

**STATE OF NEW MEXICO**

**DULCE INDEPENDENT SCHOOLS**

**ANNUAL FINANCIAL REPORT**

**JUNE 30, 2013**

(This page intentionally left blank.)

## **INTRODUCTORY SECTION**

(This page intentionally left blank.)

STATE OF NEW MEXICO  
Dulce Independent Schools

OFFICIAL ROSTER  
June 30, 2013

<u>Name</u>		<u>Title</u>
	<u>Board of Education</u>	
Joanna Dykehouse		President
Adrian Notsinneh		Vice President
Manuel Gomez		Secretary
Connie Gomez		Member
Vacant Position		Member
	<u>School Officials</u>	
Jim Leshner		Superintendent
Naomi Vicenti		Business Manager

(This page intentionally left blank.)

STATE OF NEW MEXICO  
Dulce Independent Schools  
ANNUAL FINANCIAL REPORT  
For the Fiscal Year Ended June 30, 2013

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
<b>INTRODUCTORY SECTION</b>		
Official Roster		1
Table of Contents		3
<b>FINANCIAL SECTION</b>		
Independent Auditor’s Report		11
Management’s Discussion and Analysis		15
Basic Financial Statements		
Government-wide Financial Statements:		
Statement of Net Position	A-1	24
Statement of Activities	A-2	26
Fund Financial Statements:		
Balance Sheet – Governmental Funds	B-1	28
Reconciliation of the Balance Sheet to the Statement of Net Position		31
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	B-2	32
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities		35
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Operational Fund	C-1	37
Teacherage Fund	C-2	39
Transportation Fund	C-3	41
Instructional Materials Fund	C-4	43
Statement of Fiduciary Assets and Liabilities	D	45
Notes to the Financial Statements		47
<b>SUPPLEMENTARY INFORMATION</b>		
Combining and Individual Fund Statements and Schedules:	<u>Statement/ Schedule</u>	
Combining Balance Sheet – Nonmajor Governmental Funds	A-1	80
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	A-2	88

(This page intentionally left blank.)



STATE OF NEW MEXICO  
Dulce Independent Schools

	<u>Statement/ Schedule</u>	<u>Page</u>
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Food Service Special Revenue Fund	A-3	97
Athletics Special Revenue Fund	A-4	98
Title I Special Revenue Fund	A-5	99
IDEA-B Entitlement Special Revenue Fund	A-6	100
IDEA-B Discretionary Special Revenue Fund	A-7	101
IDEA-B Preschool Special Revenue Fund	A-8	102
IDEA-B Private Special Revenue Fund	A-9	103
21 <sup>st</sup> Century Community Learning Centers Special Revenue Fund	A-10	104
IDEA-B Risk Pool	A-11	105
English Language Acquisition Special Revenue Fund	A-12	106
Teacher/Principal & Recruiting Special Revenue Fund	A-13	107
Rural & Low Income Schools Special Revenue Fund	A-14	108
Impact Aid Special Education Special Revenue Fund	A-15	109
Impact Aid Special Revenue Fund	A-16	110
Title XIX Medicaid Special Revenue Fund	A-17	111
Bus Replacement	A-18	112
GO Bond Library SB1 Special Revenue Fund	A-19	113
Assessments	A-20	114
Rebates	A-21	115
Incentives for School Improvement Special Revenue Fund	A-22	116
Beginning Teacher Mentoring Special Revenue Fund	A-23	117
Breakfast for Elementary Students Special Revenue Fund	A-24	118
School Improvement Framework Special Revenue Fund	A-25	119
Kindergarten Three Plus Special Revenue Fund	A-26	120
State 21 <sup>st</sup> Century Special Revenue Fund	A-27	121
MS Science	A-28	122
State Directed Activities-IDEA B Discretionary Special Revenue Fund	A-29`	123
Industrial Arts Career Tech & Voc Ed Training Special Revenue Fund	A-30	124
School Library Materials Special Revenue Fund	A-31	125
Medicaid HSD Special Revenue Fund	A-32	126
Gear-Up Che Special Revenue Fund	A-33	127
Farm to Table	A-34	128
School Based Health Center Special Revenue Fund	A-35	129
Bond Building Capital Projects Fund	A-36	130
Impact Aid Capital Projects Fund	A-37	131
Capital Improvements HB-33 Capital Projects Fund	A-38	132
SB-9 Capital Projects Fund	A-39	133
Debt Service Fund	A-40	134
Statement of Changes in Assets and Liabilities-Agency Funds	B	139
Schedule of Collateral Pledged by Depository	I	143
Schedule of Deposits and Investment Accounts	II	145
Cash Reconciliation	III	146

(This page intentionally left blank.)

