ 117,061	\$ 301	\$ 198,741
Receivables:				
Grant	-	-	-	199,385
Due from other funds	-	68,458	-	68,458
Food inventory	-	-	-	1,516
Total assets	\$ 101	\$ 185,519	\$ 301	\$ 468,100
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 270
Due to other funds	-	-	-	199,115
Total liabilities	-	-	-	199,385
Deferred inflows of resources:				
Advances of federal, state, and local grants	-	-	-	31,890
Total liabilities and deferred inflows of resources	-	-	-	231,275
Fund balance:				
Non-spendable:				
Inventories	-	-	-	1,516
Restricted for:				
Special revenue funds	-	-	-	49,489
Capital projects funds	101	185,519	-	185,519
Debt service	-	-	301	301
Total fund balance	101	185,519	301	236,825
Total liabilities, deferred inflows of resources, and fund balance	\$ 101	\$ 185,519	\$ 301	\$ 468,100

( 11 of 11 )

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, 2013

	<b>Special Revenue Funds</b>			
	Food Service Fund #21000	Athletics Fund #22000	Title I Fund #24101	Migrant Children Education Fund #24103
<b>Revenues:</b>				
Federal sources:				
Federal flowthrough grants	\$ -	\$ -	\$ 114,150	\$ -
Federal direct grants	-	-	-	-
Food and milk reimbursements	188,485	-	-	-
USDA Commodities	11,753	-	-	-
State sources:				
State grant	-	-	-	-
Local sources:				
Grant	-	-	-	-
District school tax levy	-	-	-	-
Fees and activities	15,570	38,346	-	-
Earnings from investments	<u>15</u>	<u>1</u>	<u>-</u>	<u>-</u>
Total revenue	<u>215,823</u>	<u>38,347</u>	<u>114,150</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction	-	46,663	70,019	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	25,230	-
School Administration	-	-	13,320	-
Operation & Maintenance of Plant	-	-	5,581	-
Student Transportation	-	-	-	-
Food Services Operations	<u>228,650</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>228,650</u>	<u>46,663</u>	<u>114,150</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(12,827)	(8,316)	-	-
Fund balance at beginning of the year	<u>33,588</u>	<u>8,567</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ 20,761</u>	<u>\$ 251</u>	<u>\$ -</u>	<u>\$ -</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, 2013

	<b>Special Revenue Funds</b>			
	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>
<b>Revenues:</b>				
Federal sources:				
Federal flowthrough grants	\$ -	\$ -	\$ 3,875	\$ -
Federal direct grants	-	-	-	-
Food and milk reimbursements	-	-	-	-
USDA Commodities	-	-	-	-
State sources:				
State grant	-	-	-	-
Local sources:				
Grant	-	-	-	-
District school tax levy	-	-	-	-
Fees and activities	-	-	-	-
Earnings from investments	-	-	-	-
Total revenue	-	-	3,875	-
<b>Expenditures:</b>				
Current:				
Instruction	-	-	3,875	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Total expenditures	-	-	3,875	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	\$ -	\$ -

( cont'd; 2 of 10 )

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, 2013

	<b>Special Revenue Funds</b>			
	IDEA-B "Risk Pool" <u>Fund #24120</u>	Title V <u>Fund #24150</u>	Title III English Language <u>Fund #24153</u>	Teacher/Principal Training <u>Fund #24154</u>
Revenues:				
Federal sources:				
Federal flowthrough grants	\$ -	\$ -	\$ 12,576	\$ 50,258
Federal direct grants	-	-	-	-
Food and milk reimbursements	-	-	-	-
USDA Commodities	-	-	-	-
State sources:				
State grant	-	-	-	-
Local sources:				
Grant	-	-	-	-
District school tax levy	-	-	-	-
Fees and activities	-	-	-	-
Earnings from investments	-	-	-	-
Total revenue	-	-	12,576	50,258
Expenditures:				
Current:				
Instruction	-	-	10,035	34,355
Support Services:				
Students	-	-	-	6,971
Instruction	-	-	-	-
General Administration	-	-	2,093	6,417
School Administration	-	-	448	2,059
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	456
Food Services Operations	-	-	-	-
Total expenditures	-	-	12,576	50,258
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	\$ -	\$ -

( cont'd; 3 of 10 )

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, 2013

	<b>Special Revenue Funds</b>				
	21st Century Community Living Centers <u>Fund #24159</u>	Reading First <u>Fund #24167</u>	ARRA - Entitlement IDEA-B <u>Fund #24206</u>	Bilingual Education <u>Fund #25109</u>	Title XIX Medicaid <u>Fund #25153</u>
Revenues:					
Federal sources:					
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	-	-	24,850
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
State sources:					
State grant	-	-	-	-	-
Local sources:					
Grant	-	-	-	-	-
District school tax levy	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Total revenue	-	-	-	-	24,850
Expenditures:					
Current:					
Instruction	-	-	-	-	5,726
Support Services:					
Students	-	-	-	-	18,275
Instruction	-	-	-	-	-
General Administration	-	-	-	-	-
School Administration	-	-	-	-	849
Operation & Maintenance of Plant	-	-	-	-	-
Student Transportation	-	-	-	-	-
Food Services Operations	-	-	-	-	-
Total expenditures	-	-	-	-	24,850
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Fund balance at beginning of the year	-	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	\$ -	\$ -	\$ -

(cont'd; 4 of 10)

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, 2013

	<b>Special Revenue Funds</b>		
	ARRA - State Revitalization <u>Fund #25250</u>	Bill & Melinda Gates Foundation <u>Fund #26104</u>	LANL Foundation <u>Fund #26113</u>
<b>Revenues:</b>			
Federal sources:			
Federal flowthrough grants	\$ -	\$ -	\$ -
Federal direct grants	-	-	-
Food and milk reimbursements	-	-	-
USDA Commodities	-	-	-
State sources:			
State grant	-	-	-
Local sources:			
Grant	-	-	5,805
District school tax levy	-	-	-
Fees and activities	-	-	-
Earnings from investments	-	-	-
Total revenue	-	-	5,805
<b>Expenditures:</b>			
Current:			
Instruction	-	-	5,805
Support Services:			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Food Services Operations	-	-	-
Total expenditures	-	-	5,805
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance at beginning of the year	-	44	53
Fund balance at end of the year	\$ -	\$ 44	\$ 53

