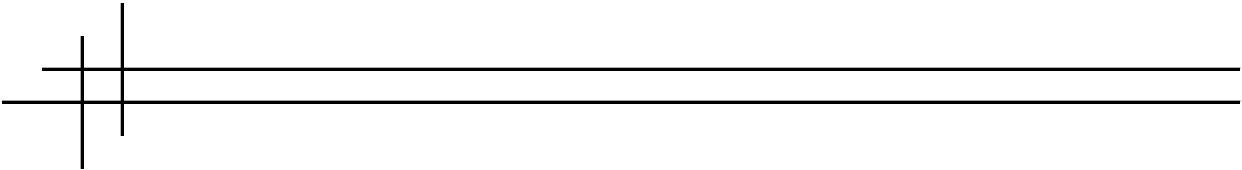




STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT

ANNUAL FINANCIAL REPORT
June 30, 2014

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



STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
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STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
Official Roster
June 30, 2014

BOARD OF EDUCATION

Kenneth Cox	President
John Mohon	Vice-President
Gary Simpson	Secretary
Bill Prater	Member
Jana Roberts	Member

SCHOOL OFFICIALS

Steve Barron	Superintendent
Roberta Trujillo	Business Manager

De'Aun Willoughby CPA, PC

Certified Public Accountant

225 Innsdale Terrace Clovis, NM 88101
(855) 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

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Dora Consolidated School District (District), as of and for the year ended June 30, 2014, and the related notes to the financial statements 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, and the budgetary comparisons for the major capital projects funds and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2014, and the respective changes in financial position, thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2014, and the respective changes in financial position, thereof and the respective budgetary comparisons for the major capital projects funds and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Management has omitted the Management's Discussion and Analysis which is required to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the District's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The schedule required by 2.2.2.NMAC is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 9, 2014, 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 Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

De'Ann Willoughby CPA PC

Clovis, New Mexico
September 9, 2014

FINANCIAL SECTION

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 Government-Wide Statement of Net Position
 June 30, 2014

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 1,643,608
Investments	76
Taxes Receivable	1,030
Due From Grantor	143,040
Inventory	1,680
Total Current Assets	<u>1,789,434</u>
Noncurrent Assets	
Capital Assets	19,636,128
Less: Accumulated Depreciation	<u>(11,247,774)</u>
Total Noncurrent Assets	<u>8,388,354</u>
Total Assets	<u>10,177,788</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	27,027
Accrued Interest	9,660
Compensated Absences	39,500
Current Portion of Long-Term Debt	80,000
Total Current Liabilities	<u>156,187</u>
Noncurrent Liabilities	
Bonds and Notes, Net	<u>795,097</u>
Total Noncurrent Liabilities	<u>795,097</u>
Total Liabilities	<u>951,284</u>
NET POSITION	
Invested in Net Capital Assets	7,513,257
Restricted for:	
Capital Projects	1,020,807
Debt Service	88,772
Unrestricted	603,668
Total Net Position	<u>\$ 9,226,504</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 Government-Wide Statement of Activities
 For the Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Governmental Activities					
Instruction	\$ 2,099,533	\$ 20,194	\$ 194,843	\$ 0	\$ (1,884,496)
Support Services					
Students	133,454	0	1,542	0	(131,912)
Instruction	110,758	0	7,460	0	(103,298)
General Administration	191,184	0	1,414	0	(189,770)
School Administration	156,023	0	13,726	0	(142,297)
Central Services	127,448	0	448	0	(127,000)
Operation of Plant	434,915	0	0	0	(434,915)
Student Transportation	310,893	0	295,469	0	(15,424)
Other Support Services	5,457	0	0	0	(5,457)
Food Services Operations	142,752	23,289	56,715	0	(62,748)
Interest on Long-Term Obligations	14,683	0	0	0	(14,683)
Total Governmental Activities	<u>\$ 3,727,100</u>	<u>\$ 43,483</u>	<u>\$ 571,617</u>	<u>\$ 0</u>	<u>(3,112,000)</u>
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes					15,556
Property Taxes, Levied for Capital Projects					62,445
Property Taxes, Levied for Debt Service					68,737
Federal and State Aid Not Restricted to Specific Purpose					
General					2,415,912
Capital					1,787,358
Interest and Investment Earnings					287
Miscellaneous					12,321
Subtotal, General Revenues					<u>4,362,616</u>
Change in Net Position					1,250,616
Net Position - Beginning					<u>7,975,888</u>
Net Position - Ending					<u>\$ 9,226,504</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, 2014

	General Fund		
	Operational	Transportation	Instructional
	11000	13000	Materials 14000
ASSETS			
Cash and Cash Equivalents	\$ 428,372	\$ 6,770	\$ 21,199
Investments	76	0	0
Receivables			
Taxes	110	0	0
Due From Grantor	12,334	0	0
Interfund Balances	88,262	0	0
Inventory	0	0	0
Total Assets	<u>\$ 529,154</u>	<u>\$ 6,770</u>	<u>\$ 21,199</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 26,877	\$ 0	\$ 0
Interfund Balances	0	0	0
Total Liabilities	<u>26,877</u>	<u>0</u>	<u>0</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue Funds	0	0	0
Capital Projects Funds	0	0	0
Debt Service Fund	0	0	0
Unassigned-Reported In			
General Fund	502,277	6,770	21,199
Total Fund Balances	<u>502,277</u>	<u>6,770</u>	<u>21,199</u>
Total Liabilities and Fund Balances	<u>\$ 529,154</u>	<u>\$ 6,770</u>	<u>\$ 21,199</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, 2014

	Special Revenue Fund		
	Title I 24101	IDEA B Risk Pool 24120	NM Reads to Lead 27114
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Investments	0	0	0
Receivables			
Taxes	0	0	0
Due From Grantor	11,558	24,031	22,502
Interfund Balances	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 11,558</u>	<u>\$ 24,031</u>	<u>\$ 22,502</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 110	\$ 0	\$ 0
Interfund Balances	11,448	24,031	22,502
Total Liabilities	<u>11,558</u>	<u>24,031</u>	<u>22,502</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue Funds	0	0	0
Capital Projects Funds	0	0	0
Debt Service Fund	0	0	0
Unassigned-Reported In			
General Fund	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 11,558</u>	<u>\$ 24,031</u>	<u>\$ 22,502</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, 2014

	Capital Projects		
	Bond Building 31100	Senate Bill Nine 31700	Other Governmental
ASSETS			
Cash and Cash Equivalents	\$ 650,891	\$ 327,136	\$ 209,240
Investments	0	0	0
Receivables			
Taxes	0	446	474
Due From Grantor	0	42,334	30,281
Interfund Balances	0	0	0
Inventory	0	0	1,680
Total Assets	\$ 650,891	\$ 369,916	\$ 241,675
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 40
Interfund Balances	0		30,281
Total Liabilities	0	0	30,321
Fund Balances			
Nonspendable-Inventory	0	0	1,680
Restricted-Reported In			
Special Revenue Funds	0	0	120,902
Capital Projects Funds	650,891	369,916	0
Debt Service Fund	0	0	88,772
Unassigned-Reported In			
General Fund	0	0	0
Total Fund Balances	650,891	369,916	211,354
Total Liabilities and Fund Balances	\$ 650,891	\$ 369,916	\$ 241,675

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, 2014

	Total Governmental Funds
ASSETS	
Cash and Cash Equivalents	\$ 1,643,608
Investments	76
Receivables	
Taxes	1,030
Due From Grantor	143,040
Interfund Balances	88,262
Inventory	1,680
Total Assets	<u>\$ 1,877,696</u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts Payable	\$ 27,027
Interfund Balances	88,262
Total Liabilities	<u>115,289</u>
Fund Balances	
Nonspendable-Inventory	1,680
Restricted-Reported In	
Special Revenue Funds	120,902
Capital Projects Funds	1,020,807
Debt Service Fund	88,772
Unassigned-Reported In	
General Fund	530,246
Total Fund Balances	<u>1,762,407</u>
Total Liabilities and Fund Balances	<u>\$ 1,877,696</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 Position
 June 30, 2014

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

Total Fund Balance - Governmental Funds	\$	1,762,407
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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	\$	19,636,128	
Accumulated depreciation		<u>(11,247,774)</u>	8,388,354

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	(875,097)	
Accrued Interest	(9,660)	
Compensated Absences	<u>(39,500)</u>	<u>(924,257)</u>

Total Net Position - Governmental Activities	\$	<u><u>9,226,504</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, 2014

	General Fund		
	Operational 11000	Transportation 13000	Instructional Materials 14000
Revenues			
Property Taxes	\$ 15,556	\$ 0	\$ 0
Interest Income	83	0	0
Fees	0	0	0
State & Local Grants	2,415,912	295,469	13,967
Federal Grants	0	0	0
Miscellaneous	5,341	0	0
Total Revenues	<u>2,436,892</u>	<u>295,469</u>	<u>13,967</u>
Expenditures			
Current			
Instruction	1,622,176	0	19,668
Support Services			
Students	131,912	0	0
Instruction	97,353	0	0
General Administration	181,420	0	0
School Administration	142,773	0	0
Central Services	125,231	0	0
Operation of Plant	403,683	0	0
Student Transportation	15,424	295,469	0
Other Support Services	5,457	0	0
Food Services Operations	42,458	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Cost	0	0	0
Total Expenditures	<u>2,767,887</u>	<u>295,469</u>	<u>19,668</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(330,995)</u>	<u>0</u>	<u>(5,701)</u>
Other Financing Sources (Uses)			
Bond Issue Proceeds	0	0	0
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(330,995)	0	(5,701)
Fund Balances at Beginning of Year	<u>833,272</u>	<u>6,770</u>	<u>26,900</u>
Fund Balance End of Year	<u>\$ 502,277</u>	<u>\$ 6,770</u>	<u>\$ 21,199</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, 2014