STATE OF NEW MEXICO  
Dulce Independent Schools

	<u>Statement/ Schedule</u>	<u>Page</u>
<b>COMPLIANCE SECTION</b>		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		153
<b>FEDERAL FINANCIAL ASSISTANCE</b>		
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133		159
Schedule of Expenditures of Federal Awards	IV	163
Schedule of Findings and Questioned Costs		165
<b>OTHER DISCLOSURES</b>		168

(This page intentionally left blank.)

**FINANCIAL SECTION**

(This page intentionally left blank.)



## INDEPENDENT AUDITOR'S REPORT

Hector H. Balderas  
New Mexico State Auditor  
The Office of Management and Budget and  
The Governing Board  
Dulce Independent Schools  
Dulce , New Mexico

### **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 of the general fund and the major special revenue funds of Dulce Independent Schools (the "District") as of and for the year ended June 30, 2013, and the related notes to the financial statements which collectively comprise Dulce Independent Schools basic financial statements as listed in the table of contents. We also have audited the financial statements of each of Dulce Independent Schools nonmajor governmental funds and the budgetary comparisons for the major capital project funds, debt service funds, and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2013, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

(This page intentionally left blank.)



## **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 Dulce Independent Schools, as of June 30, 2013, and the respective changes in financial position where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of Dulce Independent Schools as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital project funds, debt service 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**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* on pages 15-22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with the auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **Other Information**

Our audit was conducted for the purpose of forming opinions on Dulce Independent Schools financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Government, and Non-Profit Organizations*, and is not a required part of the financial statements. The other schedules as required by 2.2.2 NMAC are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The other schedules required by 2.2.2 NMAC are the responsibility of management and was derived from and relates 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 statement 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 auditing standards generally accepted in the United States of America. In our opinion, the other schedules as required by 2.2.2 NMAC are fairly stated in all material respects in relation to the basic financial statements as a whole.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2013 on our consideration of the Dulce Independent Schools 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 Dulce Independent Schools internal control over financial reporting and compliance.



Precision Accounting, LLC  
Albuquerque, New Mexico  
August 30, 2013

(This page intentionally left blank.)

**State of New Mexico**  
Dulce Independent Schools  
Management's Discussion and Analysis

June 30, 2013

This Management Discussion and Analysis of the fiscal performance of the Dulce Independent School District for the period ending June 30, 2013 is an objective and easily readable discussion of the District's financial activities. This information aligns with requirements of the Governmental Accounting Standards Board (GASB) that establishes accounting and reporting standards for governmental entities. With the issuance of GASB's Statement 34, a written narrative discussion and analysis of the financial performance of the District is included.

The discussion and analysis, as well as the Statement of Net Position and Statement of Activities, provide a review of the District's overall financial activities, using the accrual basis of accounting, for the year ending June 30, 2013. Fund financial statements are reported on a modified accrual basis of accounting. Rather than looking at specific areas of performance, this discussion and analysis focuses on the financial performance of the District as a whole. Whenever possible this discussion and analysis will provide the reader multi-year pictures of financial performance and other pertinent information through the use of tables and other resource information.

In addition to the new reporting, this annual report consists of a series of detailed, audited financial statements and the notes to those statements. Also included is the Independent Auditor's Report, The Independent Auditor's 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, Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB circular A-133, and a Schedule of Findings and Questioned Costs.

**About Dulce Independent Schools**

To completely understand the financial discussion of Dulce Independent School District, it is important to understand the nature of the District. The District has one high school, one middle school, one elementary school. The District has one major tribal land within our boundaries, the Jicarilla Apache Nation. Our District is spread out from the Gobernador, at Rio Arriba County on the West Boundary; to Amargo Hill on the East side; to the Colorado Border on the North; and Hwy 550 on the South. The District has approximately 700 students and 120 employees. The District contracts for Food Service, Technology, and Facilities Services.