( cont'd; 5 of 10 )

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, 2013

	<b>Special Revenue Funds</b>			
	Dual Credit Instructional Materials <u>Fund #27103</u>	Libraries GO Bond 2010 <u>Fund #27106</u>	Robot Systems for Math <u>Fund #27115</u>	Technology for Education <u>Fund #27117</u>
Revenues:				
Federal sources:				
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	-	-
Food and milk reimbursements	-	-	-	-
USDA Commodities	-	-	-	-
State sources:				
State grant	1,848	669	20,123	-
Local sources:				
Grant	-	-	-	-
District school tax levy	-	-	-	-
Fees and activities	-	-	-	-
Earnings from investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue	<u>1,848</u>	<u>669</u>	<u>20,123</u>	<u>-</u>
Expenditures:				
Current:				
Instruction	1,848	-	20,123	-
Support Services:				
Students	-	-	-	-
Instruction	-	669	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,848</u>	<u>669</u>	<u>20,123</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,730</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,730</u>

( cont'd; 6 of 10 )

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, 2013

**Special Revenue Funds**

	<u>Incentives for School Improvement Fund #27138</u>	<u>Pre-K Initiative Fund #27149</u>	<u>Chama Preschool Fund #27161</u>	<u>State 21st Century Fund #27167</u>	<u>Pre-K State Fund #27169</u>
Revenues:					
Federal sources:					
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
State sources:					
State grant	-	28,775	-	-	-
Local sources:					
Grant	-	-	-	-	-
District school tax levy	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Total revenue	-	28,775	-	-	-
Expenditures:					
Current:					
Instruction	-	28,775	-	-	-
Support Services:					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General Administration	-	-	-	-	-
School Administration	-	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-	-
Student Transportation	-	-	-	-	-
Food Services Operations	-	-	-	-	-
Total expenditures	-	28,775	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Fund balance at beginning of the year	1,804	-	10,770	674	71
Fund balance at end of the year	\$ 1,804	\$ -	\$ 10,770	\$ 674	\$ 71

( cont'd; 7 of 10 )

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, 2013

	<b>Special Revenue Funds</b>			
			State	
	Libraries GO Bond 2006 <u>Fund #27170</u>	GO Bond School Buses <u>Fund #27172</u>	Discretionary IDEA-B <u>Fund #27200</u>	Library Books <u>Fund #27549</u>
Revenues:				
Federal sources:				
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	-	-
Food and milk reimbursements	-	-	-	-
USDA Commodities	-	-	-	-
State sources:				
State grant	-	-	668	-
Local sources:				
Grant	-	-	-	-
District school tax levy	-	-	-	-
Fees and activities	-	-	-	-
Earnings from investments	-	-	-	-
Total revenue	-	-	668	-
Expenditures:				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	668	-
Fund balance at beginning of the year	-	-	-	1,237
Fund balance at end of the year	\$ -	\$ -	\$ 668	\$ 1,237

( cont'd; 8 of 10 )

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, 2013

	<b>Special Revenue Funds</b>		<b>Capital Projects</b>	
	Clothes Helping Kids <u>Fund #29102</u>	Total Nonmajor Special Revenue <u>Funds</u>	Bond Building <u>Fund #31100</u>	Special Capital Outlay - State <u>Fund #31400</u>
Revenues:				
Federal sources:				
Federal flowthrough grants	\$ -	\$ 180,859	\$ -	\$ -
Federal direct grants	-	24,850	-	-
Food and milk reimbursements	-	188,485	-	-
USDA Commodities	-	11,753	-	-
State sources:				
State grant	-	52,083	-	5,997
Local sources:				
Grant	2,000	7,805	-	-
District school tax levy	-	-	-	-
Fees and activities	-	53,916	-	-
Earnings from investments	-	16	121	136
Total revenue	<u>2,000</u>	<u>519,767</u>	<u>121</u>	<u>6,133</u>
Expenditures:				
Current:				
Instruction	1,487	228,711	-	-
Support Services:				
Students	-	25,246	-	-
Instruction	-	669	-	-
General Administration	-	33,740	-	-
School Administration	-	16,676	-	-
Operation & Maintenance of Plant	-	5,581	23,230	-
Student Transportation	-	456	-	-
Food Services Operations	-	228,650	-	-
Total expenditures	<u>1,487</u>	<u>539,729</u>	<u>23,230</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	513	(19,962)	(23,109)	6,133
Fund balance at beginning of the year	<u>3,429</u>	<u>70,967</u>	<u>92,475</u>	<u>109,892</u>
Fund balance at end of the year	<u>\$ 3,942</u>	<u>\$ 51,005</u>	<u>\$ 69,366</u>	<u>\$ 116,025</u>

( cont'd; 9 of 10 )

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, 2013

	<b>Capital Projects</b>				
	Energy Efficiency Act Fund #31800	Public School Capital Outlay - 20% Fund #32100	Total Nonmajor Capital Projects Funds	Education Technology Debt Service Fund #43000	Total Nonmajor Governmental Funds
<b>Revenues:</b>					
Federal sources:					
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -	\$ 180,859
Federal direct grants	-	-	-	-	24,850
Food and milk reimbursements	-	-	-	-	188,485
USDA Commodities	-	-	-	-	11,753
State sources:					
State grant	-	-	5,997	-	58,080
Local sources:					
Grant	-	-	-	-	7,805
District school tax levy	-	-	-	304	304
Fees and activities	-	-	-	-	53,916
Earnings from investments	-	-	257	-	273
Total revenue	-	-	6,254	304	526,325
<b>Expenditures:</b>					
Current:					
Instruction	-	-	-	-	228,711
Support Services:					
Students	-	-	-	-	25,246
Instruction	-	-	-	-	669
General Administration	-	-	-	3	33,743
School Administration	-	-	-	-	16,676
Operation & Maintenance of Plant	-	-	23,230	-	28,811
Student Transportation	-	-	-	-	456
Food Services Operations	-	-	-	-	228,650
Total expenditures	-	-	23,230	3	562,962
Excess (deficiency) of revenues over expenditures	-	-	(16,976)	301	(36,637)
Fund balance at beginning of the year	27	101	202,495	-	273,462
Fund balance at end of the year	\$ 27	\$ 101	\$ 185,519	\$ 301	\$ 236,825

## BUDGETARY PRESENTATION

# NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2013

---

---

## 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.

## COMPETITIVE / DISCRETIONARY IDEA-B

The 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.