	Special Revenue Fund		
	Title I 24101	IDEA B Risk Pool 24120	NM Reads to Lead 27114
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	0	0	44,750
Federal Grants	50,309	24,031	0
Miscellaneous	0	0	0
Total Revenues	50,309	24,031	44,750
Expenditures			
Current			
Instruction	48,938	22,489	44,750
Support Services			
Students	0	1,542	0
Instruction	0	0	0
General Administration	1,204	0	0
School Administration	114	0	0
Central Services	53	0	0
Operation of Plant	0	0	0
Student Transportation	0	0	0
Other Support Services	0	0	0
Food Services Operations	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Cost	0	0	0
Total Expenditures	50,309	24,031	44,750
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Other Financing Sources (Uses)			
Bond Issue Proceeds	0	0	0
Total Other Sources (Uses)	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balances at Beginning of Year	0	0	0
Fund Balance End of Year	\$ 0	\$ 0	\$ 0

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, 2014

	Capital Projects		
	Bond Building 31100	Senate Bill Nine 31700	Other Governmental
Revenues			
Property Taxes	\$ 0	\$ 62,445	\$ 68,737
Interest Income	152	31	21
Fees	0	0	43,483
State & Local Grants	0	42,334	16,811
Federal Grants	0	0	126,280
Miscellaneous	0	1,752,004	0
Total Revenues	<u>152</u>	<u>1,856,814</u>	<u>255,332</u>
Expenditures			
Current			
Instruction	0	0	79,929
Support Services			
Students	0	0	0
Instruction	0	0	13,405
General Administration	0	379	600
School Administration	0	0	13,612
Central Services	0	0	395
Operation of Plant	0	10,684	0
Student Transportation	0	0	0
Other Support Services	0	0	0
Food Services Operations	0	0	100,294
Capital Outlay	58,392	1,798,776	0
Debt Service			
Principal	0	0	80,000
Interest	0	0	8,040
Bond Issue Cost	40,869	0	0
Total Expenditures	<u>99,261</u>	<u>1,809,839</u>	<u>296,275</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(99,109)</u>	<u>46,975</u>	<u>(40,943)</u>
Other Financing Sources (Uses)			
Bond Issue Proceeds	750,000	0	0
Total Other Sources (Uses)	<u>750,000</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	650,891	46,975	(40,943)
Fund Balances at Beginning of Year	<u>0</u>	<u>322,941</u>	<u>252,297</u>
Fund Balance End of Year	<u>\$ 650,891</u>	<u>\$ 369,916</u>	<u>\$ 211,354</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, 2014

	Total Governmental Funds
Revenues	
Property Taxes	\$ 146,738
Interest Income	287
Fees	43,483
State & Local Grants	2,829,243
Federal Grants	200,620
Miscellaneous	1,757,345
Total Revenues	<u>4,977,716</u>
Expenditures	
Current	
Instruction	1,837,950
Support Services	
Students	133,454
Instruction	110,758
General Administration	183,603
School Administration	156,499
Central Services	125,679
Operation of Plant	414,367
Student Transportation	310,893
Other Support Services	5,457
Food Services Operations	142,752
Capital Outlay	1,857,168
Debt Service	
Principal	80,000
Interest	8,040
Bond Issue Cost	40,869
Total Expenditures	<u>5,407,489</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(429,773)</u>
Other Financing Sources (Uses)	
Bond Issue Proceeds	750,000
Total Other Sources (Uses)	<u>750,000</u>
Net Change in Fund Balance	320,227
Fund Balances at Beginning of Year	<u>1,442,180</u>
Fund Balance End of Year	<u>\$ 1,762,407</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, 2014

Net Change in Fund Balance-Governmental Funds \$ 320,227

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 Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.

Depreciation expense	\$ (281,410)	
Capital Outlays	<u>1,857,168</u>	1,575,758

The issuance of long-term debt provides current financial resources to governmental funds but has no effect on net assets. (750,000)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Accrued interest does not require the use of current financial resources and therefore is not reported as expenditures in governmental funds.

Principal paid for bonds	80,000	
Accrued Interest on Bonds, June 30, 2013	3,983	
Accrued Interest on Bonds, June 30, 2014	<u>(9,660)</u>	74,323

Bond issue costs are amortized in the Statement of Activities but are an expenditure in the governmental funds.

Issue Costs	40,869	
Amortization of Issue Cost this year	<u>(966)</u>	39,903

Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences, June 30, 2013	29,905	
Compensated Absences, June 30, 2014	<u>(39,500)</u>	<u>(9,595)</u>

Changes in Net Position of Governmental Activities \$ 1,250,616

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, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 15,360	\$ 15,360	\$ 15,788	\$ 428
Interest Income	100	100	83	(17)
State Grant	2,380,466	2,410,777	2,415,912	5,135
Miscellaneous	24,600	24,600	11,020	(13,580)
Total Revenues	<u>2,420,526</u>	<u>2,450,837</u>	<u>2,442,803</u>	<u>(8,034)</u>
Expenditures				
Instruction				
Personnel Services	1,137,146	1,137,146	1,072,191	64,955
Employee Benefits	400,700	420,700	435,672	(14,972)
Professional & Technical Services	26,050	26,050	15,719	10,331
Purchased Property Services	5,000	5,000	756	4,244
Other Purchased Services	77,756	57,756	44,026	13,730
Supplies	71,000	71,000	44,451	26,549
Supply Assets	25,250	25,250	13,255	11,995
Total Instruction	<u>1,742,902</u>	<u>1,742,902</u>	<u>1,626,070</u>	<u>116,832</u>
Support Services				
Students				
Personnel Services	106,030	105,010	87,110	17,900
Employee Benefits	21,470	22,490	30,837	(8,347)
Professional & Tech Services	70,500	70,500	13,966	56,534
Other Purchased Services	5,000	5,000	0	5,000
Supplies	5,000	5,000	0	5,000
Supply Assets	1,000	1,000	0	1,000
Total Students	<u>209,000</u>	<u>209,000</u>	<u>131,913</u>	<u>77,087</u>
Instruction				
Personnel Services	63,090	69,890	69,690	200
Employee Benefits	23,955	25,755	24,375	1,380
Professional & Technical Services	1,000	0	0	0
Other Purchased Services	5,200	200	415	(215)
Supplies	3,000	3,405	2,873	532
Total Instruction	<u>96,245</u>	<u>99,250</u>	<u>97,353</u>	<u>1,897</u>
General Administration				
Personnel Services	111,305	111,305	109,695	1,610
Employee Benefits	36,400	36,400	35,154	1,246
Professional & Technical Services	25,100	30,867	22,628	8,239
Other Purchased Services	9,500	12,200	9,173	3,027
Supplies	14,500	14,500	5,442	9,058
Supply Assets	1,629	79	0	79
Total General Administration	<u>\$ 198,434</u>	<u>\$ 205,351</u>	<u>\$ 182,092</u>	<u>\$ 23,259</u>

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, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Support Services-Continued				
School Administration				
Personnel Services	\$ 111,886	\$ 111,886	\$ 111,375	\$ 511
Employee Benefits	31,923	30,823	28,855	1,968
Professional & Technical Services	1,500	1,500	390	1,110
Other Purchased Services	0	2,489	1,855	634
Supplies	700	700	244	456
Supply Assets	500	500	54	446
Total School Administration	<u>146,509</u>	<u>147,898</u>	<u>142,773</u>	<u>5,125</u>
Central Services				
Personnel Services	87,401	87,401	84,504	2,897
Employee Benefits	35,586	35,586	29,468	6,118
Professional & Technical Services	4,000	4,000	1,300	2,700
Other Purchased Services	11,000	11,000	8,343	2,657
Supplies	3,000	3,000	746	2,254
Supply Assets	0	0	371	(371)
Total Central Services	<u>140,987</u>	<u>140,987</u>	<u>124,732</u>	<u>16,255</u>
Operation & Maintenance of Plant				
Personnel Services	94,800	104,800	90,060	14,740
Employee Benefits	20,387	21,387	20,977	410
Professional & Technical Services	5,100	5,100	6,826	(1,726)
Purchased Property Services	133,825	133,825	143,949	(10,124)
Other Purchased Services	112,050	107,050	86,504	20,546
Supplies	98,000	98,000	53,596	44,404
Supply Assets	9,406	9,406	2,016	7,390
Total Operation & Maintenance of	<u>473,568</u>	<u>479,568</u>	<u>403,928</u>	<u>75,640</u>
Student Transportation				
Professional & Technical Services	4,700	4,700	1,367	3,333
Purchased Property Services	2,000	10,000	10,532	(532)
Other Purchased Services	1,600	1,600	3,525	(1,925)
Total Student Transportation	<u>8,300</u>	<u>16,300</u>	<u>15,424</u>	<u>876</u>
Other				
Miscellaneous	<u>11,365</u>	<u>16,365</u>	<u>7,819</u>	<u>8,546</u>
Total Other	<u>11,365</u>	<u>16,365</u>	<u>7,819</u>	<u>8,546</u>
Total Support Services	\$ <u>1,284,408</u>	\$ <u>1,314,719</u>	\$ <u>1,106,034</u>	\$ <u>208,685</u>