The District has a VISION STATEMENT: "Dulce Graduates will be self-directed, capable, responsible, life-long learners who maintain their cultural identities and creative individualism." and a MISSION STATEMENT: "Our School district will educate, nurture, and strengthen our children to be productive, contributing members of society."

Dulce Independent Schools offer a wide variety of quality educational programs to ensure a comprehensive K-12 educational experience. Current offerings are Vocational Courses in Auto Shop, Culinary Arts , ESL, Accelerated Reader, Reading Recovery, Corrective Reading, AP English, credit recovery using E2020, On-line courses, Video Conferencing/Distance Learning and concurrent enrollment classes with Northern NM University in Espanola.

**State of New Mexico**  
Dulce Independent Schools  
Management's Discussion and Analysis

June 30, 2013

**Introduction**

The financial performance of the Dulce Schools for the fiscal year ended June 30, 2013 will be the subject of this discussion and analysis. The purpose is to look at the financial performance as a whole; however, readers may also utilize the accompanying financial statements and notes for comprehensive information.

**Financial Highlights**

Key events for the fiscal year 2013 are:

- Total Assets of Governmental Activities was \$71,152,066 (Ex. A-1)
- Total Liabilities of Governmental Activities was \$35,111,941 (Ex. A-1)
- Net Position of Governmental Activities was \$36,040,125 (Ex. A-1).
- General Fund revenues exceeded expenditures by \$475,018.
- The District implemented the State mandates for all teaching tiers; and the 6.13% increase in the employer's contribution for medical insurance.

**Basic Financial Statements**

This annual report introduces the District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

**District Wide Financial Statements**

**Statement of Net Position:**

The Statement of Net Position is prepared using the accrual method of accounting. This is a District-wide statement including all assets and liabilities. This basis of accounting, similar to private sector business, includes all of the current year's revenues and expenses regardless of when actual cash was received or paid. Differences between assets and liabilities are reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or weakening. All categories of the District (assets, liabilities, net position) remain materially the same as the prior year balances.

**Summary of Statement of Net Position**

**State of New Mexico**  
**Dulce Independent Schools**  
**Management's Discussion and Analysis**

June 30, 2013

<b>Assets</b>	<b>June 30, 2011</b>	<b>June 30, 2012</b>	<b>June 30, 2013</b>
Current Assets	\$ 14,330,090	\$ 15,994,628	\$ 12,931,773
Capital Assets	76,031,290	76,883,428	77,597,180
Less Accumulated Depreciation	(15,334,191)	(17,345,179)	(19,668,075)
Total Assets	<u>\$ 75,027,189</u>	<u>\$ 75,786,389</u>	<u>\$ 71,152,066</u>
<b>Liabilities</b>			
Accounts payable	\$ 98,640	\$ 123,525	\$ 87,963
Accrued Payroll	144,185	52,910	54,146
Accrued Compensated Absences	20,193	11,906	31,989
Accrued interest	322,949	298,329	212,562
Unearned Revenue	19,717	474,132	1,077
Long Term Liabilities	2,765,000	2,970,000	275,000
Non-Current Liabilities	38,403,225	35,159,864	34,026,911
Total Liabilities	<u>\$ 41,773,909</u>	<u>\$ 39,090,666</u>	<u>\$ 35,111,941</u>
<b>Net Position</b>			
Invested in Capital Assets	\$ 19,520,911.	\$ 19,185,732	\$ 21,351,662
Restricted	12,597,649	13,837,563	14,008,583
Unrestricted	1,134,720	3,672,428	1,113,925
Total Net Position	<u>\$ 33,253,280</u>	<u>\$ 36,695,723</u>	<u>\$ 36,040,12.</u>

GASB 34 rules now require public entities to depreciate capital assets. The District utilized a "straight line" depreciation method in all cases and standardized lifetime tables in calculating this depreciation. This statement includes an adjusted accumulated depreciation of the District's capital assets in the amount of \$19,668,075.

**Statement of Activities:**

The Statement of (Governmental) Activities is prepared using the accrual method of accounting. This is a District-wide statement that reports how the District's net assets changed during the fiscal year. This report compliments the Statement of Net Position by showing the overall change in the District's net assets for the fiscal year ending June 30, 2013. The increase is consistent with prior years. Primary contributors to the increase involved additional funding from operating grants as well as other revenue sources.