## IDEA-B "RISK POOL"

The IDEA-B "Risk Pool" 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.

## 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.

# NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2013

---

---

## 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.

## 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.

## 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.

## 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.

## 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.

**NONMAJOR SPECIAL REVENUE FUNDS**  
YEAR ENDED JUNE 30, 2013

---

---

**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.

**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.

**DUAL CREDIT INSTRUCTIONAL MATERIALS**

To provide instructional materials to be used for a dual credit course approved by Higher Education Department (HED) and through a college/university for which the district has an approved agreement.

**LIBRARIES GO BOND 2010**

To be used to fund each library facility for improvement or acquisition and to acquire library books and library resources to support the library program. Funds generated by GO Bonds may not be used to supplant existing or prior library material funding within school districts receiving these monies. This funding will supplement and be in addition to current and existing funding. Authorized through Senate Bill 2010 SB333

**ROBOT SYSTEMS FOR MATH**

These funds are to be distributed and used specifically to plan, design, purchase and install robot systems to equip students for science, technology, engineering and math competitions at public schools statewide. These funds are only for the purchase of kits, computers, spare parts, equipment and software.

**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**

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.

## NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2013

---

---

### 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.

### GO BOND SCHOOL BUSES

Funding made available to update school bus fleet.

### STATE DISCRETIONARY IDEA-B

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

### LIBRARY BOOKS

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

### CLOTHES HELPING KIDS

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

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

FOOD SERVICE FUND - NO. 21000  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
Federal sources:				
Food and milk reimbursements	\$ 160,000	\$ 174,740	\$ 193,880	\$ 19,140
Local sources:				
Fees and activities	\$ 13,016	\$ 16,016	\$ 15,570	\$ (446)
Earnings from investments	<u>6</u>	<u>6</u>	<u>15</u>	<u>9</u>
Total revenues	173,022	190,762	209,465	18,703
 Expenditures:				
Current:				
Food Services Operations	<u>177,934</u>	<u>217,866</u>	<u>217,314</u>	<u>552</u>
Excess (deficiency) of revenues over expenditures	(4,912)	(27,104)	(7,849)	19,255
Beginning cash balance budgeted	4,912	27,094	-	(27,094)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>33,588</u>	<u>33,588</u>
Fund balance at end of the year	<u><u>\$ -</u></u>	<u><u>\$ (10)</u></u>	25,739	<u><u>\$ 25,749</u></u>
 RECONCILIATION TO GAAP BASIS:				
Change in inventory			417	
Change in grant receivable			<u>(5,395)</u>	
			<u><u>\$ 20,761</u></u>	

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

ATHLETICS FUND - NO. 22000  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Revenues:				
Local sources:				
Fees and activities	\$ 27,785	\$ 38,089	\$ 38,346	\$ 257
Earnings from investments	<u>7</u>	<u>7</u>	<u>1</u>	<u>(6)</u>
Total revenues	27,792	38,096	38,347	251
 Expenditures:				
Current:				
Instruction	<u>29,627</u>	<u>46,783</u>	<u>46,783</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(1,835)	(8,687)	(8,436)	251
Beginning cash balance budgeted	1,835	8,687	-	(8,687)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>8,567</u>	<u>8,567</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	131	<u>\$ 131</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>120</u>	
			<u>\$ 251</u>	

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

TITLE I FUND - NO. 24101  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Revenues:				
Federal sources:				
Federal grant	\$ 121,379	\$ 144,537	\$ 240,114	\$ 95,577
Expenditures:				
Current:				
Instruction	80,876	104,034	70,019	34,015
Support Services:				
General Administration	27,292	27,292	25,230	2,062
School Administration	13,211	13,211	13,320	(109)
Operation & Maintenance of Plant	-	-	5,581	(5,581)
Total expenditures	121,379	144,537	114,150	30,387
Excess of revenues over expenditures	-	-	125,964	125,964
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	125,964	\$ 125,964
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(125,964)	
			\$ -	

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

MIGRANT CHILDREN EDUCATION FUND - NO. 24103  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	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**

DISCRETIONARY IDEA-B FUND - NO. 24107  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	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**

COMPETITIVE IDEA-B FUND - NO. 24108  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	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**

PRESCHOOL IDEA-B FUND - NO. 24109  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final	(Budgetary Basis)	(Negative)
Revenues:				
Federal sources:				
Federal grant	\$ 4,453	\$ 4,942	\$ 9,812	\$ 4,870
 Expenditures:				
Current:				
Instruction	<u>4,453</u>	<u>4,942</u>	<u>3,875</u>	<u>1,067</u>
Excess of revenues over expenditures	-	-	5,937	5,937
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>	5,937	<u>\$ 5,937</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(5,937)</u>	
			<u>\$ -</u>	

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

21ST CENTURY GRANT FUND - NO. 24119  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ 92,895	\$ 92,895
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	92,895	92,895
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	92,895	<u>\$ 92,895</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(72,715)	
Change in payables			170	
Change in deferred revenue			<u>(20,350)</u>	
			<u>\$ -</u>	

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

IDEA-B "RISK POOL" FUND - NO. 24120  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ 813	\$ 813
Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	813	813
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	813	<u>\$ 813</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(813)	
			<u>\$ -</u>	

