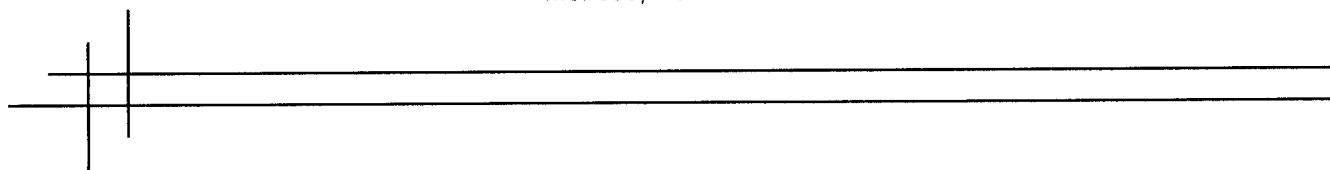




STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT

ANNUAL FINANCIAL REPORT
June 30, 2008

De'Aun Willoughby CPA, PC
Certified Public Accountant
Melrose, New Mexico



STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
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DORA CONSOLIDATED SCHOOL DISTRICT
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DORA CONSOLIDATED SCHOOL DISTRICT
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STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
Official Roster
June 30, 2008

BOARD OF EDUCATION

Kenneth Cox	President
Monte Mapp	Vice-President
Jana Roberts	Secretary
Rebecca Burress	Member
Gary Simpson	Member

SCHOOL OFFICIALS

Steve Barron	Superintendent
Roberta Trujillo	Business Manager

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

Independent Auditor's Report

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the DORA CONSOLIDATED SCHOOL DISTRICT

Mr. Balderas and Members of the Board

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of DORA CONSOLIDATED SCHOOL DISTRICT, (District), as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and with standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above, present fairly in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2008, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2008, and the respective changes in financial position and the respective budgetary comparisons for the major capital projects funds, debt service fund and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 13, 2008, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

The District has not presented the Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be a part of, the basic financial statements and the combining and individual financial statements and budgetary comparisons presented as supplemental information.

Our audit was conducted for the purpose of forming opinions on the basic financial statements and on the combining and individual fund financial statements. The additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

De'Ann Willoughby, CPA PC

November 13, 2008

FINANCIAL SECTION

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
Statement of Net Assets
June 30, 2008

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 571,252
Investments	156,769
Taxes Receivable	11,804
Due From Grantor	51,885
Inventory and prepaid expenses	1,732
Total Current Assets	<u>793,442</u>
Noncurrent Assets	
Capital Assets	18,356,931
Less: Accumulated Depreciation	(10,614,548)
Total Noncurrent Assets	<u>7,742,383</u>
Total Assets	<u>8,535,825</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	8,553
Accrued Interest	8,788
Current Portion of Long-Term Debt	65,000
Deferred Revenue	645
Total Current Liabilities	<u>82,986</u>
Noncurrent Liabilities	
Bonds and Notes, Net	535,000
Total Noncurrent Liabilities	<u>535,000</u>
Total Liabilities	<u>617,986</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	7,142,383
Restricted for:	
Capital Projects	246,435
Debt Service	91,215
Unrestricted	437,806
Total Net Assets	<u>\$ 7,917,839</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2008

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Instruction	\$ 1,610,491	\$ 16,262	\$ 190,464	\$ 0	\$ (1,403,765)
Support Services-Students	134,268	0	0	0	(134,268)
Support Services-Instruction	74,156	0	22,324	0	(51,832)
General Administration	162,765	0	4,140	0	(158,625)
School Administration	150,516	0	7,683	0	(142,833)
Central Services	73,086	0	0	0	(73,086)
Operation of Plant	377,262	0	0	0	(377,262)
Student Transportation	302,473	0	300,902	0	(1,571)
Other Support Services	9,457	0	0	0	(9,457)
Food Services Operations	129,898	24,460	45,282	0	(60,156)
Depreciations	350,459	0	0	0	(350,459)
Interest on Long-Term Obligations	21,223	0	0	0	(21,223)
Total Governmental Activities	<u>\$ 3,396,054</u>	<u>\$ 40,722</u>	<u>\$ 570,795</u>	<u>\$ 0</u>	<u>\$ (2,784,537)</u>
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes				\$	15,026
Property Taxes, Levied for Capital Projects					62,003
Property Taxes, Levied for Debt Service					84,528
Federal and State aid not restricted to specific purpose					
General					2,599,525
Capital					69,542
Interest and investment earnings					7,049
Miscellaneous					37,956
Subtotal, General Revenues					<u>2,875,629</u>
Change in Net Assets					
					<u>91,092</u>
Net Assets - beginning					
Restatement					8,152,343
Restated Beginning Net Assets					<u>(325,596)</u>
					<u>7,826,747</u>
Net Assets - ending					
				\$	<u>7,917,839</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2008

	General Fund		
	Operational 11000	Transportation 13000	Instructional Materials 14000
ASSETS			
Cash and Cash Equivalents	\$ 188,036	\$ 3	\$ 26,075
Investments	156,769	0	0
Receivables			
Taxes	1,032	0	0
Due From Grantor	0	0	0
Interfund Balances	51,885	0	0
Inventory	0	0	0
Total Assets	\$ 397,722	\$ 3	\$ 26,075
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 8,553	\$ 0	\$ 0
Interfund Balances	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	8,553	0	0
Fund Balances			
Reserved for:			
Inventory	0	0	0
Retirement of Long-Term Debt	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
General Fund	389,169	3	26,075
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Total Fund Balances	389,169	3	26,075
Total Liabilities and Fund Balances	\$ 397,722	\$ 3	\$ 26,075

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2008

	Food Service 21000	Title I 24101	IDEA Part B Entitlement 24106
ASSETS			
Cash and Cash Equivalents	\$ 3,388	\$ 0	\$ 0
Investments	0	0	0
Receivables			
Taxes	0	0	0
Due From Grantor	0	15,921	15,248
Interfund Balances	0	0	0
Inventory	1,732	0	0
Total Assets	\$ 5,120	\$ 15,921	\$ 15,248
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	15,921	15,248
Deferred Revenue	0	0	0
Total Liabilities	0	15,921	15,248
Fund Balances			
Reserved for:			
Inventory	1,732	0	0
Retirement of Long-Term Debt	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
General Fund	3,388	0	0
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Total Fund Balances	5,120	0	0
Total Liabilities and Fund Balances	\$ 5,120	\$ 15,921	\$ 15,248

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2008

	IDEA Part B Discretionary 24107	Bond Building 31100	Public School Capital Outlay 31200
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 4,003	\$ 0
Investments	0	0	0
Receivables			
Taxes	0	0	0
Due From Grantor	9,323	0	0
Interfund Balances	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 9,323</u>	<u>\$ 4,003</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	9,323	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>9,323</u>	<u>0</u>	<u>0</u>
Fund Balances			
Reserved for:			
Inventory		0	0
Retirement of Long-Term Debt	0	0	0
Capital Improvements	0	4,003	0
Unreserved, Undesignated, reported in:			
General Fund	0	0	0
Special Revenue Funds	0	0	0
Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>4,003</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 9,323</u>	<u>\$ 4,003</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2008

	Special Capital Outlay State 31400	Senate Bill Nine 31700	Debt Service 41000
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 238,270	\$ 84,605
Investments	0	0	0
Receivables			
Taxes	0	4,162	6,610
Due From Grantor	0	0	0
Interfund Balances	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 242,432</u>	<u>\$ 91,215</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Retirement of Long-Term Debt	0	0	91,215
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in:			
General Fund	0	0	0
Special Revenue Funds	0	0	0
Capital Projects	0	242,432	0
Total Fund Balances	<u>0</u>	<u>242,432</u>	<u>91,215</u>
Total Liabilities and Fund Balances	<u>\$ 0</u>	<u>\$ 242,432</u>	<u>\$ 91,215</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2008

	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
ASSETS		
Cash and Cash Equivalents	\$ 26,872	\$ 571,252
Investments	0	156,769
Receivables		
Taxes	0	11,804
Due From Grantor	11,393	51,885
Interfund Balances	0	51,885
Inventory	0	1,732
Total Assets	\$ <u>38,265</u>	\$ <u>845,327</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts Payable	\$ 0	\$ 8,553
Interfund Balances	11,393	51,885
Deferred Revenue	645	645
Total Liabilities	<u>12,038</u>	<u>61,083</u>
 Fund Balances		
Reserved for:		
Inventory	0	1,732
Retirement of Long-Term Debt	0	91,215
Capital Improvements	0	4,003
Unreserved, Undesignated, reported in:		
General Fund	0	418,635
Special Revenue Funds	26,227	26,227
Capital Projects	0	242,432
Total Fund Balances	<u>26,227</u>	<u>784,244</u>
 Total Liabilities and Fund Balances	 \$ <u>38,265</u>	 \$ <u>845,327</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Assets
 June 30, 2008

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

Total Fund Balance - Governmental Funds	\$	784,244
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Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

The cost of capital assets	\$ 18,356,931	
Accumulated depreciation is	<u>(10,614,548)</u>	7,742,383

Long-term and certain other liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and other liabilities at year end consist of :

Bond payable	(600,000)	
Accrued Interest	<u>(8,788)</u>	<u>(608,788)</u>

Total net assets - governmental activities	\$	<u><u>7,917,839</u></u>
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The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2008

	General Fund		
	Operational 11000	Transportation 13000	Instructional Materials 14000
Revenues			
Taxes	\$ 15,026	\$ 0	\$ 0
Investment Income	2,132	0	0
Fees	3,179	0	0
State & Local Grants	2,599,525	300,902	34,416
Federal Grants	0	0	0
Miscellaneous	34,956	0	0
Total Revenues	2,654,818	300,902	34,416
Expenditures			
Current			
Instruction	1,453,373	0	24,593
Support Services-Students	111,944	0	0
Support Services-Instruction	73,873	0	283
General Administration	157,874	0	0
School Administration	142,833	0	0
Central Services	73,086	0	0
Operation and Maintenance of Plant	348,433	0	0
Transportation	1,571	300,902	0
Other Support Services	0	0	0
Food Services Operations	48,096	0	0
Capital Outlay	0	0	0
Debt Service	0		
Principal	0	0	0
Interest	0	0	0
Total Expenditures	2,411,083	300,902	24,876
Excess (Deficiency) of Revenues Over Expenditures	243,735	0	9,540
Other Financing Sources and Uses			
Transfers	(13,000)	0	0
Total Other Financing Sources and Uses	(13,000)	0	0
Net Change in Fund Balances	230,735	0	9,540
Fund Balances at Beginning of Year	158,434	3	16,535
Restatement	0	0	0
Restated Beginning Fund Balance	158,434	3	16,535
Fund Balance End of Year	\$ 389,169	\$ 3	\$ 26,075