**State of New Mexico**  
**Dulce Independent Schools**  
**Management's Discussion and Analysis**

June 30, 2013

**Summary of Statement of Activities**

	June 30, 2011	June 30, 2012	June 30, 2013
Revenues for Governmental Activities			
Charges for Services	\$ 209,779	\$ 776,680	\$ 743,522
Operating Grants and Contributions	6,901,541	5,777,407	5,603,163
Capital Grants and Contributions	207,300	120,991	150,959
General Revenues			
Property taxes	\$ 10,493,785	\$ 9,552,630	4,325,703
Federal and state aid	\$ 3,252,655	\$ 3,476,624	3,583,295
Other revenues	\$ 53,556	\$ 204,339	203,132
Total revenues	<u>\$ 13,692,884</u>	<u>\$ 13,233,593</u>	<u>8,107,130</u>
Expenses			
Instruction	\$ 7,487,556	\$ 5,778,372	5,445,381
Support services	\$ 6,449,740	\$ 4,137,168	4,019,687
Food service	\$ 449,012	\$ 531,506	517,353
Depreciation	\$ 2,235,879	\$ 3,705,226	3,896,868
Interest on long term debt	<u>\$ 1,873,121</u>	<u>\$ 1,366,021</u>	<u>1,381,919</u>
Total expenses	<u>\$ 18,495,308</u>	<u>\$ 15,518,293</u>	<u>15,261,207</u>
Prior Period Adjustment	\$ -		
Changes in net assets	\$ 2,516,196	\$ 4,390,378	(656,433)
Net Assets-Restatement	-	\$ (947,935)	-
Changes in net assets – ending	<u>\$ 33,253,280</u>	<u>\$ 36,695,723</u>	<u>36,040,125</u>

**Fund Financial Statements**

The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. The District uses many funds to account for a multitude of various transactions. Within the basic financial statements, fund financial statements focus only on the District's most significant funds rather than the District as a whole. Fund Financial Statements are based on a modified accrual basis of accounting. Major funds are separately reported while all others are combined; individual non-fund data are presented in later sections of this report. The District's major governmental funds, as defined in GASB 34, are the General Fund, Bond Building, HB-33, Impact Aid Construction, Capital Improvements SB-9 capital project funds, and Debt Service. The Statement of Revenues and Expenditures and Changes in Fund Balances gives the reader a meaningful overall view of the District's revenues, expenditures and changes to the fund balance. Total revenues from State, Local and Federal sources were \$14,604,294. Total expenditures for the District were \$17,583,992. The total ending fund balance was \$12,366,294; a decrease of \$(2,977,838) from the previous year (Ex. B-2).

**Governmental Funds**

Governmental funds encompass most of the District's activities and are reported in fund financial statements. These statements focus on short-term periods on how resources flow into and out of those funds and the resources available at the end of the fiscal period. These funds are reported on the modified accrual accounting method that recognizes cash and any other financial assets that can be readily converted. Governmental fund statements and government-wide reporting focus on two different perspectives, short-term and long-term impact, thus the relationship or differences can be understood by reconciling the two different financial statements.

**State of New Mexico**  
Dulce Independent Schools  
Management's Discussion and Analysis

June 30, 2013

**Governmental Activities**

This statement of activity reports the cost of program services and the charges of services, and the revenues that are received to perform these services. The Statement of Activities (Exhibit A-2) for governmental activities, reports the total cost of services and the net cost of services.

It becomes apparent that dependence upon revenues from the State of New Mexico for governmental activities is significant. The New Mexico legislature and the operation of the Equalization Guarantee Formula for operational funding by the New Mexico Public Education Department have minimized local tax support for public education. This fund pays for teaching staff, instructional support staff, and administrative staff. This represents 25% of the total revenues received in fiscal year 2013. In 2012, the District received 50% from the State Equalization Guarantee Formula.

The State of New Mexico through the Public Education Department establishes annually a "Unit Value" that is used, along with student membership and the Equalization Guarantee Formula factors, to determine the amount of State support to be received by individual districts. The unit Value has increased over the past two years. Funding from the State of New Mexico has slowly increased due to the economic conditions of the state.

**School District Funds**

The District's total governmental funds had revenues of \$14,604,294, and expenditures of \$17,583,992. The net change in the governmental fund balance for the fiscal year decreased \$(2,977,838). These governmental funds are accounted for using the modified accrual basis of accounting as required by the New Mexico Public Education Department.