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

TITLE V FUND - NO. 24150  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	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 FUND - NO. 24153  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 12,744	\$ 7,657	\$ (5,087)
Expenditures:				
Current:				
Instruction	-	7,145	10,035	(2,890)
Support Services:				
General Administration	-	1,255	2,093	(838)
School Administration	-	4,344	448	3,896
Total expenditures	-	12,744	12,576	168
Excess (deficiency) of revenues over expenditures	-	-	(4,919)	(4,919)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(4,919)	<u>\$ (4,919)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			4,919	
			<u>\$ -</u>	

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

TEACHER/PRINCIPAL TRAINING FUND - NO. 24154  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 74,284	\$ 42,147	\$ (32,137)
Expenditures:				
Current:				
Instruction	-	34,979	34,085	894
Support Services:				
Students	-	6,500	6,971	(471)
Instruction	-	3,500	-	3,500
General Administration	-	29,305	6,417	22,888
School Administration	-	-	2,059	(2,059)
Student Transportation	-	-	456	(456)
Total expenditures	-	74,284	49,988	24,296
Excess (deficiency) of revenues over expenditures	-	-	(7,841)	(7,841)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(7,841)	<u>\$ (7,841)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			8,111	
Change in payables			<u>(270)</u>	
			<u>\$ -</u>	

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

21ST CENTURY COMMUNITY LIVING CENTERS FUND - NO. 24159  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Positive (Negative)</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**

READING FIRST FUND - NO. 24167  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	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**

ARRA - ENTITLEMENT IDEA-B FUND - NO. 24206  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	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**

BILINGUAL EDUCATION FUND - NO. 25109  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	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 XIX MEDICAID FUND - NO. 25153  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Revenues:				
Federal sources:				
Federal direct grant	\$ 25,000	\$ 25,000	\$ 22,626	\$ (2,374)
Expenditures:				
Current:				
Instruction	1,415	12,915	6,422	6,493
Support Services:				
Students	29,070	17,570	21,287	(3,717)
General Administration	-	-	1,927	(1,927)
School Administration	-	-	849	(849)
Total expenditures	30,485	30,485	30,485	-
Excess (deficiency) of revenues over expenditures	(5,485)	(5,485)	(7,859)	(2,374)
Beginning cash balance budgeted	5,485	5,485	-	(5,485)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(7,859)	\$ (7,859)
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			2,224	
Change in payables			5,635	
			\$ -	

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

ARRA - STATE REVITALIZATION FUND - NO. 25250  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	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**

BILL & MELINDA GATES FOUNDATION FUND - NO. 26104  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				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 FUND - NO. 26113  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
Local sources:				
Grant	\$ -	\$ 5,805	\$ 5,805	\$ -
 Expenditures:				
Current:				
Instruction	-	5,805	5,805	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	53	53
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	53	<u>\$ 53</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 53</u>	

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

DUAL CREDIT INSTRUCTIONAL MATERIALS FUND - NO. 27103  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ 1,848	\$ 1,848	\$ -
Expenditures:				
Current:				
Instruction	-	1,848	1,848	-
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**

LIBRARIES GO BOND 2010 FUND - NO. 27106  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
State sources:				
State grant	\$ 669	\$ 812	\$ 9,539	\$ 8,727
 Expenditures:				
Current:				
Support Services:				
Instruction	<u>669</u>	<u>812</u>	<u>669</u>	<u>143</u>
Excess of revenues over expenditures	-	-	8,870	8,870
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	8,870	<u>\$ 8,870</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(8,870)</u>	
			<u>\$ -</u>	

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

ROBOT SYSTEMS FOR MATH FUND - NO. 27115  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ 31,730	\$ 18,285	\$ (13,445)
 Expenditures:				
Current:				
Instruction	-	31,730	20,123	11,607
 Excess (deficiency) of revenues over expenditures	-	-	(1,838)	(1,838)
 Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(1,838)	<u>\$ (1,838)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			1,838	
			<u>\$ -</u>	

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

TECHNOLOGY FOR EDUCATION FUND - NO. 27117  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	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	-	-	10,730	10,730
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	10,730	<u>\$ 10,730</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 10,730</u>	

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

INCENTIVES FOR SCHOOL IMPROVEMENT FUND - NO. 27138  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	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	-	-	1,804	1,804
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,804	<u>\$ 1,804</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 1,804</u>	

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

PRE-K INITIATIVE FUND - NO. 27149  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Revenues:				
State sources:				
State grant	\$ 28,980	\$ 28,980	\$ 18,017	\$ (10,963)
Expenditures:				
Current:				
Instruction	<u>28,980</u>	<u>28,980</u>	<u>28,775</u>	<u>205</u>
Excess (deficiency) of revenues over expenditures	-	-	(10,758)	(10,758)
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>	(10,758)	<u>\$ (10,758)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>10,758</u>	
			<u>\$ -</u>	

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

CHAMA PRESCHOOL FUND - NO. 27161  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	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	-	-	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 FUND - NO. 27167  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	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	-	-	674	674
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	674	<u>\$ 674</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 674</u>	

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

PRE-K STATE FUND - NO. 27169  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	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 FUND - NO. 27170  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	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**

GO BOND SCHOOL BUSES FUND - NO. 27172  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final	(Budgetary Basis)	(Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ 91,474	\$ 91,474
Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	91,474	91,474
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	91,474	<u>\$ 91,474</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(91,474)	
			<u>\$ -</u>	

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

STATE DISCRETIONARY IDEA-B FUND - NO. 27200  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ 7,549	\$ 7,549
Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	7,549	7,549
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	7,549	<u>\$ 7,549</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(6,881)	
			<u>\$ 668</u>	