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, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Food Service Operations				
Personnel Services	\$ 30,500	\$ 30,500	\$ 22,175	\$ 8,325
Employee Benefits	24,856	24,856	20,283	4,573
Professional & Technical Services	1,700	1,700	0	1,700
Other Purchased Services	500	500	0	500
Supplies	1,200	1,200	0	1,200
Supply Assets	500	500	0	500
Total Food Service Operations	<u>59,256</u>	<u>59,256</u>	<u>42,458</u>	<u>16,798</u>
Total Expenditures	<u>3,086,566</u>	<u>3,116,877</u>	<u>2,774,562</u>	<u>342,315</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(666,040)</u>	<u>(666,040)</u>	<u>(331,759)</u>	<u>334,281</u>
Other Financing Sources (Uses)				
Due from Debt Service	<u>0</u>	<u>0</u>	<u>13,271</u>	<u>13,271</u>
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>13,271</u>	<u>13,271</u>
Net Change in Cash Balance	(666,040)	(666,040)	(318,488)	347,552
Cash Balance Beginning of Year	<u>835,198</u>	<u>835,198</u>	<u>835,198</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 169,158</u>	<u>\$ 169,158</u>	<u>\$ 516,710</u>	<u>\$ 347,552</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ (318,488)	
Net Change in Taxes Receivable			(232)	
Net Change in Other Receivable			12,334	
Due from Debt Service Fund			(13,271)	
Net Change in Accounts Payable			(11,338)	
Net Change in Fund Balance			<u>\$ (330,995)</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, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 289,759	\$ 295,469	\$ 295,469	\$ 0
Total Revenues	<u>289,759</u>	<u>295,469</u>	<u>295,469</u>	<u>0</u>
Expenditures				
Support Services				
Student Transportation				
Professional & Technical Services	11,591	11,647	12,383	(736)
Purchased Property Services	42,933	43,162	43,367	(205)
Other Purchased Services	<u>235,235</u>	<u>240,660</u>	<u>239,719</u>	<u>941</u>
Total Student Transportation	<u>289,759</u>	<u>295,469</u>	<u>295,469</u>	<u>0</u>
Total Support Services	<u>289,759</u>	<u>295,469</u>	<u>295,469</u>	<u>0</u>
Total Expenditures	<u>289,759</u>	<u>295,469</u>	<u>295,469</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>6,770</u>	<u>6,770</u>	<u>6,770</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 6,770</u>	<u>\$ 6,770</u>	<u>\$ 6,770</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
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
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, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 14,805	\$ 14,805	\$ 13,967	\$ (838)
Total Revenues	<u>14,805</u>	<u>14,805</u>	<u>13,967</u>	<u>(838)</u>
Expenditures				
Instruction				
Supplies	14,805	14,805	19,668	(4,863)
Total Instruction	<u>14,805</u>	<u>14,805</u>	<u>19,668</u>	<u>(4,863)</u>
Total Expenditures	<u>14,805</u>	<u>14,805</u>	<u>19,668</u>	<u>(4,863)</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(5,701)	(5,701)
Cash Balance Beginning of Year	<u>26,900</u>	<u>26,900</u>	<u>26,900</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 26,900</u>	<u>\$ 26,900</u>	<u>\$ 21,199</u>	<u>\$ (5,701)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(5,701)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(5,701)</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, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 77,810	\$ 86,669	\$ 56,275	\$ (30,394)
Total Revenues	<u>77,810</u>	<u>86,669</u>	<u>56,275</u>	<u>(30,394)</u>
Expenditures				
Instruction				
Personnel Services	31,000	31,000	30,300	700
Employee Benefits	20,410	20,410	6,972	13,438
Professional & Tech Services	500	500	120	380
Other Purchased Services	246	246	100	146
Supplies	1,000	7,359	11,337	(3,978)
Total Instruction	<u>53,156</u>	<u>59,515</u>	<u>48,829</u>	<u>10,686</u>
Support Services				
Students				
Supplies	5,620	5,620	0	5,620
Total Students	<u>5,620</u>	<u>5,620</u>	<u>0</u>	<u>5,620</u>
General Administration				
Professional & Technical Service	1,400	1,400	1,204	196
Total General Administration	<u>1,400</u>	<u>1,400</u>	<u>1,204</u>	<u>196</u>
School Administration				
Other Purchased Services	0	2,000	114	1,886
Total School Administration	<u>0</u>	<u>2,000</u>	<u>114</u>	<u>1,886</u>
Central Services				
Other Purchased Services	0	500	52	448
Total Central Services	<u>0</u>	<u>500</u>	<u>52</u>	<u>448</u>
Total Support Services	<u>7,020</u>	<u>9,520</u>	<u>1,370</u>	<u>8,150</u>
Total Expenditures	<u>60,176</u>	<u>69,035</u>	<u>50,199</u>	<u>18,836</u>
Excess (Deficiency) of Revenues Over Expenditures	17,634	17,634	6,076	(11,558)
Cash Balance Beginning of Year	<u>(17,634)</u>	<u>(17,634)</u>	<u>(17,634)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (11,558)</u>	<u>\$ (11,558)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 6,076	
Net Change in Due from Grantor			(5,966)	
Net change in Accounts Payable			(110)	
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 B RISK POOL-24120
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 24,460	\$ 24,460	\$ 0	\$ (24,460)
Total Revenues	<u>24,460</u>	<u>24,460</u>	<u>0</u>	<u>(24,460)</u>
Expenditures				
Instruction				
Personnel Services	22,489	22,489	22,489	0
Supplies	429	429	0	429
Total Instruction	<u>22,918</u>	<u>22,918</u>	<u>22,489</u>	<u>429</u>
Support Services				
Students				
Personnel Services	1,187	1,187	1,187	0
Employee Benefits	355	355	355	0
Total Students	<u>1,542</u>	<u>1,542</u>	<u>1,542</u>	<u>0</u>
Total Support Services	<u>1,542</u>	<u>1,542</u>	<u>1,542</u>	<u>0</u>
Total Expenditures	<u>24,460</u>	<u>24,460</u>	<u>24,031</u>	<u>429</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(24,031)	(24,031)
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>\$ (24,031)</u>	<u>\$ (24,031)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (24,031)	
Net Change in Due from Grantor			<u>24,031</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-NM READS TO LEAD-27114
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 45,535	\$ 45,535	\$ 22,248	\$ (23,287)
Total Revenues	<u>45,535</u>	<u>45,535</u>	<u>22,248</u>	<u>(23,287)</u>
Expenditures				
Instruction				
Personnel Services	27,000	27,000	26,801	199
Employee Benefits	<u>18,535</u>	<u>18,535</u>	<u>17,949</u>	<u>586</u>
Total Instruction	<u>45,535</u>	<u>45,535</u>	<u>44,750</u>	<u>785</u>
Total Expenditures	\$ <u>45,535</u>	\$ <u>45,535</u>	\$ <u>44,750</u>	\$ <u>785</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 0	\$ (22,502)	\$ (22,502)
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>(22,502)</u>	\$ <u>(22,502)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (22,502)	
Net Change in Due from Grantor			<u>22,502</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
Statement of Fiduciary Assets and Liabilities-Agency Funds
June 30, 2014

	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ 109,389
Total Assets	<u>\$ 109,389</u>
Liabilities	
Deposits Held for Others	\$ 109,389
Total Liabilities	<u>\$ 109,389</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 (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. The more significant of the District's accounting policies are described below.

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 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.

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.

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2014

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

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

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 B Risk Pool (24120). 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.

NM Reads to Lead (27114). To account for revenue and expenditures received from a state grant for the purpose of improving skills of young students in the area of reading. The fund was created by the authority of state grant provisions.

MAJOR CAPITAL PROJECTS

Bond Building (31100). The revenues are derived from a School Building Bond Issue. The expenditures are restricted to major capital improvements.

Senate Bill Nine (31700). The revenues are derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements.

Measurement Focus and Basis of Accounting
Government-Wide Financial Statements (GWFS)

The Statement of Net Position 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 Assets and Liabilities at the fund financial statement level.

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The Statement of Net Position 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, deferred outflows or resources, liabilities and deferred inflows or resources 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.

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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.

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.
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.

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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.

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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 Position 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.

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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 Position

For the Government-Wide Statement of Net Position, net positions are reported as restricted when constraints placed on net positions 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 position are available it will first be applied to restricted resources.

Fund Balances of Fund Financial Statements

Nonspendable fund balance indicates that portion of fund equity is not spendable such as inventory.

The restricted fund balance category includes amounts that can be spent only for specific purposes stipulated by constitution, external resources providers, or through enabling legislation.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned fund balance is the residual amount that is not restricted or committed.