**General Fund Budgeting Highlights**

The State of New Mexico school budget process is defined in the New Mexico Statutes (Section 22) and the New Mexico Administrative Code (Section 6). Specific items are further defined in the New Mexico Manual of Procedures for Public School Accounting and Budgeting. The District follows an internal process of budgeting by recognizing the Educational Plan for Student Success and the priorities defined. District management and the Board of Education utilize a continuous improvement model for student success and district improvement. The General Fund is the most significant budgeted fund; other major funds, as defined in GASB 34 are the Bond Building, HB-33, Capital Improvements SB-9 Capital Project funds, and Debt Service Fund.

During the course of the fiscal year, the school district amended its General fund budget as needed. The school district uses a site-based budget, which is tightly controlled, but provides flexibility for site management. The significant change in the general fund was the increase in unit value from \$3,585.97 to \$3,598.87.

The General Fund revenues represent \$7,612,967 of the total \$14,604,294 in overall District revenues (52%).

The General Fund is predominately funded by revenues from the State of New Mexico Equalization Guarantee Formula. This fund pays for teaching staff, teaching support staff, special education support staff, and administration staff. Because of the student growth experienced by the School District, an emphasis on schools salaries by the New Mexico Legislature, and because the Equalization Guarantee Formula is based upon student populations, the Operational Fund has experienced increases and decreases in revenues as seen in the following table. In 2009-2010 we were subsidized by Federal Stimulus Funds.

**State of New Mexico**  
Dulce Independent Schools  
Management's Discussion and Analysis

June 30, 2013

Year	Revenues	Increase %
2008-2009	3,353,320	23%
2009-2010	2,622,211	-22%
2010-2011	3,252,655	24%
2011-2012	3,476,624	7%
2012-2013	3,583,295	3%

Because the General Fund is the main fund whose expenditures are significantly related to the educational process, \$7,137,949 was expended in the year ending June 30, 2013. The most significant inter-fund expenditure was for the function noted as "Direct Instruction". This expenditure was \$3,287,765 and represents 46% of all general expenditures. Expenditures included in this function are regular and special education teachers, benefits, payroll taxes, school supplies, training and miscellaneous instructional related contract services.

Instructional Support represents 24% of General Fund expenditures and account for expenditures for school principals, program coordinators, counselors, school nursing staff, librarians, special education ancillary staff and significant support to special education programs through contract ancillary support staff and contract programs.

The Office of the Superintendent and the Business Office represent the overhead support of the entire operations of the District; these programs combined represent 9% of the total General Fund.

Operation of the Plant accounts for 19% of the General Fund expenditures. Included in the Operation of the Plant expenditures are fixed utility costs, Insurance, maintenance and repairs, maintenance supplies. Additional support for maintenance supplies and projects comes from the voter approved SB9 Fund.

**Budget**

The State of New Mexico school budget process is defined under state law and regulation. To enhance the process of developing a budget at the school district level, the District utilizes goals and objectives defined by the District's Board, community input meetings, long term plans and input from various staff groups to develop the District's budget. District priorities are well defined through this process.

GASB 34 does not require a statement presenting the overall result of the budget for each year; however, all major budgetary funds are required to be reported as a separate statement.

Major budgetary funds in these reports are; The General Fund (Operational Fund) (Teacherage Fund), (Transportation Fund),(Instructional Materials Fund), Capital Outlay (Bond Building Fund), (Capital improvements HB-33 Fund) and the Debt Service. In addition, Thirty-Two (32) non-major Special Revenue Funds and Two (2) non-major Capital Projects Funds are also reported for their budgetary performance.



**State of New Mexico**  
**Dulce Independent Schools**  
**Management's Discussion and Analysis**

June 30, 2013

**Capital Assets**

Most District facilities are within 10 years old except, some gyms, and Administration Building.

Asset Type	Balance	Balance	Balance	Balance	Balance
	06/30/09	06/30/10	06/30/11	06/30/12	06/30/13
Land, Buildings & Improvements	\$65,833,512	\$38,000,604	\$71,667,951	\$ 73,197,998	\$ 73,462,871
Furniture, Fixtures & Equipment	3,191,793	3,584,038	3,584,038	3,685,430	3,687,007
Total Capital Assets	69,025,305	41,284,516	75,251,989	76,883,428	77,079,737
Less Accumulated Depreciation	(11,714,222)	(13,507,411)	(15,334,191)	17,345,179	19,668,075
Capital Assets-Net	\$57,311,083	\$59,750,382	\$60,405,911	\$59,538,249	\$57,929,105

In the fiscal year ending June 30, 2013 the Statement of Revenues and Expenditures and Changes in Fund Balances shows the District expended \$2,084,035 for capital outlays. A new High School was built in 2009.