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2008

	Food Service 21000	Title I 24101	IDEA Part B Entitlement 24106
Revenues			
Taxes	\$ 0	\$ 0	\$ 0
Investment Income	70	0	0
Fees	24,460	0	0
State & Local Grants	0	0	0
Federal Grants	45,282	58,593	52,769
Miscellaneous	0	0	0
Total Revenues	<u>69,812</u>	<u>58,593</u>	<u>52,769</u>
Expenditures			
Current			
Instruction	0	58,593	52,769
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
General Administration	0	0	0
School Administration	0	0	0
Central Services	0	0	0
Operation and Maintenance of Plant	0	0	0
Transportation	0	0	0
Other Support Services	0	0	0
Food Services Operations	81,802	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>81,802</u>	<u>58,593</u>	<u>52,769</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(11,990)</u>	<u>0</u>	<u>0</u>
Other Financing Sources and Uses			
Transfers	13,000	0	0
Total Other Financing Sources and Uses	<u>13,000</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	<u>1,010</u>	<u>0</u>	<u>0</u>
Fund Balances at Beginning of Year	4,110	0	0
Restatement	0	0	0
Restated Beginning Fund Balance	<u>4,110</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 5,120</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2008

	IDEA Part B Discretionary 24107	Bond Building 31100	Public School Capital Outlay 31200
Revenues			
Taxes	\$ 0	\$ 0	\$ 0
Investment Income	0	188	0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	26,048	0	0
Miscellaneous	0	0	0
Total Revenues	<u>26,048</u>	<u>188</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	18,365	0	0
Support Services-Instruction	0	0	0
General Administration	0	0	0
School Administration	7,683	0	0
Central Services	0	0	0
Operation and Maintenance of Plant	0	0	0
Transportation	0	0	0
Other Support Services	0	0	0
Food Services Operations	0	0	0
Capital Outlay	0	13,850	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>26,048</u>	<u>13,850</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>(13,662)</u>	<u>0</u>
Other Financing Sources and Uses			
Transfers	0	(319,387)	121,844
Total Other Financing Sources and Uses	<u>0</u>	<u>(319,387)</u>	<u>121,844</u>
Net Change in Fund Balances	<u>0</u>	<u>(333,049)</u>	<u>121,844</u>
Fund Balances at Beginning of Year	0	337,052	0
Restatement	0	0	(121,844)
Restated Beginning Fund Balance	<u>0</u>	<u>337,052</u>	<u>(121,844)</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 4,003</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2008

	Special Capital Outlay State 31400	Senate Bill Nine 31700	Debt Service 41000
Revenues			
Taxes	\$ 0	\$ 62,003	\$ 84,528
Investment Income	0	4,364	229
Fees	0	0	0
State & Local Grants	40,000	29,542	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>40,000</u>	<u>95,909</u>	<u>84,757</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
General Administration	0	315	436
School Administration	0	0	0
Central Services	0	0	0
Operation and Maintenance of Plant	0	28,829	0
Transportation	0	0	0
Other Support Services	0	0	0
Food Services Operations	0	0	0
Capital Outlay	33,791	64,665	0
Debt Service			
Principal	0	0	65,000
Interest	0	0	21,870
Total Expenditures	<u>33,791</u>	<u>93,809</u>	<u>87,306</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>6,209</u>	<u>2,100</u>	<u>(2,549)</u>
Other Financing Sources and Uses			
Transfers	197,543	0	0
Total Other Financing Sources and Uses	<u>197,543</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	<u>203,752</u>	<u>2,100</u>	<u>(2,549)</u>
Fund Balances at Beginning of Year	0	240,332	93,764
Restatement	(203,752)	0	0
Restated Beginning Fund Balance	<u>(203,752)</u>	<u>240,332</u>	<u>93,764</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 242,432</u>	<u>\$ 91,215</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2008

	Other Governmental	Total Governmental Funds
Revenues		
Taxes	\$ 0	\$ 161,557
Investment Income	66	7,049
Fees	13,083	40,722
State & Local Grants	23,846	3,028,231
Federal Grants	28,939	211,631
Miscellaneous	3,000	37,956
Total Revenues	<u>68,934</u>	<u>3,487,146</u>
Expenditures		
Current		
Instruction	21,163	1,610,491
Support Services-Students	3,959	134,268
Support Services-Instruction	0	74,156
General Administration	4,140	162,765
School Administration	0	150,516
Central Services	0	73,086
Operation and Maintenance of Plant	0	377,262
Transportation	0	302,473
Other Support Services	9,457	9,457
Food Services Operations	0	129,898
Capital Outlay	11,840	124,146
Debt Service		
Principal	0	65,000
Interest	0	21,870
Total Expenditures	<u>50,559</u>	<u>3,235,388</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>18,375</u>	<u>251,758</u>
Other Financing Sources and Uses		
Transfers	<u>0</u>	<u>0</u>
Total Other Financing Sources and Uses	<u>0</u>	<u>0</u>
Net Change in Fund Balances	<u>18,375</u>	<u>251,758</u>
Fund Balances at Beginning of Year	7,852	858,082
Restatement	0	(325,596)
Restated Beginning Fund Balance	<u>7,852</u>	<u>532,486</u>
Fund Balance End of Year	<u>\$ 26,227</u>	<u>\$ 784,244</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balance
 To the Statement of Activities
 June 30, 2008

Net Change in Fund Balance-Governmental Funds \$ 251,758

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays in the period.

Depreciation expense	\$	(350,459)	
Capital Outlays		<u>124,146</u>	(226,313)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Principal paid for bonds (Note H)		65,000	
Accrued Interest on Bonds		<u>647</u>	

Changes in Net Assets of Governmental Activities	\$	<u><u>91,092</u></u>	
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The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Local & State Sources				
Taxes	\$ 12,998	\$ 7,594	\$ 14,462	\$ 6,868
Investment Income	1,500	1,500	3,180	1,680
Fees	0	0	2,132	2,132
State Equalization Grant	2,404,607	2,588,084	2,598,863	10,779
Access Board (E-Rate)	11,292	11,292	662	(10,630)
Miscellaneous	200	200	34,956	34,756
Total Local & State Sources	2,430,597	2,608,670	2,654,255	45,585
Total Revenues	2,430,597	2,608,670	2,654,255	45,585
Expenditures				
Instruction				
Personnel Services	1,078,780	1,086,721	1,001,462	85,259
Employee Benefits	332,933	365,633	336,928	28,705
Professional & Technical Service	2,825	12,000	9,611	2,389
Purchased Services	53,524	106,075	55,346	50,729
Supplies	30,168	58,098	49,619	8,479
Property	7,747	1,847	340	1,507
Total Instruction	1,505,977	1,630,374	1,453,306	177,068
Support Services-Students				
Personnel Services	51,413	51,413	51,413	0
Employee Benefits	16,779	16,259	15,789	470
Professional & Tech Services	20,000	100	0	100
Other Purchased Services	17,700	47,770	44,421	3,349
Supplies	2,200	5,300	4,981	319
Total Support Services-Students	108,092	120,842	116,604	4,238
Support Services-Instruction				
Personnel Services	57,406	57,406	57,406	0
Employee Benefits	19,963	19,975	11,954	8,021
Professional & Technical Service	300	2,575	2,109	466
Other Purchased Services	4,825	3,750	1,770	1,980
Supplies	1,800	1,800	633	1,167
Total Support Services-Instruction	\$ 84,294	\$ 85,506	\$ 73,872	\$ 11,634

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Support Services-General Administration				
Personnel Services	\$ 92,600	\$ 92,650	\$ 92,643	\$ 7
Employee Benefits	32,958	31,283	31,011	272
Professional & Technical Service	44,000	43,172	14,662	28,510
Purchased Services	100	0	0	0
Other Purchased Services	6,800	12,258	8,873	3,385
Supplies	1,300	8,170	7,977	193
Property	800	0	0	0
Total Support Services-General Administration	178,558	187,533	155,166	32,367
Support Services-School Administration				
Personnel Services	109,400	109,400	109,400	0
Employee Benefits	33,369	36,500	30,719	5,781
Professional & Technical Service	500	500	0	500
Other Purchased Services	1,900	4,350	2,084	2,266
Supplies	900	900	630	270
Total Support Services-School Administration	146,069	151,650	142,833	8,817
Central Services				
Personnel Services	47,250	47,250	47,250	0
Employee Benefits	17,868	17,930	17,207	723
Professional & Technical Service	4,500	9,500	4,530	4,970
Purchased Services	50	50	0	50
Other Purchased Services	3,000	4,250	2,476	1,774
Supplies	1,300	1,750	1,676	74
Total Central Services	73,968	80,730	73,139	7,591
Operation & Maintenance of Plant				
Personnel Services	80,393	74,693	64,666	10,027
Employee Benefits	40,783	31,963	16,154	15,809
Professional & Technical Service	500	2,500	1,310	1,190
Purchased Services	164,341	203,212	157,440	45,772
Other Purchased Services	95,280	85,280	73,804	11,476
Supplies	30,350	49,277	34,093	15,184
Property	10,000	8,429	996	7,433
Total Operation & Maintenance of Plant	421,647	455,354	348,463	106,891
Transportation				
Purchased Services	0	581	581	0
Other Purchased Services	0	1,571	990	581
Total Transportation	\$ 0	\$ 2,152	\$ 1,571	\$ 581