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.

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Deferred Revenue

The District reports deferred revenues on its Statement of Net Position 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.

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.

Portales National Bank	Balance Per Bank 6/30/14	Reconciled Balance	Type	
Debt Service	\$ 88,299	\$ 88,299	Checking	Interest
Bond Account	650,892	650,892	Checking	Interest
Capital Improvements	313,931	313,931	Checking	Interest
Dora Schools Capital Imp.	13,214	13,214	Savings	Interest
Operational	468,344	454,020	Checking	Interest
Payroll Clearing	108,660	2,325	Checking	Non-Interest
Federal	0	0	Checking	Non-Interest
Athletic Fund	16,558	16,509	Checking	Interest
Lunch Fund	104,482	104,433	Checking	Interest
Activity Fund	97,534	96,363	Checking	Interest
TOTAL Deposited	<u>1,861,914</u>	<u>\$ 1,739,986</u>		
Less: FDIC Coverage	<u>(250,000)</u>			
Uninsured Amount	1,611,914			
50% collateral requirement	805,957			
Pledged securities	<u>1,015,000</u>			
Over (Under) requirement	<u>\$ 209,043</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/</u> <u>Market Value</u>	<u>Maturity Date</u>	<u>Location</u>
Grants & Cibola Co NM SD #1	388240GB3	\$ 200,000	11/15/2014 *	TIB
Lea Co NM PSD #8 Eunice BQ GO	521513BZ3	115,000	07/15/2014 *	TIB
Lea Co NM PSD #8 Eunice BQ GO	521513BQ3	100,000	01/15/2016 *	TIB
San Juan Cnty NM ISD BQ NONC GO	798359JC0	200,000	08/01/2013 *	TIB
Roswell NM ISD	778550HJ5	50,000	08/01/2015 *	TIB
San Juan Cnty NM ISD BQ NONC GO	798359JC0	100,000	08/01/2014 *	TIB
Clovis NM Muni SD #1 BQ GO	189414JW6	100,000	08/01/2016 *	TIB
Portales NM Muni SD #1 BQ Call GO	736151CZ2	150,000	02/01/2016 *	TIB
		<u>\$ 1,015,000</u>		

* Texas Independent Bank,
Dallas, Texas

Wells Fargo

<u>Name of Account</u>	<u>Balance</u> <u>Per Bank</u> <u>6/30/14</u>	<u>Reconciled</u> <u>Balance</u>	<u>Type</u>	<u>Interest</u>
Clinton Clark Scholarship	\$ 1,509	\$ 1,509	CD	Interest
Clinton Clark Scholarship	11,502	11,502	CD	Interest
TOTAL Deposited	13,011	<u>\$ 13,011</u>		
Less: FDIC Coverage	(13,011)			
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</u> <u>Balance</u>
Insured	\$ 263,011
Collateralized:	
Collateral held by the pledging bank in District's name	1,015,000
Uninsured and uncollateralized	596,914
Total Deposits	<u>\$ 1,874,925</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, 2014 \$596,914 of the District's bank balance of \$1,874,925 was exposed to custodial credit risk.

New Mexico State Treasurer

<u>Name of Account</u>	<u>Balance</u>
Dora Bond Building RCF	\$ 1
Dora Oper RCF	18
Dora Oper RCF	1
Dora Capital Improvements RCF	41
Dora Activity RCF	15
TOTAL Deposited	<u>\$ 76</u>

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GASB Statement No. 40, Deposit and Investment Risk Disclosures, relates to how deposits and investments are reported in the annual financial statements of governmental entities. GASB Statement No. 40 disclosures inform financial statement users about deposit and investment risks that could affect a government’s ability to provide services and meet its obligations as they become due. GASB Statement No. 40 requires governments to disclose deposit and investment risks related to credit risk (including custodial credit risk), concentration of credit risk, interest rate risk, and foreign currency risk. The State Treasurer’s Office provides the following information regarding the LGIP:

1. With respect to credit risk, the LGIP, a government investment pool, is rated AAAM by Standard & Poor’s. Therefore, the LGIP reports AAAM for credit risk. Public funds are not required to disclose custodial credit risk for external investment pools. Therefore, the LGIP is exempt from this requirement.

2. GASB Statement No. 40 defines concentration of credit risk as investments of more than 5% in any one issuer. External investment pools, such as the LGIP, are excluded from the requirement of disclosing concentration of credit risk. Therefore, the LGIP is exempt from this disclosure. However, our investment portfolio is posted on the State Treasurer’s Office website, www.nmsto.gov, and available for review by participants at any time.

3. GASB Statement No. 40 defines interest rate risk as the risk that interest rate variations may adversely affect the fair value of an investment. According to GASB Statement No. 40, an acceptable method for reporting interest rate risk is weighted average maturity (“WAM”). The State Treasurer’s Office uses this method for reporting purposes for the LGIP. The WAM of the LGIP is identified on the monthly LGIP investment report found on the State Treasurer’s Office website at www.nmsto.gov. As of June 30, 2014, the LGIP WAM(R) is 59 days and WAM(F) is 96 days.

4. Finally, with respect to foreign currency risk, all investments in the LGIP are in U.S. dollar denominated assets. Therefore, the LGIP has no foreign currency risk.

NOTE C: INTERFUND BALANCES AND ACTIVITY

Loans and transfers to and from funds during the year ending June 30, 2014 were as follows:

Interfund Balances		Amount:
From:	To:	
Operational Fund	Title I	\$ 11,448
	IDEA B Risk Pool	24,031
	NM Reads to Lead	22,502
	Other Governmental Funds	30,281
	Total Interfund Balances	\$ 88,262

The above loans were to cover shortfalls. They will be paid back within one year.

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NOTE D: TAXES RECEIVABLE

Following is a schedule of property taxes receivable as of June 30, 2014:

	General Fund 11000	Senate Bill Nine 31700	Debt Service 41000
Property Taxes Receivable:			
Available	\$ 110	446	474
Unavailable	0	0	0
TOTAL Property Taxes Receivable	\$ 110	\$ 446	\$ 474

NOTE E: DUE FROM OTHER GOVERNMENT UNITS

Amounts due from other agencies and units of government were as follows as of June 30, 2014:

Federal Agencies	\$ 89,840
State Agencies	53,200
Total	\$ 143,040

NOTE F: CAPITAL ASSETS

Capital Assets Balances and Activity for the Year Ended June 30, 2014, is as follows:

	Balance 6/30/13	Increases	Decreases	Balance 6/30/14
Governmental Activities				
Capital Assets, not being Depreciated				
Land	\$ 39,620	\$ 0	\$ 0	\$ 39,620
Total Capital Assets, not being Depreciated	39,620	0	0	39,620
Capital Assets, being Depreciated				
Buildings & Improvements	17,229,939	1,843,688	0	19,073,627
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	543,871	13,480	34,470	522,881
Total Capital Assets, being Depreciated	17,773,810	1,857,168	34,470	19,596,508
Total Capital Assets	17,813,430	1,857,168	34,470	19,636,128
Less Accumulated Depreciation				
Buildings & Improvements	10,658,258	229,651	0	10,887,909
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	342,576	51,759	34,470	359,865
Total Accumulated Depreciation	11,000,834	281,410	34,470	11,247,774
Capital Assets, net	\$ 6,812,596	\$ 1,575,758	\$ 0	\$ 8,388,354

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Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 229,651
Operation of Plant	51,759
Total Depreciation Expenses	<u>\$ 281,410</u>

NOTE G: LONG TERM DEBT

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

	Balance 6/30/13	Additions	Reductions	Balance 6/30/14	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ 245,000	\$ 750,000	\$ 80,000	\$ 915,000	\$ 80,000
Other Liabilities					
Compensated Absences	29,905	15,891	6,296	39,500	39,500
Total Other Liabilities	29,905	15,891	6,296	39,500	39,500
Long-Term Liabilities	<u>\$ 274,905</u>	<u>\$ 765,891</u>	<u>\$ 86,296</u>	<u>\$ 954,500</u>	<u>\$ 119,500</u>

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

Above Balance	\$ 915,000
Issue Costs	(40,869)
Accumulated Amortization	966
Statement of Net Assets	<u>\$ 875,097</u>
Government Wide Statements	
Amount Reported as Current Amount Due	\$ 80,000
Amount Reported as Long-Term Due	795,097
Statement of Net Assets	<u>\$ 875,097</u>

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%	\$ 165,000
2014	3/1/14	750,000	3%-3.6%	750,000

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\$ 915,000

The annual requirements to amortize the 2003 Series general obligation bonds as of June 30, 2014, including interest payments are as follows:

	Principal	Interest	Total
2015	\$ 80,000	\$ 4,960	\$ 84,960
2016	85,000	1,700	86,700
	<u>\$ 165,000</u>	<u>\$ 6,660</u>	<u>\$ 171,660</u>

The annual requirements to amortize the 2014 Series general obligation bonds as of June 30, 2014, including interest payments are as follows:

	Principal	Interest	Total
2015	\$ 0	\$ 23,805	\$ 23,805
2016	60,000	23,805	83,805
2017	60,000	22,005	82,005
2018	65,000	20,205	85,205
2019	55,000	18,255	73,255
2020-2024	300,000	65,565	365,565
2024-2027	210,000	14,840	224,840
	<u>\$ 750,000</u>	<u>\$ 188,480</u>	<u>\$ 938,480</u>

NOTE I: COMMITMENTS

The District has various construction commitments at June 30, 2014. Bond issue proceeds will be used to fund the projects.