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

LIBRARY BOOKS FUND - NO. 27549  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
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 FUND - NO. 29102  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
Local sources:				
Grant	\$ -	\$ 2,000	\$ 2,000	\$ -
 Expenditures:				
Current:				
Instruction	<u>5,373</u>	<u>7,373</u>	<u>1,487</u>	<u>5,886</u>
Excess (deficiency) of revenues over expenditures	(5,373)	(5,373)	513	5,886
Beginning cash balance budgeted	5,373	5,373	-	(5,373)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>3,429</u>	<u>3,429</u>
Fund balance at end of the year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u>3,942</u>	<u><u>\$ 3,942</u></u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u><u>\$ 3,942</u></u>	

THIS PAGE INTENTIONALLY LEFT BLANK

## CAPITAL PROJECTS FUNDS

YEAR ENDED JUNE 30, 2013

---

---

### BOND BUILDING FUND

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

### SPECIAL CAPITAL OUTLAY - STATE

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

### CAPITAL IMPROVEMENTS SB – 9

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

### ENERGY EFFICIENCY ACT

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

### PUBLIC SCHOOL CAPITAL OUTLAY – 20%

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

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

BOND BUILDING FUND - NO. 31100  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
Revenues:				
Local sources:				
Earnings from investments	\$ 100	\$ 100	\$ 121	\$ 21
 Expenditures:				
Current:				
Support Services:				
Operation & Maintenance of Plant	<u>92,470</u>	<u>92,470</u>	<u>23,230</u>	<u>69,240</u>
Excess (deficiency) of revenues over expenditures	(92,370)	(92,370)	(23,109)	69,261
Beginning cash balance budgeted	92,370	92,370	-	(92,370)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>92,475</u>	<u>92,475</u>
Fund balance at end of the year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u>69,366</u>	<u><u>\$ 69,366</u></u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u><u>\$ 69,366</u></u>	

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

SPECIAL CAPITAL OUTLAY - STATE FUND - NO. 31400  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget
				Positive
				<u>(Negative)</u>
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ 5,997	\$ 5,997
Local sources:				
Earnings from investments	-	-	136	136
Total revenues	-	-	6,133	6,133
Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	6,133	6,133
Fund balance at beginning of the year	-	-	109,892	109,892
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	116,025	<u>\$ 116,025</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 116,025</u>	

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

CAPITAL IMPROVEMENTS SB-9 FUND - NO. 31700  
 Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Revenues:				
State sources:				
State grant	\$ 52,407	\$ 52,407	\$ 77,460	\$ 25,053
Local sources:				
District school tax levy	255,985	255,985	265,614	9,629
Earnings from investments	2,653	2,653	371	(2,282)
Miscellaneous	<u>35</u>	<u>35</u>	<u>-</u>	<u>(35)</u>
Total revenues	<u>311,080</u>	<u>311,080</u>	<u>343,445</u>	<u>32,365</u>
Expenditures:				
Current:				
Support Services:				
General Administration	2,000	2,000	2,656	(656)
Operation & Maintenance of Plant	423,048	395,048	262,200	132,848
Capital outlay:				
Equipment	<u>12,000</u>	<u>40,000</u>	<u>39,132</u>	<u>868</u>
Total expenditures	<u>437,048</u>	<u>437,048</u>	<u>303,988</u>	<u>133,060</u>
Excess (deficiency) of revenues over expenditures	(125,968)	(125,968)	39,457	165,425
Other financing sources:				
Sale of assets	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Net change in fund balance	(125,968)	(125,968)	139,457	265,425
Beginning cash balance budgeted	125,968	125,968	-	(125,968)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>157,890</u>	<u>157,890</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>297,347</u>	<u>\$ 297,347</u>
RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			(66,934)	
Change in due from other governments			(668)	
Change in payables			372	
Change in deferred property taxes			<u>66,722</u>	
			<u>\$ 296,839</u>	

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

ENERGY EFFICIENCY ACT FUND - NO. 31800  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	27	27
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	27	<u>\$ 27</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 27</u>	

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

PUBLIC SCHOOL CAPITAL OUTLAY - 20% FUND - NO. 32100  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

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

**DEBT SERVICE FUND**  
YEAR ENDED JUNE 30, 2013

---

---

**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.

**EDUCATION TECHNOLOGY DEBT SERVICE FUND**

Used to account for the accumulation of resources for and the payment of, general long-term debt principal, interest, and related costs associated with the Education Technology bond issues.

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

DEBT SERVICE FUND - NO. 41000  
 Statement of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
Revenues:				
Local sources:				
District school tax levy	\$ 910,278	\$ 910,278	\$ 970,050	\$ 59,772
Earnings from investments	<u>396</u>	<u>396</u>	<u>445</u>	<u>49</u>
Total revenues	<u>910,674</u>	<u>910,674</u>	<u>970,495</u>	<u>59,821</u>
 Expenditures:				
Current:				
Support Services:				
General Administration	9,103	9,103	9,698	(595)
Debt service:				
Principal retirement	695,000	695,000	695,000	-
Bond interest paid	215,278	215,278	215,710	(432)
Reserves	<u>651,157</u>	<u>651,157</u>	<u>-</u>	<u>651,157</u>
Total expenditures	<u>1,570,538</u>	<u>1,570,538</u>	<u>920,408</u>	<u>650,130</u>
Excess (deficiency) of revenues over expenditures	(659,864)	(659,864)	50,087	709,951
Beginning cash balance budgeted	659,864	659,864	-	(659,864)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>732,863</u>	<u>732,863</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>782,950</u>	<u>\$ 782,950</u>
 RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			(211,112)	
Change in due from other governments			(3,506)	
Change in deferred property taxes			<u>207,576</u>	
			<u>\$ 775,908</u>	

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

EDUCATION TECHNOLOGY DEBT SERVICE FUND - NO. 43000  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget
				Positive
				<u>(Negative)</u>
Revenues:				
Local sources:				
District school tax levy	\$ -	\$ 296	\$ 304	\$ 8
 Expenditures:				
Current:				
Support Services:				
General Administration	-	296	3	293
Excess of revenues over expenditures	-	-	301	301
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	301	<u>\$ 301</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 301</u>	