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Food Service Operations				
Personnel Services	\$ 19,787	\$ 23,327	\$ 23,100	\$ 227
Employee Benefits	11,358	11,128	11,080	48
Purchased Services	0	1,065	330	735
Supplies	0	14,520	13,673	847
Property	0	200	139	61
Total Food Service Operations	<u>31,145</u>	<u>50,240</u>	<u>48,322</u>	<u>1,918</u>
Total Expenditures	<u>2,549,750</u>	<u>2,764,381</u>	<u>2,413,276</u>	<u>351,105</u>
Excess (Deficiency) of Revenues Over Expenditures	(119,153)	(155,711)	240,979	396,690
Other Financing Uses				
Transfers to Other Fund	<u>0</u>	<u>(13,000)</u>	<u>(13,000)</u>	<u>0</u>
Total Other Financing Uses	<u>0</u>	<u>(13,000)</u>	<u>(13,000)</u>	<u>0</u>
Net Change in Cash Balances	(119,153)	(168,711)	227,979	396,690
Cash Balance Beginning of Year	<u>168,711</u>	<u>168,711</u>	<u>168,711</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 49,558</u>	<u>\$ (0)</u>	<u>\$ 396,690</u>	<u>\$ 396,690</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 240,979	
Net change in Taxes Receivable			563	
Net change in Accounts Payable			<u>2,193</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 243,735</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
GENERAL FUND-TRANSPORTATION-13000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Sources				
Transportation Grant	\$ 299,285	\$ 300,902	\$ 300,902	\$ 0
Total State Sources	<u>299,285</u>	<u>300,902</u>	<u>300,902</u>	<u>0</u>
Total Revenues	<u>299,285</u>	<u>300,902</u>	<u>300,902</u>	<u>0</u>
Expenditures				
Pupil Transportation				
Personnel Services	5,224	5,000	5,000	0
Employee Benefits	528	967	964	3
Purchased Property Services	232,965	256,870	38,068	218,802
Other Purchased Services	22,500	0	256,870	(256,870)
Total Pupil Transportation	<u>261,217</u>	<u>262,837</u>	<u>300,902</u>	<u>(38,065)</u>
Total Expenditures	<u>261,217</u>	<u>262,837</u>	<u>300,902</u>	<u>(38,065)</u>
Excess (Deficiency) of Revenues Over Expenditures	38,068	38,065	0	(38,065)
Cash Balance Beginning of Year	<u>3</u>	<u>3</u>	<u>3</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 38,071</u>	<u>\$ 38,068</u>	<u>\$ 3</u>	<u>\$ (38,065)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
GENERAL FUND-INSTRUCTIONAL MATERIALS-14000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Sources				
State Grant	\$ 19,041	\$ 47,889	\$ 34,416	\$ (13,473)
Total State Sources	<u>19,041</u>	<u>47,889</u>	<u>34,416</u>	<u>(13,473)</u>
Total Revenues	<u>19,041</u>	<u>47,889</u>	<u>34,416</u>	<u>(13,473)</u>
Expenditures				
Instruction				
Supplies	17,499	43,347	24,593	18,754
Total Instruction	<u>17,499</u>	<u>43,347</u>	<u>24,593</u>	<u>18,754</u>
Support Services-Instruction				
Supplies	1,542	1,542	284	1,258
Total Support Services-Instruction	<u>1,542</u>	<u>1,542</u>	<u>284</u>	<u>1,258</u>
Total Expenditures	<u>19,041</u>	<u>44,889</u>	<u>24,877</u>	<u>20,012</u>
Excess (Deficiency) of Revenues Over Expenditures	0	3,000	9,539	6,539
Cash Balance Beginning of Year	<u>16,536</u>	<u>16,536</u>	<u>16,536</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 16,536</u>	<u>\$ 19,536</u>	<u>\$ 26,075</u>	<u>\$ 6,539</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 9,539</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 9,539</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-FOOD SERVICE-21000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Local Sources				
Fees	\$ 24,575	\$ 24,575	\$ 24,460	\$ (115)
Investment Income	0	0	70	70
Total Local Sources	<u>24,575</u>	<u>24,575</u>	<u>24,530</u>	<u>(45)</u>
Federal Sources				
Federal Grant	65,000	65,000	38,248	(26,752)
Total Federal Sources	<u>65,000</u>	<u>65,000</u>	<u>38,248</u>	<u>(26,752)</u>
Total Revenues	<u>89,575</u>	<u>89,575</u>	<u>62,778</u>	<u>(26,797)</u>
Expenditures				
Food Service Operations				
Personnel Services	24,580	25,056	25,056	0
Employee Benefits	12,966	12,966	11,886	1,080
Professional & Technical Service	54	54	7	47
Other Purchased Services	400	400	268	132
Supplies	45,000	45,000	35,605	9,395
Property	50	94	94	0
Total Food Service Operations	<u>83,050</u>	<u>83,570</u>	<u>72,916</u>	<u>10,654</u>
Total Expenditures	<u>83,050</u>	<u>83,570</u>	<u>72,916</u>	<u>10,654</u>
Excess (Deficiency) of Revenues Over Expenditures	6,525	6,005	(10,138)	(16,143)
Other Financing Sources				
Transfers In From Operational	0	0	13,000	13,000
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>13,000</u>	<u>13,000</u>
Net Change in Cash Balances	6,525	6,005	2,862	(3,143)
Cash Balance Beginning of Year	<u>526</u>	<u>526</u>	<u>526</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 7,051</u>	<u>\$ 6,531</u>	<u>\$ 3,388</u>	<u>\$ (3,143)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (10,138)	
Net change in Inventory			(2,002)	
Net change in Accounts Payable			150	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (11,990)</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-TITLE I-24101
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 23,026	\$ 106,974	\$ 53,698	\$ (53,276)
Total Federal Sources	<u>23,026</u>	<u>106,974</u>	<u>53,698</u>	<u>(53,276)</u>
Total Revenues	<u>23,026</u>	<u>106,974</u>	<u>53,698</u>	<u>(53,276)</u>
Expenditures				
Instruction				
Personnel Services	12,000	57,666	39,447	18,219
Employee Benefits	0	38,282	19,146	19,136
Total Instruction	<u>12,000</u>	<u>95,948</u>	<u>58,593</u>	<u>37,355</u>
Total Expenditures	<u>12,000</u>	<u>95,948</u>	<u>58,593</u>	<u>37,355</u>
Excess (Deficiency) of Revenues Over Expenditures	11,026	11,026	(4,895)	(15,921)
Cash Balance Beginning of Year	<u>(11,026)</u>	<u>(11,026)</u>	<u>(11,026)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (15,921)</u>	<u>\$ (15,921)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,895)	
Net change in Due from Grantor			<u>4,895</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-IDEA, PART B ENTITLEMENT-24106
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 62,523	\$ 62,523	\$ 47,983	\$ (14,540)
Total Federal Sources	<u>62,523</u>	<u>62,523</u>	<u>47,983</u>	<u>(14,540)</u>
Total Revenues	<u>62,523</u>	<u>62,523</u>	<u>47,983</u>	<u>(14,540)</u>
Expenditures				
Instruction				
Personnel Services	39,448	39,448	46,260	(6,812)
Employee Benefits	12,613	12,613	6,509	6,104
Total Instruction	<u>52,061</u>	<u>52,061</u>	<u>52,769</u>	<u>(708)</u>
Total Expenditures	<u>52,061</u>	<u>52,061</u>	<u>52,769</u>	<u>(708)</u>
Excess (Deficiency) of Revenues Over Expenditures	10,462	10,462	(4,786)	(15,248)
Cash Balance Beginning of Year	<u>(10,462)</u>	<u>(10,462)</u>	<u>(10,462)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (15,248)</u>	<u>\$ (15,248)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (4,786)	
Net change in Due from Grantor			<u>4,786</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-IDEA, PART B DISCRETIONARY-24107
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 25,864	\$ 25,864	\$ 16,540	\$ (9,324)
Total Federal Sources	<u>25,864</u>	<u>25,864</u>	<u>16,540</u>	<u>(9,324)</u>
Total Revenues	<u>25,864</u>	<u>25,864</u>	<u>16,540</u>	<u>(9,324)</u>
Expenditures				
Support Services-Students				
Personnel Services	11,843	11,843	11,843	0
Employee Benefits	6,523	6,523	6,522	1
Total Support Services-Students	<u>18,366</u>	<u>18,366</u>	<u>18,365</u>	<u>1</u>
Support Services-School Admin				
Personnel Services	6,000	6,000	6,000	0
Employee Benefits	1,683	1,683	1,683	0
Total Central Services	<u>7,683</u>	<u>7,683</u>	<u>7,683</u>	<u>0</u>
Total Expenditures	<u>26,049</u>	<u>26,049</u>	<u>26,048</u>	<u>1</u>
Excess (Deficiency) of Revenues Over Expenditures	(185)	(185)	(9,508)	(9,323)
Cash Balance Beginning of Year	<u>185</u>	<u>185</u>	<u>185</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (9,323)</u>	<u>\$ (9,323)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (9,508)	
Net change in Due from Grantor			9,323	
Net change in Deferred Revenue			185	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
Statement of Fiduciary Assets and Liabilities-Agency Funds
For the Year Ended June 30, 2008

	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ 55,442
Total Assets	<u>\$ 55,442</u>
Liabilities	
Deposits Held for Others	\$ 55,442
Total Liabilities	<u>\$ 55,442</u>

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

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the DORA CONSOLIDATED SCHOOL DISTRICT NO.39 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued prior to November 30, 1989 that do not conflict with or contradict GASB pronouncements. The more significant of the District's accounting policies are described below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis for State and Local Governments*. Some of the significant changes in the Statement include the following:

- A Management's Discussion and Analysis (MD&A) providing an analysis of the District's overall financial position and results of operations.
- Financial Statements prepared using full-accrual accounting for all the District's activities.
- A change in fund financial statements to focus on major funds.

These and other changes are reflected in the accompanying financial statements (including the notes to the financial statements) as of June 30, 2008.

In addition, in June 2001, the GASB issued Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus - an amendment of GASB Statement No. 21 and No. 34 and Statement No. 38, Certain Financial Note Disclosures*. These two statements clarify, modify, establish and rescind certain disclosure requirements under GASB No. 34. Both statements are being implemented in conjunction with GASB Statement No. 34. These statements do not have an impact on the results of operations or the financial position of the District.

Financial Reporting Entity

The District has been in existence since the early nineteen hundreds, and is currently operating under the provisions of the Public School District Code, Chapter 22, of the New Mexico Statutes Annotated, 1978 Compilation. The District operates with a local board of education - superintendent form of government and provides a supervised program of instruction designed to educate students at the elementary and secondary level.

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges and issue bonded debt.

The District has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected District members are financially accountable. There are no other primary governments with which the School Board Members are financially accountable. There are no other primary governments with which the District has a significant relationship.

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The funds of the District are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classification and a description of each existing fund type follows below:

Governmental Funds

Governmental funds are used to account for the District's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets and the servicing of general long-term debt.

General Fund - The General Fund consist of three sub funds. The first is the operational fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The second is the teacherage fund of the District and accounts for rental properties that are rented to teachers and administrators that work at the school. The Transportation fund includes a state grant to provide transportation for students in the District. The Instructional Materials fund accounts for a state grant to provide text books for students in the District.

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

Debt Service Fund - The Debt Service Fund is used to account for the resources for, and the payment of, principal, interest and related costs.

Capital Projects Fund - The Capital Projects Fund is used to account for all resources for the acquisition of capital facilities by the District.

Fiduciary Fund Type

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the District.