NOTE J: PENSION PLAN

Plan Description

Substantially all of the District's full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members (certified teachers, and other employees of state public school districts, colleges and universities and some state agency employees) 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.

Funding Policy

Member Contributions-Plan members whose annual salary is \$20,000 or less are required by statute to contribute 7.9% of their gross salary. Plan members whose annual salary is over \$20,000 are required make the following contributions to the Plan: 10.10% of their gross salary in the fiscal year 2014; and 10.17% of their gross salary in fiscal year 2015 and thereafter.

Employer Contributions-The District contributed 13.15% of the gross covered salary in the fiscal year 2014. In fiscal year 2014 the District will contribute 13.9% of gross covered salary.

The contribution requirements of the 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, 2014, 2013, and 2012, were \$232,158, \$187,004, and \$151,601, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE K: RETIREE HEALTH CARE ACT CONTRIBUTIONS

Plan Description. The District contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit 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.

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.

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

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2014

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2014, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2014, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2014, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act. The District is not a member of the enhanced retirement plan.

The District's contributions to the RHCA for the years ended June 30, 2014, 2013 and 2012 were \$35,309, \$34,343 and \$30,039 respectively, which equal the required contributions for each year.

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.

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
 Notes to the Financial Statements
 June 30, 2014

The REC funds include IDEA, Part B Entitlement and IDEA Preschool. The REC has not reimbursed the District or paid expenditures on behalf of the District. The REC assisted in writing the SPED Federal grants.

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.

NOTE P: BUDGET VIOLATIONS

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

The following funds had budget violations as of June 30, 2014.

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Instructional Materials-14000 Instruction	\$ 14,805	\$ 14,805	\$ 19,668	\$ (4,863)

**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, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 0	\$ 0	\$ 152	\$ 152
Bond Issue	750,000	750,000	750,000	0
Total Revenues	<u>750,000</u>	<u>750,000</u>	<u>750,152</u>	<u>152</u>
Expenditures				
Capital Outlay				
Professional & Tech Services	150,000	150,000	58,392	91,608
Purchased Property	550,000	550,000	0	550,000
Fixed Assets	50,000	50,000	0	50,000
Bond Issue Cost	0	0	40,869	(40,869)
Total Capital Outlay	<u>750,000</u>	<u>750,000</u>	<u>99,261</u>	<u>650,739</u>
Total Expenditures	<u>750,000</u>	<u>750,000</u>	<u>99,261</u>	<u>650,739</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	650,891	650,891
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>\$ 650,891</u>	<u>\$ 650,891</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 650,891</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 650,891</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, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 61,656	\$ 61,656	\$ 63,375	\$ 1,719
Interest Income	40	40	31	(9)
State Grant	0	42,334	0	(42,334)
Total Revenues	<u>61,696</u>	<u>104,030</u>	<u>63,406</u>	<u>(40,624)</u>
Expenditures				
Support Services				
General Administration				
Professional & Tech Services	0	1,000	379	621
Total General Administration	<u>0</u>	<u>1,000</u>	<u>379</u>	<u>621</u>
Total Support Services	<u>0</u>	<u>1,000</u>	<u>379</u>	<u>621</u>
Capital Outlay				
Purchased Property Services	244,245	260,579	7,498	253,081
Supplies	30,000	30,000	98	29,902
Fixed Assets	0	0	46,772	(46,772)
Supply Assets	56,696	81,696	3,088	78,608
Total Capital Outlay	<u>330,941</u>	<u>372,275</u>	<u>57,456</u>	<u>314,819</u>
Total Expenditures	<u>330,941</u>	<u>373,275</u>	<u>57,835</u>	<u>315,440</u>
Excess (Deficiency) of Revenues Over Expenditures	(269,245)	(269,245)	5,571	274,816
Cash Balance Beginning of Year	<u>321,565</u>	<u>321,565</u>	<u>321,565</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 52,320</u>	<u>\$ 52,320</u>	<u>\$ 327,136</u>	<u>\$ 274,816</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 5,571	
Net change in Taxes Receivable			(930)	
Net change in Due from Grantor			42,334	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 46,975</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

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.

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

IDEA 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 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.

IDEA B Coordinated Early Intervening Services (CEIS) (24112). 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.

Improving Teacher Quality (24154). 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).

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.

Dual Credits Instructional Materials (27103). To provide funding to the District to purchase college books for students attending college classes and obtaining dual credits. The fund was created by grant provisions.

2010 GO Student Library (27106). 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.

2012 GO Student Library (27107). 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.

NONMAJOR SPECIAL REVENUE FUNDS

NM Grown Fresh Fruits & Veggies-(27183) To account for revenues and expenditures from a state appropriation for the purchase of New Mexico grown fresh fruits and vegetables for school meal programs. The fund was created by grant provisions.

Next Generation (27185). To account for the revenues and expenditure from a state appropriation to remediate deficiencies in computer devices compliant with the Partnership for Assessment of Readiness for College and Careers assessment requirements. The fund was created by grant provisions.

NON-MAJOR CAPITAL PROJECTS

Special Capital Outlat State (31400). To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of upgrading buildings.

NON-MAJOR DEBT SERVICE

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.

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2014

	Food Service 21000	Athletics 22000	IDEA B Entitlement 24106
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 104,433	\$ 16,509	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	10,644
Inventory	1,680	0	0
Total Assets	<u>\$ 106,113</u>	<u>\$ 16,509</u>	<u>\$ 10,644</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 40	\$ 0	\$ 0
Interfund Balances	0	0	10,644
Total Liabilities	<u>40</u>	<u>0</u>	<u>10,644</u>
Fund Balances			
Nonspendable-Inventory	1,680	0	0
Restricted-Reported In			
Special Revenue Funds	104,393	16,509	0
Debt Service Fund	0	0	0
Total Fund Balances	<u>106,073</u>	<u>16,509</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 106,113</u>	<u>\$ 16,509</u>	<u>\$ 10,644</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, 2014

	IDEA Preschool 24109	IDEA B CEIS 24112	Improving Teacher Quality 24154
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	2,838	0	5,047
Inventory	0	0	0
Total Assets	<u>\$ 2,838</u>	<u>\$ 0</u>	<u>\$ 5,047</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	2,838	0	5,047
Total Liabilities	<u>2,838</u>	<u>0</u>	<u>5,047</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue Funds	0	0	0
Debt Service Fund	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 2,838</u>	<u>\$ 0</u>	<u>\$ 5,047</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, 2014

	Rural Education Achievement Program 25233	Duel Credit Instructional Materials 27103	2010 GO Student Library 27106
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	886	2,815	1,536
Inventory	0	0	0
Total Assets	\$ 886	\$ 2,815	\$ 1,536
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	886	2,815	1,536
Total Liabilities	886	2,815	1,536
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue Funds	0	0	0
Debt Service Fund	0	0	0
Total Fund Balances	0	0	0
Total Liabilities and Fund Balance	\$ 886	\$ 2,815	\$ 1,536

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, 2014

	2012 GO Student Library <u>27107</u>	NM Grown Fresh Fruit & Veggies <u>27183</u>	Next Generation Assessment <u>27185</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	5,924	591	0
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$ 5,924</u>	<u>\$ 591</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 0
Interfund Balances	<u>5,924</u>	<u>591</u>	<u>0</u>
Total Liabilities	<u>5,924</u>	<u>591</u>	<u>0</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted-Reported In			
Special Revenue Funds	0	0	0
Debt Service Fund	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 5,924</u>	<u>\$ 591</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 Balance Sheet
June 30, 2014

	Special Capital Outlay State 31400	Debt Service 41000	Total
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 88,298	\$ 209,240
Receivables			
Taxes	0	474	474
Due From Grantor	0	0	30,281
Inventory	0	0	1,680
Total Assets	<u>\$ 0</u>	<u>\$ 88,772</u>	<u>\$ 241,675</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 0	\$ 0	\$ 40
Interfund Balances	0	0	30,281
Total Liabilities	<u>0</u>	<u>0</u>	<u>30,321</u>
Fund Balances			
Nonspendable-Inventory	0	0	1,680
Restricted-Reported In			
Special Revenue Funds	0	0	120,902
Debt Service Fund	0	88,772	88,772
Total Fund Balances	<u>0</u>	<u>88,772</u>	<u>211,354</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 88,772</u>	<u>\$ 241,675</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2014

	Food Service 21000	Athletics 22000	Entitlement 24106
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	12	2	0
Fees	23,289	20,194	0
State & Local Grants	0	0	0
Federal Grants	56,124	0	37,787
Total Revenues	79,425	20,196	37,787
Expenditures			
Current			
Instruction	0	21,175	24,529
Support Services			
Instruction	0	0	0
General Administrative	0	0	210
School Administrative	0	0	13,048
Central Services	0	0	0
Food Service Operations	99,703	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	99,703	21,175	37,787
Excess (Deficiency) of Revenues Over Expenditures	(20,278)	(979)	0
Fund Balances at Beginning of Year	126,351	17,488	0
Fund Balance End of Year	\$ 106,073	\$ 16,509	\$ 0