THIS PAGE INTENTIONALLY LEFT BLANK

## OTHER SUPPLEMENTAL INFORMATION

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

FIDUCIARY FUNDS  
 Schedule of Changes in Assets and Liabilities - All Agency Funds  
 Year Ended June 30, 2013

Activity		Balance			Balance
<u>Fund</u>	<u>ASSETS</u>	<u>June 30, 2012</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2013</u>
23000	Non-instructional suppo	\$ 13	\$ -	\$ 13	\$ -
23001	Central Office Activity	263	20	-	283
23003	Transportation Activity	3	-	-	3
23110	Escalante - Natural Healers	16	-	16	-
23112	Escalante - Office/Admin	3,522	10,211	6,180	7,553
23116	Escalante - Library	78	-	-	78
23117	Escalante - FFA	5,515	479	168	5,826
23119	Escalante - EHS Volleyball	655	1,983	1,368	1,270
23120	Escalante - Student Council	1,121	6,929	6,713	1,337
23121	Escalante - Honor Society	506	581	548	539
23125	Escalante - Class 2016	-	350	-	350
23128	Escalante - Class 2014	2,189	4,925	5,557	1,557
23129	Escalante - Class 2010	81	-	81	-
23131	Escalante - Journalism	3,797	1,390	1,889	3,298
23133	Escalante - EHS Football	2,036	6,586	2,435	6,187
23134	Escalante - Class 07	2	-	2	-
23135	Escalante - Business Ed	65	1	-	66
23137	Escalante - Weight Room	165	-	-	165
23138	Escalante - Class 09	3,114	-	3,114	-
23139	Art Lab	796	262	834	224
23140	EHS Cheerleaders	646	-	-	646
23141	Class 2011	13	-	13	-
23142	Escalante	824	-	824	-
23143	Class of 2013	1,540	652	1,812	380
23201	TA Mid - Athletics	686	1,023	1,221	488
23202	EHS Mid Volleyball	1,308	196	753	751
23203	EHS Boys Basketball	3,137	1,460	4,542	55
23204	TA Mid-Closeup	7	-	7	-
23212	TA Mid - Office/Admin	264	-	264	-
23216	TA Mid - Library	151	-	151	-
23220	TA Mid - Student Council	1,335	-	1,335	-
23227	EHS Girls Basketball	816	1,049	1,423	442
23299	Class of 2006	61	-	61	-
23301	TA Elem - 5th & 6th Basketball	1,841	1,160	1,826	1,175
23302	TA Elem - 3rd & 4th Basketball	5,032	1,471	725	5,778
23303	TA Elem - T.A.P.T.O.	186	-	186	-
23313	TA Elem - Administration	167	191	65	293
23315	TA Elem - Lost Books	<b>188</b>	-	-	188
23316	HS National Honor Society	340	152	-	492
23350	Ram's Horn	21	-	-	21
23351	RHOR	6	-	-	6
23352	CHS Shop	100	-	-	100
23353	HS Laser Shop/Business	38	132	132	38
23354	TSA-2	\$ (261)	\$ 261	\$ -	\$ -

( cont'd; 1 of 2 )

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, 2013

Activity		Balance			Balance
<u>Fund</u>	<u>ASSETS</u>	<u>June 30, 2012</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2013</u>
23355	Elementary VIP's	\$ 617	\$ 500	\$ 499	\$ 618
23603	7th & 8th Athletics	231	-	231	-
23604	Zane Scholarship	1,164	2,755	2,254	1,665
23605	EHS Mid Football	448	347	690	105
23610	100 Years of Excellence	1	-	1	-
23612	ENEMS Library	(178)	178	-	-
23613	ENEMS K-2 Teachers	3,092	3	2,395	700
23615	ENEMS 3-4 Teachers	69	-	-	69
23616	MS FCA	1,308	1	-	1,309
23620	HS Drama	1,893	400	429	1,864
23640	HS FCA	-	102	102	-
23645	HS Childrens' Theatre	37	-	-	37
23660	HS Graphic Art	10	12,233	11,029	1,214
23661	CHS Rams E-Store	1,264	7,628	8,241	651
23662	CHS Broadcast	925	1,903	161	2,667
23664	Culinary Arts	50	-	-	50
23666	ENEMS Beta Club	102	-	102	-
23667	WERC Environmental Design	74	-	-	74
23668	7th Grade	<u>-</u>	<u>67</u>	<u>-</u>	<u>67</u>
	Deposits held for others	<u>\$ 53,490</u>	<u>\$ 67,581</u>	<u>\$ 70,392</u>	<u>\$ 50,679</u>

( 2 of 2 )

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

SCHEDULE OF PLEDGED COLLATERAL  
 June 30, 2013

	<u>Community Bank</u>
Cash on deposit at June 30, 2013	\$ 1,253,111
Less FDIC coverage	<u>250,000</u>
Uninsured funds	<u>\$ 1,003,111</u>
50% collateral requirement	\$ 501,556
Pledged collateral	<u>702,468</u>
Excess (deficiency) of pledged collateral	<u>\$ 200,912</u>

Pledged collateral of financial institutions consists of the following at June 30, 2012

<u>Community Bank:</u>	<u>Maturity</u>	<u>CUSIP #</u>	<u>Market Value</u>
FHLB	3/11/2016	313375RN9	\$ 301,518
FHLMC	11/14/2017	3134G3MD9	199,076
FNMA	3/28/2017	3136FT6S3	<u>201,874</u>
			<u>\$ 702,468</u>

The above securities are held at Federal Reserve Bank in Denver, CO.