The Student Activity Fund, an agency fund, accounts for assets held by the District as an agent for the District organizations. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. This account is accounted for using the economic resources measurement focus and the accrual basis of accounting.

Major Funds

The District reports the following major governmental funds:

GENERAL FUND (11000)(13000)(14000)

The General Fund consist of three sub funds. The first is the operational fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The Transportation fund includes a state grant to provide transportation for students in the District. The Instructional Materials fund accounts for a state grant to provide text books for students in the District.

MAJOR SPECIAL REVENUE FUNDS

Food Services (21000). To account for revenue and expenditures associated with the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements. Authority for creation of this fund is NMSA 22-13-13.

Title I (24101). To account for a program funded by a Federal grant to supplement the regular instructional program for educationally deprived students. Funding authorized by the Elementary and Secondary Act of 1965, Chapter I of Title I, as amended, Public Laws 100-297, 20 U.S.C. 2701. The fund was created by the authority of federal grant provisions.

IDEA Part B, Entitlement (24106). To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by the Individuals with Disabilities Education Act, Part B, Sections 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U. S. C. 1411-1420. The fund was created by the authority of federal grant provisions.

IDEA Part B, Discretionary (24107). To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by the Individuals with Disabilities Education Act, Part B, Sections 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U. S. C. 1411-1420. The fund was created by the authority of federal grant provisions.

MAJOR CAPITAL PROJECT FUNDS

Bond Building (31100)

The revenues are derived from a School Building Bond Issue. The expenditures are restricted to major capital improvements.

Public School Capital Outlay (31200)

The Revenues are derived from a state legislative grant. The expenditures are restricted to capital improvements.

Special Capital Outlay State (31400)

To account for resources received through House Bill 33 and local tax levies obtained for the financing, construction and remodeling of various school buildings.

Senate Bill Nine (31700)

The revenues are derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements.

Debt Service-41000

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values. Expenditures are restricted to Debt Reduction.

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary Funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirement of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Program Revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues. Program revenues include: 1) charges for services to students or applicants who purchase, use or directly benefit from the goods or services provided by the given function 2) program-specific operating grants and contributions, and 3) program specific capital grants and contributions.

Fund Financial Statements (FFS)

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 30 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Any effect of interfund activity has been eliminated from the district-wide financial statements.

Revenues

Taxes. Ad valorem taxes are susceptible to full accrual on the government wide financial statements. Property Tax revenues recognize revenues net of estimated refunds and uncollectible accounts in the period for which the taxes are levied.

Grants. Government mandated nonexchange transaction and voluntary nonexchange transactions. Recipients should recognize revenues in the period when all applicable eligibility requirements have been met and the resources are available.

Revenue Recognition for Grants.

Eligibility requirements for government-mandated and voluntary nonexchange transaction comprise one or more of the following:

1. Required characteristics of recipients. The recipient has the characteristics specified by the provider (are required to be school districts).
2. Time requirements. Time requirements specified by enabling legislation or the provider have been met (period when the resources are required to be used).
3. Reimbursements. The provider offers resources on a reimbursement ("expenditure-driven") basis and the recipient has incurred allowable costs under the applicable program.
4. Contingencies. The providers offer of resources is contingent upon a specified action of the recipient and that action has occurred (the recipient has raised the matching funds).

Other receipts. Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

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Entitlement and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are paid prior to the end of the fiscal year and therefore are not accrued. Salaries for the twelve month employees payroll are accrued.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, etc.) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Basis of Budgeting

Formal budgetary integration is employed as a management control device during the year.

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis inconsistent with generally accepted accounting principles (GAAP). These budgets are prepared using the cash basis of accounting. Budgetary comparisons for the various funds in this report are on the non-GAAP budgetary basis.

The District follows the following procedures in establishing data reflected in the financial statements:

1. Prior to April 15, (unless a later date is fixed by the Superintendent of Public Instruction) the local school board submits to the District Budget Planning Unit (SBPU) of the New Mexico Public Education Department an estimated budget for the District for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the New Mexico Public Education Department (PED) by the district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed "operating" budget will be reviewed and approved by the SBPU and certified and approved by the local school board at the public hearing of which notice has been published by the local school board which fixed the estimated budget for the district for the ensuing fiscal year.

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3. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the SBPU and the local school board. The budget shall be integrated formally in to the accounting system. Encumbrances shall be used as an element for control and shall be integrated into the budget system.
4. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the SBPU.
5. No school board or officer or employee of the District shall make any expenditures or incur any obligation for the expenditures of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division. But this does not prohibit the transfer of funds between line items within a series of a budget.
6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the District and approved by the SBPU.
7. Legal budget control for expenditures is by function.
8. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

Cash and Cash Equivalents

The District'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.

The District is authorized under the provisions of Chapter 6, Article 10, paragraph 10, NMSA 1978, to deposit its money in banks, savings and loan associations and/or credit unions whose accounts are insured by an agency of the United States.

Investments

All money not immediately necessary for the public uses of the District may be invested in :

- (a) bonds or negotiable securities of the United States, the state or any county, municipality or school district which has a taxable valuation of real property for the last preceding year of at least one million dollars (1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding; or

(b) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government.

(c) in contracts with banks, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor. The contract shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. The contract shall be fully secured by obligations of the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with investment.

Receivables and Payables

Receivables include property taxes, interfund loans that are expected to be paid back and amount due from state government agencies related to various grant agreements. Payables represent routine monthly bills for services rendered and products purchased and accrued salaries and benefits.

Property Taxes

The County collects the District's share of property taxes assessed. Property taxes attach an enforceable lien on property as of January 1st. Tax notices are sent by the County treasurer to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. The County collects such taxes and distributes them to the District on a monthly basis. The District accounts for its share of property taxes in the General, Debt Service and Capital Projects Funds. Only those collections received are recorded as revenues for the budget presentation.

Elimination and Reclassifications of Certain Receivables and Payables

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

Inventories and Prepaid Items

Purchased inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the Cafeteria Fund consists of purchased food and non-food items and United States Department of Agriculture (USDA) commodities. Commodities are shown at the USDA procurement cost. Costs are recorded as expenditures at the time individual inventory items are used (consumption method). Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both District-wide and fund financial statements.

Capital Assets

Capital assets are recorded at historical costs and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair market value on the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

If there are any construction projects funded by the NM Public School Facilities Authority they are included in the appropriate capital projects fund and in the capital assets.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Buildings & Improvements	10-40 Years
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	3-15 Years

Capital Leases

Capital leases are recorded at the inception of the leases as expenditures and other financing sources in governmental fund financial statement at the present value of the future minimum lease payments, using the stated or implicit interest rate in the leases. Lease payments are recorded as expenditures on the due date. Capital leases are recorded as a liability in the government-wide financial statement at the time of inception and the corresponding asset is recorded in the capital asset section on the balance sheet.

Short -Term Debt

Short-term debt results from borrowings characterized by anticipation notes, use of lines of credit, and similar loans. The District does not have any activity in short-term debt.

Long-Term Liabilities

For district-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

Restricted Net Assets

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net assets use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available it will first be applied to restricted resources.

Fund Balances of Fund Financial Statements

Reserved fund balance indicates that portion of fund equity which has been segregated for specific purposes.

Unreserved fund balance indicates that portion of fund equity which is available for budgeting in future periods.

Interfund Transactions

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

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

Deferred Revenue

The District reports deferred revenues on its Statement of Net Assets and Fund Balance Sheet. Deferred revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized. Deferred revenues also occur in the fund financial statements when revenue is earned but is not available. The revenue becomes available if received within 30 days of the fiscal year end.

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Compensated Absences

All 12-month or full time employees that have been employed 1-9 years are entitled to 10 working days and 10 or more years 15 working days. Vacation time must be taken by December 30th following the school year as it is earned, and it is not accumulative. Prior accrued vacation time not taken by December 30 will be canceled.

Estimates

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

NOTE B: CASH AND INVESTMENTS

The District is required by New Mexico State Statute (Section 6-10-17) to be 50% collateralized. Following is a schedule calculating the requirement and disclosing the pledged securities.

<u>Name of Account</u>	Balance Per Bank 06-30-08	Reconciled Balance	Type
Debt Service	\$ 84,605	\$ 84,605	Checking
Bond Account	1,338	1,338	Checking
Capital Improvements	150,936	141,121	Checking
Dora Schools Capital Improvements	12,850	12,850	Savings
Operational	296,503	322,277	Checking
Payroll Clearing	116,443	0	Checking
Federal	49,864	32,893	Checking
Athletic Fund	15,768	14,544	Checking
Activity	23,820	21,062	Checking
Lunch Fund	2,867	2,867	Checking
TOTAL Deposited	<u>754,994</u>	<u>\$ 633,557</u>	
Less: FDIC Coverage	<u>(112,850)</u>		
Uninsured Amount	642,144		
50% collateral requirement	321,072		
Pledged securities	<u>350,000</u>		
Over (Under) requirement	<u>\$ 28,928</u>		

The difference between the bank balance and the reconciled balance is outstanding deposits, outstanding checks and pending bank adjustments.

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The following securities are pledged at **Portales National Bank**

<u>Description</u>	<u>CUSIP #</u>	<u>Par/ Market Value</u>	<u>Maturity Date</u>	<u>Location</u>
Los Alamos SD	54422NAM8	350,000	8/1/2010	* TIB
		<u>\$ 350,000</u>		

* Texas Independent Bank,
Dallas, Texas

Wells Fargo

<u>Name of Account</u>	<u>Balance Per Bank 06-30-08</u>	<u>Reconciled Balance</u>	<u>Type</u>
Clinton Clark Scholarship	\$ 216	\$ 216	Saving
Clinton Clark Scholarship	3,880	3,880	Saving
TOTAL Deposited	<u>4,096</u>	<u>\$ 4,096</u>	
Less: FDIC Coverage	<u>(4,096)</u>		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	0		
Over (Under) requirement	<u>\$ 0</u>		

Custodial Credit Risk-Deposits

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 116,946
Collateralized:	
Collateral held by the pledging bank in District's name	350,000
Uninsured and uncollateralized	292,144
Total Deposits	<u>\$ 759,090</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2008 \$292,144 of the District's bank balance of \$759,090 was exposed to custodial credit risk.

New Mexico State Treasurer

<u>Name of Account</u>	<u>Balance</u>
Dora Consolidated Schools	\$ 2,665
Dora Consolidated Schools	84,371
Dora Consolidated Schools	2,866
Dora Consolidated Schools	36,064
Dora Consolidated Schools	521
Dora Consolidated Schools	30,282
TOTAL Deposited	<u>\$ 156,769</u>

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The investments with the State Treasurer are valued at fair value based on quoted market prices as of valuation date.