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2014

	IDEA Preschool <u>24109</u>	IDEA B CEIS <u>24112</u>	Improving Teacher Quality <u>24154</u>
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	0	0	0
Federal Grants	16,225	0	5,483
Total Revenues	<u>16,225</u>	<u>0</u>	<u>5,483</u>
Expenditures			
Current			
Instruction	16,225	0	4,919
Support Services			
Instruction	0	0	0
General Administrative	0	0	0
School Administrative	0	0	564
Central Services	0	0	0
Food Service Operations	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>16,225</u>	<u>0</u>	<u>5,483</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
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>\$ 0</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2014

	Rural Education Achievement Program 25233	Duel Credit Instructional Materials 27103	2010 GO Student Library 27106
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	0	2,815	1,536
Federal Grants	10,661	0	0
Total Revenues	10,661	2,815	1,536
Expenditures			
Current			
Instruction	10,266	2,815	0
Support Services			
Instruction	0	0	1,536
General Administrative	0	0	0
School Administrative	0	0	0
Central Services	395	0	0
Food Service Operations	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	10,661	2,815	1,536
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	0	0	0
Fund Balance End of Year	\$ 0	\$ 0	\$ 0

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2014

	2012 GO Student Library <u>27107</u>	NM Grown Fresh Fruit & Veggies <u>27183</u>	Next Generation Assessment <u>27185</u>
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State & Local Grants	5,924	591	5,945
Federal Grants	0	0	0
Total Revenues	<u>5,924</u>	<u>591</u>	<u>5,945</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services			
Instruction	5,924	0	5,945
General Administrative	0	0	0
School Administrative	0	0	0
Central Services	0	0	0
Food Service Operations	0	591	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>5,924</u>	<u>591</u>	<u>5,945</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
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>\$ 0</u>

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

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2014

	Special Capital Outlay State 31400	Debt Service 41000	Total
Revenues			
Property Taxes	\$ 0	\$ 68,737	\$ 68,737
Interest Income	0	7	21
Fees	0	0	43,483
State & Local Grants	0	0	16,811
Federal Grants	0	0	126,280
Total Revenues	0	68,744	255,332
Expenditures			
Current			
Instruction	0	0	79,929
Support Services			
Instruction	0	0	13,405
General Administrative	0	390	600
School Administrative	0	0	13,612
Central Services	0	0	395
Food Service Operations	0	0	100,294
Debt Service			
Principal	0	80,000	80,000
Interest	0	8,040	8,040
Total Expenditures	0	88,430	296,275
Excess (Deficiency) of Revenues Over Expenditures	0	(19,686)	(40,943)
Fund Balances at Beginning of Year	0	108,458	252,297
Fund Balance End of Year	\$ 0	\$ 88,772	\$ 211,354

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, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 10	\$ 10	\$ 12	\$ 2
Fees	19,000	19,000	23,289	4,289
Federal Grant	50,000	50,000	56,124	6,124
Total Revenues	<u>69,010</u>	<u>69,010</u>	<u>79,425</u>	<u>10,415</u>
Expenditures				
Food Service Operations				
Personnel Services	22,400	22,400	28,151	(5,751)
Employee Benefits	13,980	13,980	16,675	(2,695)
Professional & Technical Service	3,000	3,000	629	2,371
Purchased Property Services	1,500	1,500	0	1,500
Other Purchased Services	750	750	317	433
Supplies	126,316	126,316	52,641	73,675
Supply Assets	5,880	5,880	1,403	4,477
Total Food Service Operations	<u>173,826</u>	<u>173,826</u>	<u>99,816</u>	<u>74,010</u>
Total Expenditures	<u>173,826</u>	<u>173,826</u>	<u>99,816</u>	<u>74,010</u>
Excess (Deficiency) of Revenues Over Expenditures	(104,816)	(104,816)	(20,391)	84,425
Cash Balance Beginning of Year	<u>124,824</u>	<u>124,824</u>	<u>124,824</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 20,008</u>	<u>\$ 20,008</u>	<u>\$ 104,433</u>	<u>\$ 84,425</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (20,391)	
Net change in Inventory			153	
Net change in Accounts Payable			(40)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (20,278)</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-ATHLETICS-22000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 5	\$ 5	\$ 2	\$ (3)
Fees	15,000	15,000	20,194	5,194
Total Revenues	<u>15,005</u>	<u>15,005</u>	<u>20,196</u>	<u>5,191</u>
Expenditures				
Instruction				
Other Purchased Services	14,798	14,798	20,606	(5,808)
Supplies	2,500	2,500	569	1,931
Supply Assets	6,000	6,000	0	6,000
Total Instruction	<u>23,298</u>	<u>23,298</u>	<u>21,175</u>	<u>2,123</u>
Total Expenditures	<u>23,298</u>	<u>23,298</u>	<u>21,175</u>	<u>2,123</u>
Excess (Deficiency) of Revenues Over Expenditures	(8,293)	(8,293)	(979)	7,314
Cash Balance Beginning of Year	<u>17,488</u>	<u>17,488</u>	<u>17,488</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 9,195</u>	<u>\$ 9,195</u>	<u>\$ 16,509</u>	<u>\$ 7,314</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (979)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (979)</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 B ENTITLEMENT-24106
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 60,443	\$ 66,791	\$ 37,480	\$ (29,311)
Total Revenues	<u>60,443</u>	<u>66,791</u>	<u>37,480</u>	<u>(29,311)</u>
Expenditures				
Instruction				
Personnel Services	27,200	27,200	16,672	10,528
Employee Benefits	9,110	6,110	4,271	1,839
Other Purchased Services	2,250	1,950	1,620	330
Supplies	7,638	7,638	1,966	5,672
Total Instruction	<u>46,198</u>	<u>42,898</u>	<u>24,529</u>	<u>18,369</u>
Support Services				
General Administration				
Other Purchased Services	0	300	210	90
Total General Administration	<u>0</u>	<u>300</u>	<u>210</u>	<u>90</u>
School Administration				
Personnel Services	3,308	10,418	10,466	(48)
Employee Benefits	0	2,238	2,402	(164)
Professional & Tech Services	400	400	180	220
Other Purchased Services	200	200	0	200
Total School Administration	<u>3,908</u>	<u>13,256</u>	<u>13,048</u>	<u>208</u>
Total Support Services	<u>3,908</u>	<u>13,556</u>	<u>13,258</u>	<u>298</u>
Total Expenditures	<u>50,106</u>	<u>56,454</u>	<u>37,787</u>	<u>18,667</u>
Excess (Deficiency) of Revenues Over Expenditures	10,337	10,337	(307)	(10,644)
Cash Balance Beginning of Year	<u>(10,337)</u>	<u>(10,337)</u>	<u>(10,337)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (10,644)</u>	<u>\$ (10,644)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (307)	
Net change in Due from Grantor			<u>307</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 PRESCHOOL-24109
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 10,283	\$ 20,129	\$ 16,579	\$ (3,550)
Total Revenues	<u>10,283</u>	<u>20,129</u>	<u>16,579</u>	<u>(3,550)</u>
Expenditures				
Instruction				
Personnel Services	6,060	6,060	6,060	0
Employee Benefits	1,031	5,302	5,297	5
Professional & Technical Services	0	0	0	0
Other Purchased Services	0	0	0	0
Supplies	0	575	0	575
Supply Assets	0	5,000	4,868	132
Total Instruction	<u>7,091</u>	<u>16,937</u>	<u>16,225</u>	<u>712</u>
Total Expenditures	<u>7,091</u>	<u>16,937</u>	<u>16,225</u>	<u>712</u>
Excess (Deficiency) of Revenues Over Expenditures	3,192	3,192	354	(2,838)
Cash Balance Beginning of Year	<u>(3,192)</u>	<u>(3,192)</u>	<u>(3,192)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (2,838)</u>	<u>\$ (2,838)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 354	
Net Change in Due from Grantor			<u>(354)</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 B COORDINATED EARLY INTERVENING SERVICES (CEIS)-24112