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

CASH RECONCILIATION  
 June 30, 2013

	<u>Beginning Cash</u>	<u>Receipts</u>	<u>Distributions</u>	<u>Other</u>	<u>Net Cash End of Period</u>	<u>Adjustments to the report</u>	<u>Total Cash on Report</u>
Operations	\$ 36,975	\$ 4,637,073	\$ (4,643,202)	\$ -	\$ 30,846	\$ -	\$ 30,846
Teacherege	6,135	27,585	(10,922)	-	22,798	-	22,798
Transportation	12	264,094	(264,046)	-	60	-	60
Instructional Materials	(5,970)	20,491	(16,792)	-	(2,271)	-	(2,271)
Food Services	27,094	209,465	(217,314)	-	19,245	-	19,245
Athletics	8,687	38,347	(46,783)	-	251	-	251
Federal Flowthrough Funds	(504,570)	591,423	(277,376)	-	(190,523)	-	(190,523)
Federal Direct Funds	(93,072)	265,940	(283,284)	-	(110,416)	-	(110,416)
Local Grants	97	5,805	(5,805)	-	97	-	97
State Flowthrough Funds	(144,927)	146,712	(51,413)	-	(49,628)	-	(49,628)
Local/State	3,429	2,000	(1,487)	-	3,942	-	3,942
Bond Building	92,475	121	(23,230)	-	69,366	-	69,366
Special Capital Outlay - State	109,892	6,133	-	-	116,025	-	116,025
Capital Improvements SB-9	149,122	443,445	(303,987)	-	288,580	-	288,580
Energy Efficiency Act	27	-	-	-	27	-	27
Public School Capital Outlay - 20%	101	-	-	-	101	-	101
Debt Service	694,602	970,495	(920,407)	-	744,690	-	744,690
Education Technology Debt Service	-	304	(3)	-	301	-	301
Agency Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,679</u>	<u>50,679</u>
Total	<u>\$ 380,109</u>	<u>\$ 7,629,433</u>	<u>\$ (7,066,051)</u>	<u>\$ -</u>	<u>\$ 943,491</u>	<u>\$ 50,679</u>	<u>\$ 994,170</u>

<u>Account Name</u>	<u>Account Type</u>	<u>Bank Name</u>	<u>Bank Amount</u>	Adjustments to report:	
Operational	Checking - Interest	Community Bank	<u>\$ 1,253,111</u>	Agency funds	<u>\$ 50,679</u>
				Adjustments to cash:	
				Bank Balance	\$ 1,253,111
				Cash on hand	-
				Outstanding deposits	-
				Outstanding checks	(258,941)
				Total adjustment to cash	<u>\$ 994,170</u>

THIS PAGE INTENTIONALLY LEFT BLANK

## SINGLE AUDIT SECTION

THIS PAGE INTENTIONALLY LEFT BLANK

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

THIS PAGE INTENTIONALLY LEFT BLANK

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

INDEPENDENT AUDITORS' REPORT

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

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds, of the Chama Valley Independent School District No. 19 as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Chama Valley Independent School District No. 19's basic financial statements, and the combining and individual funds and related budgetary comparisons of Chama Valley Independent School District No. 19, presented as supplemental information, and have issued our report thereon dated October 29, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit, of the financial statements, we considered Chama Valley Independent School District No. 19's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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. Accordingly, we do not express an opinion on the effectiveness of Chama Valley Independent School District No. 19's internal control.

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 Chama Valley Independent School District No. 19's financial statements will not be prevented, or detected and corrected on a timely basis. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Hector H. Balderas, State Auditor  
The Board of Education and  
The Audit Committee of  
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. We also noted certain other matters that are required to be reported pursuant to Government Auditing Standards and pursuant to Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as findings 2012-1, 2013-1, and 2013-2.

### Chama Valley Independent School District No. 19's Response to Findings

Chama Valley Independent School District No. 19 responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Chama Valley Independent School District No. 19's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Chama Valley Independent School District No. 19's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Accounting & Financial Solutions, LLC*  
Farmington, NM  
October 29, 2013

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND  
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY OMB CIRCULAR A-133

THIS PAGE INTENTIONALLY LEFT BLANK

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY OMB CIRCULAR A-133

INDEPENDENT AUDITOR'S REPORT

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

**Report on Compliance for Each Major Federal Program**

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* 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, 2013. 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.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Chama Valley Independent School District No. 19's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Chama Valley Independent School District No. 19's compliance.

***Opinion on Each Major Federal Program***

In our opinion, Chama Valley Independent School District No. 19 complied, in all material respects, with the types of 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, 2013.

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

### **Report on 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 types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Chama Valley Independent School District No. 19's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Accounting & Financial Solutions, LLC*  
Farmington, NM  
October 29, 2013

## SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2013

---

---

### A. PRIOR YEAR AUDIT FINDINGS

#### NOT RESOLVED

No audit findings to report.

#### RESOLVED

2012 – 1 UNAUTHORIZED LOAN FROM CAPITAL IMPROVEMENTS SB-9

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

2012 – 2 RETIREE HEALTH CARE ASSOCIATION WITHHOLDING IS NOT BEING CALCULATED  
ON ALL REQUIRED

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

2012 – 3 UNTIMELY DISBURSEMENTS

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

2012 – 4 PURCHASE BEFORE PURCHASE ORDER

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

2012 – 5 DEFICIT CASH IN ACTIVITY FUNDS

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
YEAR ENDED JUNE 30, 2013

---

---

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unmodified opinion on the basic financial statements of Chama Valley Independent School District No. 19.
2. There were no significant deficiencies disclosed during the audit of the financial statements in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. There were no significant deficiencies considered to be material weaknesses.
3. There were no instances of noncompliance material to the financial statements of Chama Valley Independent School District No. 19 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 For Each Major Federal Program; Report On Internal Control Over Compliance; And Report On The Schedule Of Expenditures Of Federal Awards Required By 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 unmodified opinion.
6. There were no audit findings relative to the major federal award programs for Chama Valley Independent School District No. 19 that are required to be reported in accordance with OMB Circular A-133.510(a).
7. The programs treated as major programs include:  
    Gearup CFDA# 84.334
8. The threshold for distinguishing types A and B programs was \$300,000.
9. Chama Valley Independent School District No. 19 was determined to be a low-risk auditee.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
 YEAR ENDED JUNE 30, 2013

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2013 – 1 BUDGET LINE ITEMS OVER EXPENDED

<u>Significant Deficiency?</u>	<u>Material Weakness?</u>	<u>Compliance or Other Matter?</u>
No	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:

Operational	Support Services	\$	11,174
Title I	Support Services	\$	3,628
Entitlement IDEA-B	Support Services	\$	14,419
Title III English Language	Instruction	\$	2,890
Title XIX Medicaid	Support Services	\$	6,493
Debt Service	General Admin	\$	595

*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. The condition 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 Public Education Department (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 for timely maintenance of line item expenditures.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

YEAR ENDED JUNE 30, 2013

---

---

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (cont'd)

2013 – 2 TRAVEL

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

*Condition:* The District is reimbursing for actual expenses for hotel rooms, and per diem for food, there is no documentation of whether there was a meal provided at the training, or a breakfast provided at the hotel or the training.