The State Treasurer Local Government Investment Pool is not SEC registered. Section 6-10-10 1, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the United States government or by its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments;

The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts were invested; and participation in the local government investment pool is voluntary.

Interest Rate Risk

Interest rate risk is the risk that interest rate variations may adversely affect an investment's fair value. The prices of securities fluctuate with market interest rates and the securities held in a portfolio will decline if market interest rates rise. The portfolio's weighted average maturity (WAM) is a key determinant of the tolerance of a fund's investments to rising interest rates. The WAM for this investment is 24 days. The investment is rated AAAM and the rate is 2.4092%.

NOTE C: INTERFUND BALANCES AND ACTIVITY

Loans and transfers to and from funds during the year ending June 30, 2008 were as follows:

Interfund Balances		Amount:
From:	To:	
Operational Fund	Title I	\$ 15,921
	IDEA, Part B Entitlement	15,248
	IDEA, Part B Discretionary	9,323
	Title V	1,615
	Microsoft	2,959
	GO Library Bonds	3,895
	Healthier Schools	2,924
	Total Interfund Balances	<u>\$ 51,885</u>
Transfers		
From:	To:	
Operational	Food Service	13,000
Bond Building	Public School Outlay	121,844
Bond Building	Capital Outlay	197,543
	Total Transfers	<u>\$ 332,387</u>

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The above loan was to cover shortfalls. It will be paid back within one year. The transfers were to cover the shortages in the state grants. The reimburseable grants will not be received from the State.

NOTE D: TAXES RECEIVABLE

Following is a schedule of property taxes receivable as of June 30, 2008:

	General Fund 11000	Senate Bill Nine 31700	Debt Service 41000
Property Taxes Receivable:			
Available	\$ 1,032	4,162	6,610
Unavailable	0	0	0
TOTAL Property Taxes Receivable	\$ 1,032	\$ 4,162	\$ 6,610

NOTE E: DUE FROM OTHER GOVERNMENT UNITS

Amounts due from other agencies and units of government were as follows as of June 30, 2008:

Federal Agencies	\$ 42,107
State Agencies	9,778
Total	\$ 51,885

NOTE F: DEFERRED REVENUES

Revenues are deferred in accordance with the modified accrual basis of accounting for the fund financial statements. The following deferred revenues are measurable but do not represent available expendable resources for the Fund Financial Statements for the fiscal year ended June 30, 2008:

	Other Government Funds	Total
Property Taxes	\$ 0	\$ 0
Federal Revenues	645	645
TOTAL Deferred Revenues	\$ 645	\$ 645

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NOTE G: CAPITAL ASSETS

Capital Assets Balances and Activity for the Year Ended June 30, 2008, is as follows:

	Balance 6/30/07	Increases	Decreases	Balance 6/30/08
Governmental Activities				
Capital Assets, not being Depreciated				
Land	\$ 39,620	\$ 0	\$ 0	\$ 39,620
Total Capital Assets, not being Depreciated	<u>39,620</u>	<u>0</u>	<u>0</u>	<u>39,620</u>
Capital Assets, being Depreciated				
Land Improvements	48,856	22,940	0	71,796
Buildings & Improvements	17,754,532	41,948	0	17,796,480
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	389,776	59,259	0	449,035
Total Capital Assets, being Depreciated	<u>18,193,164</u>	<u>124,147</u>	<u>0</u>	<u>18,317,311</u>
Total Capital Assets	<u>18,232,784</u>	<u>124,147</u>	<u>0</u>	<u>18,356,931</u>
Less Accumulated Depreciation				
Land Improvements	7,160	1,798		8,958
Buildings & Improvements	10,028,176	309,254	0	10,337,430
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	228,752	39,408	0	268,160
Total Accumulated Depreciation	<u>10,264,088</u>	<u>350,460</u>	<u>0</u>	<u>10,614,548</u>
Capital Assets, net	<u>\$ 7,968,696</u>	<u>\$ (226,313)</u>	<u>\$ 0</u>	<u>\$ 7,742,383</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 350,460
Total depreciation expenses	<u>\$ 350,460</u>

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NOTE H: LONG TERM DEBT

A summary of activity in the Long-Term Debt is as follows:

	Balance 6/30/07	Additions	Reductions	Balance 6/30/08	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ 730,000	\$ 0	\$ 65,000	\$ 665,000	\$ 65,000
Long-Term Liabilities	\$ 730,000	\$ 0	\$ 65,000	\$ 665,000	\$ 65,000

General Obligation Bonds.

The following bonds were issued for the purpose of erecting, furnishing, remodeling and making additions to District buildings and improving District grounds. A tax is annually assessed, levied and collected upon all taxable property within the District for the purpose of providing the necessary funds to meet the interest and principal payments as they become due.

Series	Date of Issue	Original Amount	Interest Rate	Balance
2003	7/1/03	850,000	4.00%-2.40%	\$ 665,000
				\$ 665,000

The annual requirements to amortize the 2001 Series general obligation bonds as of June 30, 2007, including interest payments are as follows:

	Principal	Interest	Total
2008	\$ 65,000	\$ 21,870	\$ 86,870
2009	65,000	20,115	85,115
2010	70,000	18,090	88,090
2011	70,000	15,850	85,850
2012	75,000	13,423	88,423
2013-2016	320,000	25,572	345,572
	\$ 665,000	\$ 114,920	\$ 779,920

Reconciliation of Long-Term Debt disclosed in Note I to the Long-Term Debt reported in the Statement of Net Assets.

Note I	\$ 600,000
Statement of Net Assets	\$ 600,000
Long-Term Per Government Wide Financial Statements	\$ 535,000
Current Portion	65,000
Statement of Net Assets	\$ 600,000

NOTE I: COMMITMENTS

The District has no construction commitments at June 30, 2008.

NOTE J: PENSION PLAN

Substantially all of the (name of employer)'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 financial statements and required supplementary information for the plan. That report may be obtained by writing to ERB, P.O. Box 26129, Santa Fe, NM 87502. The report is also available on ERB's website at www.nmerb.org.

Plan members are required to contribute 7.42% of their gross salary. The District is required to contribute 10.9% of the gross covered salary. Effective July 1, 2008, plan members are required to contribute 7.9% of their gross salary. The employer contribution will increase .75% each year until July 1, 2011 when the employer contribution will be 13.9%. The contribution requirements of plan members and the District are established in 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, 2008, 2007, and 2006, were \$292,184, \$271,052 and \$241,689, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE K: RETIREE HEALTH CARE ACT CONTRIBUTIONS

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

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2008

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary.

Employers joining the program after 1/1/98 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

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

The District's contributions to the RHCA for the years ended June 30, 2008, 2007 and 2006 were \$30,419, \$28,584 and \$27,601, respectively, which equal the required contributions for each year.

NOTE L: RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS STATEMENTS

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - all Governmental Fund Types is presented on the budgetary basis to provide a comparison of actual results with the budget. The major differences between the budget basis and GAAP (Generally Accepted Accounting Principles) basis are that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2008

The adjustments necessary to convert the results of operations for the year from GAAP basis to the budget basis for the governmental funds are presented on each individual Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis). Except for the Debt Service which are locate here.

GASB 43 and GASB 45 will have a material effect on the financial statements of the District as they become fully effective in 2007, 2008, 2009 and 2010.

NOTE M: INSURANCE COVERAGE

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error and omissions; and injuries to employees; and natural disasters. The District, as a New Mexico Public School, is insured through the New Mexico Public Schools Insurance Authority (NMPSIA). Annual premiums are paid by the District to NMPSIA for coverage provided in the following areas:

- Workers Compensation
- Property and Automobile Liability and Physical Damage
- Liability and Civil Rights and Personal Injury
- Contract School Bus Coverage; and
- Crime

NOTE N: SURETY BOND

The officials and certain employees of the District are covered by a surety bond as required by Section 12-6-7, NMSA, 1978 Compilation.

NOTE O: JOINT POWERS AGREEMENTS

A joint powers agreement was entered into with the Regional Education Cooperative No. 6 (REC). The purpose of the agreement is to allow the submission of a consolidated application to the State Department of Education for certain funds granted to the State of New Mexico by the United States Department of Education under the Education of the Handicapped Act, Part B, PL 94-142 among others.

There are ten schools that participate in the REC, they are Dora, Elida, Floyd, Fort Sumner, Grady, House, Logan, Melrose, San Jon, and Texico. The agreement became effective on July 1, 1995 and is to remain in effect until the end of any fiscal year during which the school gives notice of intent to terminate.

\$82,776 in revenue and expenditures has been included in this audit report for salaries and fringe benefits as required by SAO 2.2.2.12 C (3) (d). The REC funds include IDEA, Part B Entitlement, IDEA, Part B, Discretionary, IDEA Preschool.

The financial statements for the REC were prepared by an IPA. The audit report is available at the REC located at 1500 South Ave K, Station 9, Portales, New Mexico 88130.

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2008

NOTE P: RESTATEMENT

The following fund balances and the net assets were restated because the state grants will not be reimbursed to the District:

PSCOC-31200	\$	(121,844)
Special Capital Outlay-31400		<u>(203,752)</u>
	\$	<u><u>(325,596)</u></u>