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 9,876	\$ 9,876	\$ 9,876	\$ 0
Total Revenues	<u>9,876</u>	<u>9,876</u>	<u>9,876</u>	<u>0</u>
Expenditures				
Instruction				
Professional & Tech Services	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Support Services				
School Administration				
Professional & Tech Services	0	0	0	0
Other Purchased Services	0	0	0	0
Total School Administration	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Support Services	<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	9,876	9,876	9,876	0
Cash Balance Beginning of Year	<u>(9,876)</u>	<u>(9,876)</u>	<u>(9,876)</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			\$ 9,876	
Net Change in Due from Grantor			<u>(9,876)</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-IMPROVING TEACHER QUALITY-24154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 8,354	\$ 18,789	\$ 437	\$ (18,352)
Total Revenues	<u>8,354</u>	<u>18,789</u>	<u>437</u>	<u>(18,352)</u>
Expenditures				
Instruction				
Professional & Tech Services	3,000	8,000	3,544	4,456
Other Purchased Services	700	3,200	1,375	1,825
Supplies	1,000	2,435	0	2,435
Supply Assets	654	654	0	654
Total Instruction	<u>5,354</u>	<u>14,289</u>	<u>4,919</u>	<u>9,370</u>
Support Services				
School Administration				
Professional & Tech Services	2,000	3,000	200	2,800
Other Purchased Services	500	1,000	365	635
Supplies	500	500	0	500
Total School Administration	<u>3,000</u>	<u>4,500</u>	<u>565</u>	<u>3,935</u>
Total Support Services	<u>3,000</u>	<u>4,500</u>	<u>565</u>	<u>3,935</u>
Total Expenditures	<u>8,354</u>	<u>18,789</u>	<u>5,484</u>	<u>13,305</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(5,047)	(5,047)
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>\$ (5,047)</u>	<u>\$ (5,047)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (5,047)	
Net Change in Due from Grantor			<u>5,047</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, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 19,829	\$ 19,829	\$ 10,322	\$ (9,507)
Total Revenues	<u>19,829</u>	<u>19,829</u>	<u>10,322</u>	<u>(9,507)</u>
Expenditures				
Instruction				
Professional & Technical Services	5,000	5,000	1,561	3,439
Supplies	5,000	5,000	5,496	(496)
Supply Assets	5,500	5,500	3,209	2,291
Total Instruction	<u>15,500</u>	<u>15,500</u>	<u>10,266</u>	<u>5,234</u>
Support Services				
General Administration				
Supplies	782	782	0	782
Total General Administration	<u>782</u>	<u>782</u>	<u>0</u>	<u>782</u>
Central Services				
Supply Assets	3,000	3,000	395	2,605
Total Central Services	<u>3,000</u>	<u>3,000</u>	<u>395</u>	<u>2,605</u>
Total Support Services	<u>3,782</u>	<u>3,782</u>	<u>395</u>	<u>3,387</u>
Total Expenditures	<u>19,282</u>	<u>19,282</u>	<u>10,661</u>	<u>8,621</u>
Excess (Deficiency) of Revenues Over Expenditures	547	547	(339)	(886)
Cash Balance Beginning of Year	<u>(547)</u>	<u>(547)</u>	<u>(547)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (886)</u>	<u>\$ (886)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (339)	
Net Change in Due from Grantor			<u>339</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-DUAL CREDITS INSTRUCTIONAL MATERIAL-27103
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 2,644	\$ 3,066	\$ 251	\$ (2,815)
Total Revenues	<u>2,644</u>	<u>3,066</u>	<u>251</u>	<u>(2,815)</u>
Expenditures				
Instruction				
Supplies	2,393	2,815	2,815	0
Total Instruction	<u>2,393</u>	<u>2,815</u>	<u>2,815</u>	<u>0</u>
Total Expenditures	<u>2,393</u>	<u>2,815</u>	<u>2,815</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	251	251	(2,564)	(2,815)
Cash Balance Beginning of Year	<u>(251)</u>	<u>(251)</u>	<u>(251)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (2,815)</u>	<u>\$ (2,815)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (2,564)	
Net Change in Due from Grantor			<u>2,564</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-2010 GO STUDENT LIBRARY-27106
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 1,536	\$ 3,072	\$ 0	\$ (3,072)
Total Revenues	<u>1,536</u>	<u>3,072</u>	<u>0</u>	<u>(3,072)</u>
Expenditures				
Support Services				
Instruction				
Supplies	1,536	3,072	1,536	1,536
Total Instruction	<u>1,536</u>	<u>3,072</u>	<u>1,536</u>	<u>1,536</u>
Total Support Services	<u>1,536</u>	<u>3,072</u>	<u>1,536</u>	<u>1,536</u>
Total Expenditures	<u>1,536</u>	<u>3,072</u>	<u>1,536</u>	<u>1,536</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(1,536)	(1,536)
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>\$ (1,536)</u>	<u>\$ (1,536)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,536)	
Net Change in Due from Grantor			<u>1,536</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-2012 GO STUDENT LIBRARY-27107
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 6,293	\$ 6,293	\$ 0	\$ (6,293)
Total Revenues	<u>6,293</u>	<u>6,293</u>	<u>0</u>	<u>(6,293)</u>
Expenditures				
Support Services				
Instruction				
Supplies	6,293	6,293	5,924	369
Total Instruction	<u>6,293</u>	<u>6,293</u>	<u>5,924</u>	<u>369</u>
Total Support Services	<u>6,293</u>	<u>6,293</u>	<u>5,924</u>	<u>369</u>
Total Expenditures	<u>6,293</u>	<u>6,293</u>	<u>5,924</u>	<u>369</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(5,924)	(5,924)
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>\$ (5,924)</u>	<u>\$ (5,924)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (5,924)	
Net change in Due from Grantor			<u>5,924</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.

STATE OF NEW MEXICO
DORA CONSOLIDATED SCHOOL DISTRICT
SPECIAL REVENUE FUND-NM GROWN FRESH FRUIT & VEGS-27183
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 591	\$ 591	\$ 0	\$ (591)
Total Revenues	<u>591</u>	<u>591</u>	<u>0</u>	<u>(591)</u>
Expenditures				
Food Service Operations				
Supplies	591	591	591	0
Total Food Service Operations	<u>591</u>	<u>591</u>	<u>591</u>	<u>0</u>
Total Expenditures	<u>591</u>	<u>591</u>	<u>591</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(591)	(591)
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>\$ (591)</u>	<u>\$ (591)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (591)	
Net change in Due from Grantor			<u>591</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-NEXT GENERATION ASSESSMENTS-27185
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 5,945	\$ 5,945	\$ 5,945	\$ 0
Total Revenues	<u>5,945</u>	<u>5,945</u>	<u>5,945</u>	<u>0</u>
Expenditures				
Support Services				
Instruction				
Supply Assets	5,945	5,945	5,945	0
Total Instruction	<u>5,945</u>	<u>5,945</u>	<u>5,945</u>	<u>0</u>
Total Support Services	<u>5,945</u>	<u>5,945</u>	<u>5,945</u>	<u>0</u>
Total Expenditures	<u>5,945</u>	<u>5,945</u>	<u>5,945</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			\$ 0	
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, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 75,000	\$ 75,000	\$ 0	\$ (75,000)
Total Revenues	<u>75,000</u>	<u>75,000</u>	<u>0</u>	<u>(75,000)</u>
Expenditures				
Capital Outlay				
Fixed Assets	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	75,000	75,000	0	(75,000)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 0</u>	<u>\$ (75,000)</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
DEBT SERVICE-41000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 88,040	\$ 88,040	\$ 70,488	\$ (17,552)
Investment Income	0	0	7	7
Total Revenues	<u>88,040</u>	<u>88,040</u>	<u>70,495</u>	<u>(17,545)</u>
Expenditures				
Support Services				
General Administration				
Professional & Tech Services	600	600	389	211
Total General Administration	<u>600</u>	<u>600</u>	<u>389</u>	<u>211</u>
Total Support Services	<u>600</u>	<u>600</u>	<u>389</u>	<u>211</u>
Debt Service				
Debt Service				
Principal	80,000	80,000	80,000	0
Interest	8,040	8,040	8,040	0
Total Debt Service	<u>88,040</u>	<u>88,040</u>	<u>88,040</u>	<u>0</u>
Total Expenditures	<u>88,640</u>	<u>88,640</u>	<u>88,429</u>	<u>211</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(600)</u>	<u>(600)</u>	<u>(17,934)</u>	<u>(17,334)</u>
Other Financing Sources (Uses)				
Due to Operational	0	0	(13,271)	(13,271)
Total Other Sources (Uses)	<u>0</u>	<u>0</u>	<u>(13,271)</u>	<u>(13,271)</u>
Net Change in Cash Balance	(600)	(600)	(31,205)	(30,605)
Cash Balance Beginning of Year	<u>119,503</u>	<u>119,503</u>	<u>119,503</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 118,903</u>	<u>\$ 118,903</u>	<u>\$ 88,298</u>	<u>\$ (30,605)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ (17,934)	
Net Change in Taxes Receivable			(1,752)	
Net Change in Fund Balance			<u>\$ (19,686)</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 - ACTIVITY
 Schedule of Changes in Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2014