*Criteria:* According to NMSA 1978 Section 2-42-2-8-A where lodging and/or meals are provided or paid for by the agency, the governing body, or another entity, the public officer or employee is entitled to reimbursement only for actual expenses under 2.42.2.9 NMAC.

*Cause:* Improper monitoring and reimbursement of travel reimbursements.

*Effect of condition:* Violation of NMAC 1978 Section 2.42.2.9, reimbursing for per diem when actual expenses were paid for the hotel, and the meals could have been included in the cost of the training or the cost of the hotel.

*Recommendation:* Management should implement immediate steps to provide adequate documentation of what has been paid for with actual costs, and reimburse actual expenses for meals, if actual costs have been reimbursed for the hotel.

*Management's response:* Management will implement an additional requirement, prior to the departure of an employee's job related travel, as to educate each employee on the entitlement for reimbursement of lodging and/or meals under 2.42.2.9 NMAC.

2012 – 1 UNAUTHORIZED INTERFUND LOANS

*(Repeated and revised from prior year)*

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

*Condition:* The District had to loan \$357,038 to the Special Revenue Funds from the Capital Outlay SB-9 and Special Capital Outlay-State Capital Projects Funds in order to cover expenditures in excess of revenues. The District does not have enough money in the General Fund to make this loan.

*Criteria:* State law restricts the use of the Capital Projects Funds for capital expenditures and not for general operating.

*Effect of Condition:* Management's is out of compliance with the restrictions of the capital funds and the debt service funds.

*Cause:* The reimbursements for the special revenue funds not arriving in a timely manner have caused the district to create an unauthorized loan from the Capital Outlay SB-9 and Special Capital Outlay-State Capital Projects Funds.

*Recommendation:* Management should develop a plan to cover the expenditures in the capital project funds and to receive the reimbursements for the special revenue funds in a timely basis.

*Management's Response:* Management has implemented a process to request reimbursements to the Public Education Department on a biweekly basis to ensure a consistent cash balance in all funds.

C. AUDIT FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

No 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, 2013

<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		\$ <u>57,417</u>
Pass-Through Program From:				
New Mexico Department of Education:				
<u>Child Nutrition Cluster:</u>				
USDA National School Lunch Program	10.555	21000	118,202	
USDA School Breakfast Program	10.553	21000	<u>70,283</u>	
Total Child Nutrition Cluster				188,485
Pass-Through Program From:				
New Mexico Human Service Department:				
USDA Commodities Program	10.550	21000		<u>11,753</u>
Subtotal Pass-Through Programs				<u>200,238</u>
Total U.S. Department of Agriculture				<u>257,655</u>
 <u>U.S. Department of Education:</u>				
Pass-Through Programs From:				
New Mexico Department of Education:				
<u>Special Education (IDEA) Cluster:</u>				
Entitlement IDEA-B	84.027	24106	96,788	
Preschool IDEA-B	84.173	24109	<u>3,875</u>	
Total Special Education (IDEA) Cluster				100,663
Title I	84.010	24101		114,150
Title III English Language Teacher/Principal Training	84.365	24153		12,576
Teacher/Principal Training	84.367	24154		50,258
New Mexico Department of Higher Education:				
Gear Up	84.334	25211		<u>253,086</u>
Subtotal Pass-Through Programs				<u>530,733</u>
Total U.S. Department of Education				<u>530,733</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>24,850</u>
Total Expenditures of Federal Awards				<u>\$ 813,238</u>

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

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
YEAR ENDED JUNE 30, 2013

---

---

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 2013 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 2013 cash and non-cash expenditures to ensure coverage of at least 25% (LOW risk auditee) of federally granted funds. Actual coverage is approximately 31% of total cash and non-cash federal award program expenditures. Total cash expenditures were in the amount of \$801,485 and all non-cash expenditures amounted to \$11,753.

<u>Major Federal Award Program Description</u>	<u>Fiscal 2013 Expenditure</u>
Cash assistance:	
Gearup	<u>\$ 253,086</u>

There were not any federal programs that were considered Type A programs for the 2013 audit.

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, 2013. This Statement has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the School District has met the qualifications for the respective grant.

Accrued and deferred reimbursements

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

3. Audits performed by other entities

There were no other audits performed by other organizations on the School Districts federal grant programs in 2013.

THIS PAGE INTENTIONALLY LEFT BLANK

## REQUIRED DISCLOSURE

THIS PAGE INTENTIONALLY LEFT BLANK

## REQUIRED DISCLOSURES

Year Ended June 30, 2013

---

---

### REQUIRED DISCLOSURE

The financial statements were prepared by the independent public accountants.

An exit conference was held October 22, 2013, during which the audit findings were discussed. The exit conference was announced and held in a closed session and was attended by the following individuals:

### CHAMA VALLEY INDEPENDENT SCHOOL DISTRICT NO. 19

Stephanie Maestas	Member, Board of Education / Finance Committee
Earl James Martinez	Member, Board of Education / Audit Committee
Monica Cordova	Member, Board of Education / Audit Committee
Anthony Casados	Superintendent; Member, Audit Committee
Danette Garcia	Business Manager; Member, Audit Committee

### ACCOUNTING & FINANCIAL SOLUTIONS, LLC

Terry Ogle, CPA	Partner
-----------------	---------