**SUPPLEMENTAL INFORMATION RELATED TO
MAJOR FUNDS**

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
CAPITAL PROJECT FUND-BOND BUILDING-31100
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Local Sources				
Investment Income	\$ 0	\$ 0	\$ 188	\$ 188
Total Local Sources	<u>0</u>	<u>0</u>	<u>188</u>	<u>188</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>188</u>	<u>188</u>
Expenditures				
Capital Outlay				
Property	13,850	13,850	13,850	0
Total Capital Outlay	<u>13,850</u>	<u>13,850</u>	<u>13,850</u>	<u>0</u>
Total Expenditures	<u>13,850</u>	<u>13,850</u>	<u>13,850</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(13,850)</u>	<u>(13,850)</u>	<u>(13,662)</u>	<u>188</u>
Other Financing Uses				
Transfers to Other Fund	319,376	319,376	(319,387)	(638,763)
Total Other Financing Uses	<u>319,376</u>	<u>319,376</u>	<u>(319,387)</u>	<u>(638,763)</u>
Net Change in Fund Balance	305,526	305,526	(333,049)	(638,575)
Cash Balance Beginning of Year	<u>337,052</u>	<u>337,052</u>	<u>337,052</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 642,578</u>	<u>\$ 642,578</u>	<u>\$ 4,003</u>	<u>\$ (638,575)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (13,662)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (13,662)</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 CAPITAL PROJECT FUND-PUBLIC SCHOOL CAPITAL OUTLAY-31200
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Local Sources				
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0
Total Local Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Capital Outlay				
Professional & Technical Service	0	0	0	0
Purchased Property Services	0	0	0	0
Property	0	0	0	0
Total Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)				
Transfer in from 31100	121,844	121,844	121,844	0
Total Other Sources (Uses)	<u>121,844</u>	<u>121,844</u>	<u>121,844</u>	<u>0</u>
Net Change in Fund Balance	121,844	121,844	121,844	0
Cash Balance Beginning of Year	<u>(121,844)</u>	<u>(121,844)</u>	<u>(121,844)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 121,844	
Net change in Due from Grantor			(121,844)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 CAPITAL PROJECT FUND-SPECIAL CAPITAL OUTLAY STATE-31400
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Sources				
Grant	\$ 203,752	\$ 243,752	\$ 40,000	\$ (203,752)
Total State Sources	<u>203,752</u>	<u>243,752</u>	<u>40,000</u>	<u>(203,752)</u>
Total Revenues	<u>203,752</u>	<u>243,752</u>	<u>40,000</u>	<u>(203,752)</u>
Expenditures				
Capital Outlay				
Purchased Property Services	0	32,273	26,064	6,209
Property	<u>0</u>	<u>7,727</u>	<u>7,727</u>	<u>0</u>
Total Capital Outlay	<u>0</u>	<u>40,000</u>	<u>33,791</u>	<u>6,209</u>
Total Expenditures	<u>0</u>	<u>40,000</u>	<u>33,791</u>	<u>6,209</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>203,752</u>	<u>203,752</u>	<u>6,209</u>	<u>(209,961)</u>
Other Financing Sources				
Transfers In From Operational	<u>0</u>	<u>0</u>	<u>197,543</u>	<u>(197,543)</u>
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>197,543</u>	<u>(197,543)</u>
Net Change in Fund Balance	203,752	203,752	203,752	(407,504)
Cash Balance Beginning of Year	<u>(203,752)</u>	<u>(203,752)</u>	<u>(203,752)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (407,504)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 6,209	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 6,209</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 CAPITAL PROJECT FUND-SENATE BILL NINE-31700
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Local Sources				
Taxes	\$ 53,407	\$ 53,407	\$ 59,728	\$ 6,321
Investment Income	3,500	3,500	4,364	864
Total Local Sources	<u>56,907</u>	<u>56,907</u>	<u>64,092</u>	<u>7,185</u>
State Sources				
Grant	29,542	29,542	29,542	0
Total State Sources	<u>29,542</u>	<u>29,542</u>	<u>29,542</u>	<u>0</u>
Total Revenues	<u>86,449</u>	<u>86,449</u>	<u>93,634</u>	<u>7,185</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	318	318	315	3
Total Support Services-General Administration	<u>318</u>	<u>318</u>	<u>315</u>	<u>3</u>
Capital Outlay				
Purchased Property Services	73,589	73,589	28,004	45,585
Supplies	82,000	85,516	613	84,903
Property	130,000	141,952	64,876	77,076
Total Capital Outlay	<u>285,589</u>	<u>301,057</u>	<u>93,493</u>	<u>207,564</u>
Total Expenditures	<u>285,907</u>	<u>301,375</u>	<u>93,808</u>	<u>207,567</u>
Excess (Deficiency) of Revenues Over Expenditures	(199,458)	(214,926)	(174)	214,752
Cash Balance Beginning of Year	<u>238,443</u>	<u>238,443</u>	<u>238,443</u>	<u>0</u>
Cash Balance End of Year	\$ <u>38,985</u>	\$ <u>23,517</u>	\$ <u>238,269</u>	\$ <u>214,752</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (174)	
Net change in Taxes Receivable			<u>2,274</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>2,100</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
DEBT SERVICE-41000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Local Sources				
Taxes	\$ 87,747	\$ 87,747	80,159	\$ (7,588)
Investment Income	0	0	229	229
Total Local Sources	<u>87,747</u>	<u>87,747</u>	<u>80,388</u>	<u>(7,359)</u>
Total Revenues	<u>87,747</u>	<u>87,747</u>	<u>80,388</u>	<u>(7,359)</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	900	900	437	463
Total Support Services-General Administration	<u>900</u>	<u>900</u>	<u>437</u>	<u>463</u>
Debt Service				
Debt Service				
Principal	65,000	65,000	65,000	0
Interest	21,870	21,870	21,870	0
Total Debt Service	<u>86,870</u>	<u>86,870</u>	<u>86,870</u>	<u>0</u>
Total Expenditures	<u>87,770</u>	<u>87,770</u>	<u>87,307</u>	<u>463</u>
Excess (Deficiency) of Revenues Over Expenditures	(23)	(23)	(6,919)	(6,896)
Cash Balance Beginning of Year	<u>91,524</u>	<u>91,524</u>	<u>91,524</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 91,501</u>	<u>\$ 91,501</u>	<u>\$ 84,605</u>	<u>\$ (6,896)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (6,919)	
Net change in Taxes Receivable			4,370	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (2,549)</u>	

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

**SUPPLEMENTAL INFORMATION RELATED TO
NON MAJOR FUNDS**

NONMAJOR SPECIAL REVENUE FUNDS

Athletics (22000). To account for revenue and expenditures associated with the District's budgeted athletic activities. (NMAC 6.20.2).

IDEA Preschool (24109). To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to preschool disabled children aged three through five years. Funding authorized by the Individuals with Disabilities Education Act, Part B, Section 619, as amended, Public Laws 94-142, 99-457, 100-630, 101-497, 101-476, and 102-119. The fund was created by the authority of federal grant provisions.

Title V-A (24150). To account for monies received to improve elementary and secondary education for children attending both public and private schools. The fund was created by grant provisions. (PL 103-382).

Rural Education Achievement Program (25233) To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended.

Microsoft (26170). To account for funds received from a settlement with Microsoft. Funds can be spent for technology. The fund was created by grant provisions.

Technology for Education (27117). To account for funds received from the Technology for Education Grant created by the 1994 State Legislation to establish funding of any costs associated with educational technology. Funding provided by the State of New Mexico. (NMSA 22-15A-1-10).

School Improvement Act (27138). To account for revenues and expenditures from a state grant as part of the Incentives for School Improvement Act: awarded based on the improvement in CTBS 5/Terra Nova or New Mexico High School Competency Examination scores. The fund was created by state grant provisions. (NMSA 22-13 A-1).

Library GO Bonds (27145). To account for revenues and expenditures from a state grant to provide for public school and juvenile detention libraries. The funding made available to update and expand library collections in order to circulate and provide access of materials to students and teachers. Funding provided by the State of New Mexico.

Beginning Teacher Mentoring (27154). 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 student academic achievement. Elementary and Secondary Education Act of 1965, as amended, Title II, Part A (PL 107-110).

Libraries GO Bonds (27170) To account for revenues and expenditures from a state grant to provide for public school and juvenile detention libraries. The funding made available to update and expand library collections in order to circulate and provide access of materials to students and teachers. Funding provided by the State of New Mexico.

Healthier Schools (28156) To account for revenues and expenditures from a grant to provide for a safer and healthier environment for the District. The fund was created by grant provisions.

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Athletics 22000	IDEA Preschool 24109	Title V 24150
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 14,544	\$ 0	\$ 0
Receivables			
Due From Grantor	0	0	1,615
Total Assets	<u>\$ 14,544</u>	<u>\$ 0</u>	<u>\$ 1,615</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	0	1,615
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>1,615</u>
Fund Balance			
Unreserved, Undesignated	<u>14,544</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>14,544</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 14,544</u>	<u>\$ 0</u>	<u>\$ 1,615</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Rural Education Achievement Program 25233	Microsoft 26170	Technology for Education 27117
ASSETS			
Cash and Cash Equivalents	\$ 645	\$ 0	\$ 7,696
Receivables			
Due From Grantor	0	2,959	0
Total Assets	<u>\$ 645</u>	<u>\$ 2,959</u>	<u>\$ 7,696</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	2,959	0
Deferred Revenue	645	0	0
Total Liabilities	<u>645</u>	<u>2,959</u>	<u>0</u>
Fund Balance			
Unreserved, Undesignated	<u>0</u>	<u>0</u>	<u>7,696</u>
Total Fund Balance	<u>0</u>	<u>0</u>	<u>7,696</u>
 Total Liabilities and Fund Balance	 <u>\$ 645</u>	 <u>\$ 2,959</u>	 <u>\$ 7,696</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	School Improvement Act 27138	Library GO Bonds 27145	Beginning Teacher Mentoring 27154
ASSETS			
Cash and Cash Equivalents	\$ 3,058	\$ 0	\$ 929
Receivables			
Due From Grantor	0	0	0
Total Assets	<u>\$ 3,058</u>	<u>\$ 0</u>	<u>\$ 929</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Unreserved, Undesignated	<u>3,058</u>	<u>0</u>	<u>929</u>
Total Fund Balance	<u>3,058</u>	<u>0</u>	<u>929</u>
Total Liabilities and Fund Balance	<u>\$ 3,058</u>	<u>\$ 0</u>	<u>\$ 929</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2008

	Libraries GO Bonds 27170	Healthier Schools 28156	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 26,872
Receivables			
Due From Grantor	3,895	2,924	11,393
Total Assets	<u>\$ 3,895</u>	<u>\$ 2,924</u>	<u>\$ 38,265</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	3,895	2,924	11,393
Deferred Revenue	0	0	645
Total Liabilities	<u>3,895</u>	<u>2,924</u>	<u>12,038</u>
Fund Balance			
Unreserved, Undesignated	0	0	26,227
Total Fund Balance	<u>0</u>	<u>0</u>	<u>26,227</u>
Total Liabilities and Fund Balance	<u>\$ 3,895</u>	<u>\$ 2,924</u>	<u>\$ 38,265</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Athletics 22000	IDEA Preschool 24109	Title V 24150
Revenues			
Investment Income	\$ 66	\$ 0	\$ 0
Fees	13,083	0	0
State Grants	0	0	0
Federal Grants	0	3,959	0
Miscellaneous	3,000	0	0
Total Revenues	<u>16,149</u>	<u>3,959</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	3,959	0
Support Services-General Administration	0	0	0
Other Support Services	9,457	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>9,457</u>	<u>3,959</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	6,692	0	0
Fund Balances at Beginning of Year	<u>7,852</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 14,544</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Rural Education Achievement Program 25233	Microsoft 26170	Technology for Education 27117
Revenues			
Investment Income	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State Grants	0	4,415	8,625
Federal Grants	24,980	0	0
Miscellaneous	0	0	0
Total Revenues	<u>24,980</u>	<u>4,415</u>	<u>8,625</u>
Expenditures			
Current			
Instruction	9,000	4,415	929
Support Services-Students	0	0	0
Support Services-General Administration	4,140	0	0
Other Support Services	0	0	0
Capital Outlay	11,840	0	0
Total Expenditures	<u>24,980</u>	<u>4,415</u>	<u>929</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	7,696
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,696</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	School Improvement Act 27138	Library GO Bonds 27145	Beginning Teacher Mentoring 27154
Revenues			
Investment Income	\$ 0	\$ 0	\$ 0
Fees	0	0	0
State Grants	3,058	0	929
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>3,058</u>	<u>0</u>	<u>929</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	0	0
Support Services-General Administration	0	0	0
Other Support Services	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	3,058	0	929
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 3,058</u>	<u>\$ 0</u>	<u>\$ 929</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2008