	Balance 6/30/13	Additions	Deletions	Balance 6/30/14
ASSETS				
23800 GENERAL FUND	\$ 2,832	\$ 1,518	\$ 673	\$ 3,677
23801 FFA	1,408	31,611	27,466	5,553
23802 STUDENT COUNCIL	641	145	284	502
23803 YEARBOOK	3,746	5,975	5,357	4,364
23804 DISTRICT III-ATHLETIC	12,514	1,436	1,959	11,990
23805 ENMU SERVICES	157	0	0	157
23806 DRAMA	48	0	0	48
23807 ART	323	0	0	323
23808 EPAC	2,249	0	0	2,249
23810 CAFETERIA ACT.	410	0	0	410
23811 NATIONAL HONOR SOCIETY	1,713	782	170	2,324
23812 FLOWER FUND	400	2,103	2,367	136
23813 BPA	2,252	13,124	12,803	2,574
23814 CHEERLEADERS	707	1,400	1,824	284
23815 GIRL'S ATHLETICS	471	10,988	7,863	3,596
23816 BOY'S ATHLETICS	1,791	8,041	6,091	3,741
23818 PRINCIPAL'S ACCOUNT	774	389	308	855
23819 3-4 YEAR OLD PROGRAM	242	0	0	242
23820 MATH/SCIENCE	725	120	0	845
23821 2nd Grade-Pennies	123	0	0	123
23822 LIBRARY	514	3,718	3,215	1,018
23824 H/S ACCELERATED READER	279	0	0	279
23825 DISTRICT 7 BASEBALL	97	0	0	97
23826 Track	875	2,897	1,913	1,859
23828 MUSIC	1,600	0	119	1,480
23830 CONCESSION STAND	20,728	19,255	13,449	26,534
23831 CLINTON CLARK SCHOLARSHIP	12,870	641	500	13,011
23832 FCA	637	0	63	574
23833 FFA SPECIAL ACCOUNT	139	0	0	139
23834 CAREERS	200	0	0	200
23835 BASEBALL	206	3,297	2,423	1,080
23836 ELEM ACCELERATED READER	4,547	42	699	3,890
23838 CLEAN & BEAUTIFUL AWARDS	144	0	0	144
23839 FOOTBALL	1,090	4,975	3,443	2,622
23843 Education Enhancement	1,153	0	0	1,153
23844 James Polk Stone Tournament	2,656	8,536	8,536	2,656
23845 Earth Day	(15)	15	0	0
23846 Relay for Life	403	282	282	403
23901 CLASS OF 2001	20	0	0	20
23907 CLASS OF 2007	95	0	0	95
23912 CLASS OF 2012	8	0	0	8
23913 CLASS OF 2013	633	0	0	633
23914 CLASS OF 2014	2,907	1,007	1,869	2,045
23915 CLASS OF 2015	3,302	1,992	4,184	1,109
23916 CLASS OF 2016	\$ 1,445	\$ 187	\$ 0	\$ 1,633

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, 2014

	Balance 6/30/13	Additions	Deletions	Balance 6/30/14
23917 CLASS OF 2017	\$ 378	\$ 601	\$ 0	\$ 978
23918 CLASS OF 2018	194	698	350	542
23919 CLASS OF 2019	0	1,199	0	1,199
Total Assets	<u>\$ 90,624</u>	<u>\$ 126,974</u>	<u>\$ 108,210</u>	<u>\$ 109,389</u>
LIABILITIES				
Deposits Held for Others	\$ 90,624	\$ 126,974	\$ 108,210	\$ 109,389
Total Liabilities	<u>\$ 90,624</u>	<u>\$ 126,974</u>	<u>\$ 108,210</u>	<u>\$ 109,389</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, 2014

		Beginning Cash 6/30/13	Revenues	Expenditures	Transfers	Ending Cash 6/30/14
Operational	11000	\$ 835,198	\$ 2,442,804	\$ 2,774,563	\$ 13,271	\$ 516,710
Transportation	13000	6,770	295,469	295,469	0	6,770
Instructional Materials	14000	26,901	13,967	19,669	0	21,199
Food Services	21000	124,824	79,425	99,816	0	104,433
Athletics	22000	17,487	20,196	21,174	0	16,509
Agency Funds	23000	90,624	126,974	108,210	0	109,389
Federal Flowthrough	24000	(41,039)	120,647	133,726	0	(54,118)
Federal Direct	25000	(547)	10,322	10,661	0	(886)
State Flowthrough	27000	(250)	28,444	61,562	0	(33,368)
Bond Building	31100	0	750,152	99,261	0	650,891
Special Capital Outlay	31400	0	0	0	0	0
Senate Bill 9	31700	321,564	1,808,429	1,802,857	0	327,136
Debt Service	41000	119,503	70,495	88,429	(13,271)	88,298
Total		\$ <u>1,501,035</u>	\$ <u>5,767,324</u>	\$ <u>5,515,397</u>	\$ <u>0</u>	\$ <u>1,752,963</u>

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

De'Aun Willoughby CPA, PC

Certified Public Accountant

225 Innsdale Terrace Clovis, NM 88101

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Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
In Accordance with *Government Auditing Standards*

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, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds, of Dora Consolidated School (District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and the combining and individual funds and related budgetary comparisons of the District, presented as supplemental information, and have issued our report thereon dated September 9, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit, of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that are less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses, that we consider to be significant deficiencies. 12-1, 12-2, 2014-001, and 2014-002.

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 its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Responses; 12-1, 12-2, 2014-001, and 2014-002.

District's Responses to Findings

The District's responses to the findings identified in our audit as described in the accompanying Schedule of Findings and Responses. The District's response was not subject to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

 De'Ann Willoughby CPA PC

Clovis, New Mexico
September 9, 2014

Financial Statement Audit Findings

Prior Year Audit Findings

		<u>Status</u>
12-1	Budget Violations	Repeated
12-2	PED Cash Reports	Repeated
12-4	Expenditure Issues	Resolved
13-1	Late Audit Contract	Resolved
13-2	Lack of Pledged Securities	Resolved

Current Year Audit Findings

2012-001 Budget Violations-Compliance and Internal Control-Significant Deficiency

(12-1) Condition

The District has maintained expenditures at the function level in which actual expenditures exceeded budgetary authority in the following funds:

	Budget			Over
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Budget</u>
Instructional Materials-14000				
Instruction	\$ 14,805	\$ 14,805	\$ 19,668	\$ (4,863)

Criteria

Sound financial management and state regulation 6.20.2.9 (A), NMAC and state statutes 22-8-5 through 22-8-12.2, NMSA 1978, require that budgets not be exceeded at the legal level of control. For school district's, the expenditure function is the legal level of control.

Cause

The District did not make the appropriate budgetary adjustments requests and transfers to the funds mentioned in the condition, which would alleviate over-expenditure within the functions prior to the year end.

Effect

As a result, the district is in non compliance with New Mexico law, and the control established by the use of budgets has been compromised. Continued over-expenditure of budgeted balances may result in unnecessary usage of operating funds to absorb over-expenditures.

Recommendation

The District must establish a policy of budgetary review at year-end, and make the necessary budget adjustments.

Response

We will monitor the budget more closely and amend it as necessary.

2012-002 PED Cash Reports-Compliance and Internal Control-Significant Deficiency

(12-2) Condition

The District's PED Cash Report at year end does not agree with the audited cash balances. The difference was \$331.18.

Criteria

6.20.2.11 (B) (6) NMAC and Regulation SBE-6 the reports sent to the New Mexico Public Education Department (PED) must agree to the District's general ledger and must be submitted quarterly and annually by July 31.

Cause

Two issues caused the PED report to differ from the audit. Interest earned on the certificates of deposit had been added to the principal balance when the CDs were renewed. The interest had not been entered in to the general ledger. The second issue was the state treasurer balances were not included on the PED report.

Effect

The District is not in compliance with NMAC 6.20.2.11 (b) (6) and Regulation SBE-6. Noncompliance may result in poor decision making by the District's governing board.

Recommendation

Interest income should be recorded when the certificates of deposit are renewed and the state treasurer investment should be included in the PED report.

Response

We agree with the recommendation and will implement the procedures.

2014-001 1099-Compliance and Internal Control-Significant Deficiency

Condition

During our sampling of seven vendors we noted:

1) One vendor was not issued a 1099 for a total of \$3,124.36

Criteria

Internal Revenue Code (IRC) Section 6721

Cause

The vendor was not marked in the software as "1099". Expenditures were not reviewed at the calendar year end for possible 1099s.

Effect

A penalty could be proposed for each 1099 (information return) that was not filed or filed correctly by the due date. Because it has been longer than 30 day from the original due date the penalty could be \$100 per information return, up to a maximum of \$500,000. There could also be a late filing penalty.

Recommendation

Vendors should be marked as 1099s in the software and expenditures reviewed on the calendar year end for possible 1099s to be issued.

Response

We will mark vendors as 1099s when required in our software and review the expenditures by vendor for the calendar year to assure all 1099s are issued.

2014-002 Payroll-Compliance and Internal Control-Significant Deficiency

Condition

The District is prepaying for services not rendered for the 12 month non-professional positions.

Criteria

The New Mexico Criminal Code makes it a fourth-degree felony for a public official to pay public money for services that have not been rendered. "Paying or receiving public money for services not rendered consists of knowingly making or receiving payment or causing payment to be made from public funds where such payment purports to be for wages, salary or remuneration for personal services [services] which have not in fact been rendered." NMSA 1978, § 30-23-2.

Cause

Payroll has been handled in this manner for many years and the District has no record of how or when the first payroll was made with this method. This method has been continued as it would be a hardship on employees to adjust the payment date.

Effect

Paying wages before earned is a violation of NMSA 1978 30-23-2. If an employee terminates, the District may not recover the unearned wages the employee has received and the employee will have received payment for services they have not rendered.

Recommendation

Although this auditor agrees that it would be a hardship to correct the paydays to match the pay periods, statute requires such adjustment to be made. It is a very serious issue to continue in this manner and it could potentially subject District personnel to criminal implications.

Response

We will correct this issue.

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 September 9, 2014. Those present were Steve Barron-Superintendent, Kenneth Cox-Board President, Bill Prater-Board Member, Roberta Trujillo-Business Manager, and De'Aun Willoughby CPA.