	Libraries GO Bonds 27170	Healthier Schools 28156	Total
Revenues			
Investment Income	\$ 0	\$ 0	\$ 66
Fees	0	0	13,083
State Grants	3,895	2,924	23,846
Federal Grants	0	0	28,939
Miscellaneous	0	0	3,000
Total Revenues	3,895	2,924	68,934
Expenditures			
Current			
Instruction	3,895	2,924	21,163
Support Services-Students	0	0	3,959
Support Services-General Administration	0	0	4,140
Other Support Services	0	0	9,457
Capital Outlay	0	0	11,840
Total Expenditures	3,895	2,924	50,559
Excess (Deficiency) of Revenues Over Expenditures	0	0	18,375
Fund Balances at Beginning of Year	0	0	7,852
Fund Balance End of Year	\$ 0	\$ 0	\$ 26,227

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-ATHLETICS-22000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
Fees	\$ 9,000	\$ 9,000	\$ 13,083	\$ 4,083
Investment Income	0	0	66	66
Miscellaneous	0	0	3,000	3,000
Total State & Local Sources	<u>9,000</u>	<u>9,000</u>	<u>16,149</u>	<u>7,149</u>
Total Revenues	<u>9,000</u>	<u>9,000</u>	<u>16,149</u>	<u>7,149</u>
Expenditures				
Other Support Services				
Professional & Tech Services	1,764	1,764	1,763	1
Other Purchased Services	4,139	4,139	3,980	159
General Supplies	3,714	3,714	3,714	0
Total Other Support Services	<u>9,617</u>	<u>9,617</u>	<u>9,457</u>	<u>160</u>
Total Expenditures	<u>9,617</u>	<u>9,617</u>	<u>9,457</u>	<u>160</u>
Excess (Deficiency) of Revenues Over Expenditures	(617)	(617)	6,692	7,309
Cash Balance Beginning of Year	<u>7,852</u>	<u>7,852</u>	<u>7,852</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 7,235</u>	<u>\$ 7,235</u>	<u>\$ 14,544</u>	<u>\$ 7,309</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 6,692</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 6,692</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-IDEA, PRESCHOOL-24109
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 2,973	\$ 3,959	\$ 3,959	\$ 0
Total Federal Sources	<u>2,973</u>	<u>3,959</u>	<u>3,959</u>	<u>0</u>
Total Revenues	<u>2,973</u>	<u>3,959</u>	<u>3,959</u>	<u>0</u>
Expenditures				
Support Services-Students				
Personnel Services	2,973	3,033	3,033	0
Employee Benefits	<u>0</u>	<u>926</u>	<u>926</u>	<u>0</u>
Total Support Services- Students	<u>2,973</u>	<u>3,959</u>	<u>3,959</u>	<u>0</u>
Total Expenditures	<u>2,973</u>	<u>3,959</u>	<u>3,959</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-TITLE V 24150
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 1,615	\$ 1,615	\$	\$ 3,230
Total Federal Sources	<u>1,615</u>	<u>1,615</u>	<u>0</u>	<u>3,230</u>
Total Revenues	<u>1,615</u>	<u>1,615</u>	<u>0</u>	<u>3,230</u>
Expenditures				
Support Services-Students				
Purchased Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Support Services- Students	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	1,615	1,615	0	(1,615)
Cash Balance Beginning of Year	<u>(1,615)</u>	<u>(1,615)</u>	<u>(1,615)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,615)</u>	<u>\$ (1,615)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-RURAL EDUCATION ACHIEVEMENT PROGRAM-25233
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Sources				
Federal Grant	\$ 0	\$ 24,980	\$ 25,625	\$ 50,605
Total Federal Sources	0	24,980	25,625	50,605
Total Revenues	0	24,980	25,625	50,605
Expenditures				
Support Services-Students				
Purchased Services	0	2,000	2,000	4,000
Supplies	0	7,000	7,000	14,000
Property	0	11,840	11,840	23,680
Total Support Services- Students	0	20,840	20,840	41,680
Support Services-General Administration				
Purchased Services	0	2,980	2,980	5,960
Property	0	1,160	1,160	2,320
Total Support Services- General Administration	0	4,140	4,140	8,280
Total Expenditures	0	24,980	24,980	49,960
Excess (Deficiency) of Revenues Over Expenditures	0	0	645	645
Cash Balance Beginning of Year	0	0	0	0
Cash Balance End of Year	\$ 0	\$ 0	\$ 645	\$ 645
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 645	
Net change in Deferred Revenue			(645)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-MICROSOFT-26170
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grants	\$ 11,738	\$ 16,153	\$ 13,194	\$ (2,959)
Total State & Local Sources	<u>11,738</u>	<u>16,153</u>	<u>13,194</u>	<u>(2,959)</u>
Total Revenues	<u>11,738</u>	<u>16,153</u>	<u>13,194</u>	<u>(2,959)</u>
Expenditures				
Instruction				
Supplies	0	4,415	4,415	0
Total Instruction	<u>0</u>	<u>4,415</u>	<u>4,415</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>4,415</u>	<u>4,415</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	11,738	11,738	8,779	(2,959)
Cash Balance Beginning of Year	<u>(11,738)</u>	<u>(11,738)</u>	<u>(11,738)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (2,959)</u>	<u>\$ (2,959)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 8,779	
Net Change Due from Grantor			<u>(8,779)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-TECHNOLOGY FOR EDUCATION-27117
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grants	\$ 0	\$ 7,675	\$ 8,625	\$ 950
Total State & Local Sources	<u>0</u>	<u>7,675</u>	<u>8,625</u>	<u>950</u>
Total Revenues	<u>0</u>	<u>7,675</u>	<u>8,625</u>	<u>950</u>
Expenditures				
Instruction				
Supplies	0	2,675	165	2,510
Property	0	5,000	764	
Total Instruction	<u>0</u>	<u>7,675</u>	<u>929</u>	<u>2,510</u>
Total Expenditures	<u>0</u>	<u>7,675</u>	<u>929</u>	<u>2,510</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	7,696	7,696
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,696</u>	<u>\$ 7,696</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 7,696	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 7,696</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-SCHOOL IMPROVEMENT ACT-27138
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grants	\$ 0	\$ 4,657	\$ 3,058	\$ (1,599)
Total State & Local Sources	<u>0</u>	<u>4,657</u>	<u>3,058</u>	<u>(1,599)</u>
Total Revenues	<u>0</u>	<u>4,657</u>	<u>3,058</u>	<u>(1,599)</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Instruction	0	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	4,657	3,058	(1,599)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 4,657</u>	<u>\$ 3,058</u>	<u>\$ (1,599)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 3,058</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 3,058</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-LIBRARY GO BONDS-27145
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grants	\$ 3,211	\$ 3,211	\$ 3,211	\$ 0
Total State & Local Sources	<u>3,211</u>	<u>3,211</u>	<u>3,211</u>	<u>0</u>
Total Revenues	<u>3,211</u>	<u>3,211</u>	<u>3,211</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	3,211	3,211	3,211	0
Cash Balance Beginning of Year	<u>(3,211)</u>	<u>(3,211)</u>	<u>(3,211)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 3,211	
Net change in Due from Grantor			<u>(3,211)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-BEGINNING TEACHER MENTORING 27154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grants	\$ 0	\$ 929	\$ 929	\$ 0
Total State & Local Sources	<u>0</u>	<u>929</u>	<u>929</u>	<u>0</u>
Total Revenues	<u>0</u>	<u>929</u>	<u>929</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	929	929	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 929</u>	<u>\$ 929</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>929</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>929</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-LIBRARIES GO BONDS 27170
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grants	\$ 0	\$ 6,328	\$ 0	\$ (6,328)
Total State & Local Sources	<u>0</u>	<u>6,328</u>	<u>0</u>	<u>(6,328)</u>
Total Revenues	<u>0</u>	<u>6,328</u>	<u>0</u>	<u>(6,328)</u>
Expenditures				
Instruction				
Supplies	0	6,328	3,895	2,433
Total Instruction	<u>0</u>	<u>6,328</u>	<u>3,895</u>	<u>2,433</u>
Total Expenditures	<u>0</u>	<u>6,328</u>	<u>3,895</u>	<u>2,433</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(3,895)	(3,895)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (3,895)</u>	<u>\$ (3,895)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (3,895)	
Net Change Due from Grantor			<u>3,895</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-HEALTHIER SCHOOLS 28156
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Sources				
State Grants	\$ 0	\$ 3,000	\$ 0	\$ (3,000)
Total State & Local Sources	<u>0</u>	<u>3,000</u>	<u>0</u>	<u>(3,000)</u>
Total Revenues	<u>0</u>	<u>3,000</u>	<u>0</u>	<u>(3,000)</u>
Expenditures				
Instruction				
Supplies	0	3,000	2,924	76
Total Instruction	<u>0</u>	<u>3,000</u>	<u>2,924</u>	<u>76</u>
Total Expenditures	<u>0</u>	<u>3,000</u>	<u>2,924</u>	<u>76</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(2,924)	(2,924)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (2,924)</u>	<u>\$ (2,924)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (2,924)	
Net Change Due from Grantor			<u>2,924</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

OTHER SUPPLEMENTAL INFORMATION

FIDUCIARY FUND

Activity Trust Fund

To account for funds of various student groups that are custodial in nature.

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 AGENCY FUNDS
 Statement of Fiduciary Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2008

	<u>Balance 06/30/07</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06/30/08</u>
ASSETS				
Activity Trust Fund	\$ 60,994	\$ 106,022	\$ 111,574	\$ 55,442
TOTAL Assets	<u>\$ 60,994</u>	<u>\$ 106,022</u>	<u>\$ 111,574</u>	<u>\$ 55,442</u>
LIABILITIES				
Due to Student Groups	\$ 60,994	\$ 106,022	\$ 111,574	\$ 55,442
TOTAL Liabilities	<u>\$ 60,994</u>	<u>\$ 106,022</u>	<u>\$ 111,574</u>	<u>\$ 55,442</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 AGENCY FUNDS - ACTIVITY
 Schedule of Changes in Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2008

	Balance 06/30/07	Additions	Deletions	Balance 06/30/08
ASSETS				
23800 General Fund	\$ 3,274	\$ 3,483	\$ 1,136	\$ 5,621
23801 FFA	698	21,202	21,683	217
23802 Student Council	1,425	1,349	1,353	1,421
23803 Yearbook	1,615	7,184	1,391	7,408
23804 District III-Athletics	5,678	11,291	6,945	10,024
23805 ENMU Services	0	153	0	153
23806 Drama	14	33	0	47
23807 Art	32	0	0	32
23808 EPAC	12,112	0	10,136	1,976
23809 BPA Region III	0	0	0	0
23810 Cafeteria Account	71	313	243	141
23811 National Honor Society	1,343	860	1,392	811
23812 Flower Fund	161	0	75	86
23813 BPS	364	11,211	9,948	1,627
23814 Cheerleaders	344	0	205	139
23815 Girl's Athletics	1,512	4,319	5,560	271
23816 Boy's Athletics	(553)	6,385	5,593	239
23817 Resource Room	37	0	0	37
23818 Principal's Account	43	419	30	432
23819 3-4 Year Old Program	367	0	125	242
23820 Math/Science	345	0	0	345
23822 Library	3,426	4,101	4,540	2,987
23824 H/S Accelerated Reader	279	0	0	279
23825 District 7 Baseball	97	0	0	97
23827 Student Travel	100	0	0	100
23828 Music	817	56	260	613
23829 Rodeo Team	147	0	0	147
23830 Concession Stand	138	11,740	10,627	1,251
23831 Clinton Clark Scholarship	3,880	0	0	3,880
23832 FCA	0	0	0	0
23833 FFA Special Account	139	0	0	139
23834 Careers	200	0	0	200
23835 Baseball	109	522	170	461
23836 Elem Accelerated Reader	589	8,101	7,829	861
23838 Clean & Beautiful Award	144	0	0	144
23839 Football	0	3,386	3,136	250
23901 Class of 2001	20	0	0	20
23905 Class of 2005	238	0	0	238
23906 Class of 2006	207	0	0	207
23907 Class of 2007	320	0	225	95
23908 Class of 2008	\$ 2,009	\$ 411	\$ 2,420	\$ 0

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 AGENCY FUNDS - ACTIVITY
 Schedule of Changes in Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2008

	Balance 06/30/07	Additions	Deletions	Balance 06/30/08
23909 Class of 2009	\$ 4,950	\$ 2,758	\$ 7,005	\$ 703
23910 Class of 2010	1,501	80	35	1,546
23911 Class of 2011	610	2,368	654	2,324
23912 Class of 2012	1,235	3,290	1,308	3,217
23913 Class of 2013	0	318	0	318
Scholarships	10,957	689	7,550	4,096
Total Assets	<u>\$ 60,994</u>	<u>\$ 106,022</u>	<u>\$ 111,574</u>	<u>\$ 55,442</u>
 LIABILITIES				
Deposits Held for Others	\$ 60,994	\$ 106,022	\$ 111,574	\$ 55,442
Total Liabilities	<u>\$ 60,994</u>	<u>\$ 106,022</u>	<u>\$ 111,574</u>	<u>\$ 55,442</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 Cash Reconciliations - All Funds
 For the Year Ended June 30, 2008

	Operational 11000	Transportation 13000	Instructional Materials 14000
Net Cash in Bank 6/30/07			
Cash in Bank	\$ 168,710	\$ 3	\$ 16,536
Restatement	0	0	0
Restated Cash Balance	<u>168,710</u>	<u>3</u>	<u>16,536</u>
 Add: 2007-08			
Revenues	2,654,255	300,902	34,416
Transfers	0	0	0
Loan from Other Funds	0	0	0
TOTAL Cash Available	<u>2,822,965</u>	<u>300,905</u>	<u>50,952</u>
 Less: 2007-08			
Expenditures	2,413,275	300,902	24,877
Transfers	0	0	0
Loans to Other Funds	13,000	0	0
	<u>2,426,275</u>	<u>300,902</u>	<u>24,877</u>
 TOTAL Cash 6/30/08	 <u>\$ 396,690</u>	 <u>\$ 3</u>	 <u>\$ 26,075</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 Cash Reconciliations - All Funds
 For the Year Ended June 30, 2008

	Food Service 21000	Athletics 22000	Activities 23000
Net Cash in Bank 6/30/07			
Cash in Bank	\$ 526	\$ 7,852	\$ 60,994
Restatement	0	0	10,957
Restated Cash Balance	<u>526</u>	<u>7,852</u>	<u>71,951</u>
Add: 2007-08			
Revenues	62,778	16,149	106,024
Transfers	0	0	0
Loan from Other Funds	13,000	0	0
TOTAL Cash Available	<u>76,304</u>	<u>24,001</u>	<u>177,975</u>
Less: 2007-08			
Expenditures	72,916	9,457	111,574
Transfers	0	0	0
Loans to Other Funds	0	0	0
	<u>72,916</u>	<u>9,457</u>	<u>111,574</u>
 TOTAL Cash 6/30/08	 <u>\$ 3,388</u>	 <u>\$ 14,544</u>	 <u>\$ 66,401</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 Cash Reconciliations - All Funds
 For the Year Ended June 30, 2008

	Federal Flowthrough <u>24000</u>	<u>25000</u>	Local Grants <u>26000</u>
Net Cash in Bank 6/30/07			
Cash in Bank	\$ (22,918)	\$ 0	\$ (11,738)
Restatement	<u>0</u>	<u>0</u>	<u>0</u>
Restated Cash Balance	<u>(22,918)</u>	<u>0</u>	<u>(11,738)</u>
Add: 2007-08			
Revenues	122,180	25,625	13,194
Transfers	0	0	0
Loan from Other Funds	0	0	0
TOTAL Cash Available	<u>99,262</u>	<u>25,625</u>	<u>1,456</u>
Less: 2007-08			
Expenditures	141,369	24,980	4,415
Transfers	0	0	0
Loans to Other Funds	0	0	0
	<u>141,369</u>	<u>24,980</u>	<u>4,415</u>
TOTAL Cash 6/30/08	<u>\$ (42,107)</u>	<u>\$ 645</u>	<u>\$ (2,959)</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 Cash Reconciliations - All Funds
 For the Year Ended June 30, 2008

	State Grants <u>27000</u>	<u>28000</u>	Bond Building <u>31100</u>
Net Cash in Bank 6/30/07			
Cash in Bank	\$ (3,211)	\$ 0	\$ 337,052
Restatement	<u>0</u>	<u>0</u>	<u>0</u>
Restated Cash Balance	<u>(3,211)</u>	<u>0</u>	<u>337,052</u>
Add: 2007-08			
Revenues	15,823	0	188
Transfers	0	0	0
Loan from Other Funds	0	0	0
TOTAL Cash Available	<u>12,612</u>	<u>0</u>	<u>337,240</u>
Less: 2007-08			
Expenditures	4,824	2,924	333,237
Transfers	0	0	0
Loans to Other Funds	0	0	0
	<u>4,824</u>	<u>2,924</u>	<u>333,237</u>
TOTAL Cash 6/30/08	<u>\$ 7,788</u>	<u>\$ (2,924)</u>	<u>\$ 4,003</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 Cash Reconciliations - All Funds
 For the Year Ended June 30, 2008

	Public School Capital Outlay 31200	Special School Capital Outlay 31400	Senate Bill Nine 31700
Net Cash in Bank 6/30/07			
Cash in Bank	\$ (121,844)	\$ (203,752)	\$ 238,443
Restatement	0	0	0
Restated Cash Balance	<u>(121,844)</u>	<u>(203,752)</u>	<u>238,443</u>
Add: 2007-08			
Revenues	121,844	237,543	93,635
Transfers	0	0	0
Loan from Other Funds	0	0	0
TOTAL Cash Available	<u>0</u>	<u>33,791</u>	<u>332,078</u>
Less: 2007-08			
Expenditures	0	33,791	93,808
Transfers	0	0	0
Loans to Other Funds	0	0	0
	<u>0</u>	<u>33,791</u>	<u>93,808</u>
TOTAL Cash 6/30/08	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 238,270</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 Cash Reconciliations - All Funds
 For the Year Ended June 30, 2008

	Debt Service 41000	Totals
Net Cash in Bank 6/30/07		
Cash in Bank	\$ 91,524	\$ 558,177
Restatement	0	10,957
Restated Cash Balance	<u>91,524</u>	<u>569,134</u>
 Add: 2007-08		
Revenues	80,388	3,884,944
Transfers	0	0
Loan from Other Funds	0	13,000
TOTAL Cash Available	<u>171,912</u>	<u>4,467,078</u>
 Less: 2007-08		
Expenditures	87,307	3,659,656
Transfers	0	0
Loans to Other Funds	0	13,000
	<u>87,307</u>	<u>3,672,656</u>
 TOTAL Cash 6/30/08	 <u>\$ 84,605</u>	 <u>\$ 794,422</u>

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

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(505) 253-4313

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*

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the DORA CONSOLIDATED SCHOOL DISTRICT

Mr. Balderas and Members of the Board

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, the budgetary comparisons for the General Fund and major special revenue fund, and the combining individual funds presented as supplemental information of the DORA CONSOLIDATED SCHOOL DISTRICT, (District), as of and for the year ended June 30, 2008, and have issued our report thereon dated November 13, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of 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 the audit, and that, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the administration, the board members, the NM Public Education Department, the Office of the State Auditor, the New Mexico State Legislature and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

De'Ann Willoughby CPA PC

November 13, 2008

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
Schedule of Findings and Responses
For the Year Ended June 30, 2008

Prior Year Audit Findings

		<u>Status</u>
07-01	Restatement of Cash Balance-Compliance	Resolved
07-02	Late Audit Report-Compliance	Resolved

Current Year Audit Findings

There are no current year audit findings.

Financial Statement Preparation

The financial statements were prepared by De'Aun Willoughby CPA. However, they are the responsibility of management.

Exit Conference

An exit conference was held on November 13, 2008. Those present were Kenneth Cox, President, Steve Barron, Superintendent and Roberta Trujillo, Business Manager and De'Aun Willoughby CPA.