**General Long Term Debt**

Article IX, Section 11 of the New Mexico Constitution limits the power of a school district to incur general obligation debt beyond a school year unless such debt is for "the purpose of erecting, remodeling, making additions, and furnishing buildings or purchasing or improving school grounds or purchasing computer software or hardware for student use in public classrooms or any combination of these purposes." The approval of debt is subject to a vote of the local electors and may not exceed 6% of the assessed valuation of the taxable property within the District.

The School District has never defaulted on any of its debts or other obligations. Listed below is the District's payment schedule for total general obligation debt as of June 30, 2013.

Year Ended June 30	Principal	Interest	Totals
2013	2,970,000	1,437,866	,407,866
2014	2,760,000	1,253,570	4,013,570
2015	3,460,000	1,166,975	4,626,975
2016	1,950,000	1,080,350	3,030,350
2017	3,270,000	979,050	4,249,050
2018-2023	2,165,000	2,860,125	24,510,125
2024-2028	1,000,000	20,000	1,020,000
Total	34,090,000	7,360,070	41,050,070

**State of New Mexico**  
Dulce Independent Schools  
Management's Discussion and Analysis

June 30, 2013

**Agency Funds**

The District, as a custodian, maintains and monitors special funds on the behalf of school activity groups. Agency funds maintained by the District are to benefit a specific activity or interest and are generally raised by students for student use. The custody and use of these funds are in accordance with Public Education Department Regulations and School District Policy.

**Future Trends**

The Dulce Independent School District's capital assets, particularly the buildings and grounds are currently not serving the needs of the district. The District is anticipating expanding the Dulce Middle and changing the Middle School to serve K-6. The 7-8 graders will be moved to the High School. The District would be moving from three campuses to two campuses. This would assist with reductions in operating costs. Enrollment figures have been very consistent with projection. We have had and will continue to have growth in enrollment. The district maintains an A2 bond rating, and was successful in a bond election and a 2 mil Senate Bill 9 election in February, 2009. In general our financial condition remains stable. The School District contacts are Mr. James Leshner, Superintendent, and Naomi Vicenti, Business Manager at 575-759-2909 or at 113 Hawk Drive, Dulce, N.M. 87528.

**BASIC  
FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2013**

Exhibit A-1  
(Page 1 of 2)

	<u><b>Governmental Activities</b></u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 12,305,627
Taxes Receivables	263,548
Due from other Governments	265,532
Other receivables	44,000
Prepaid Assets	50,625
Inventory	2,441
Total current assets	<u>12,931,773</u>
Noncurrent assets:	
Bond issuance costs (net of amortization of \$173,995)	291,188
Capital assets:	
Other capital assets	77,597,180
Less accumulated depreciation	<u>(19,668,075)</u>
Total Capital assets	<u>57,929,105</u>
Total noncurrent assets	<u>58,220,293</u>
Total assets	<u><u>\$ 71,152,066</u></u>

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2013**

Exhibit A-1  
(Page 2 of 2)

	<u><b>Governmental Activities</b></u>
<b>LIABILITIES AND NET POSITION</b>	
Current liabilities:	
Accounts payable	\$ 87,963
Accrued salaries and benefits	54,146
Accrued compensated absences	31,989
Accrued interest	212,562
Unearned Revenue	423,370
Current portion of long-term debt	275,000
Total current liabilities	<u>1,085,030</u>
Noncurrent liabilities:	
Bonds, loans and other payables:	
Bond Premiums (net of amortization of \$ 79,410)	172,039
Compensated Absences	39,872
Bonds due in more than one year	33,815,000
Total noncurrent liabilities	<u>34,026,911</u>
Total liabilities	<u>35,111,941</u>
Net position:	
Net Investment in Capital Assets	21,351,662
Unrestricted	1,113,925
Restricted for General Funds	154,416
Restricted for Special Revenue Funds	(2,269,085)
Restricted for Capital Projects Funds	6,883,239
Restricted for Debt Service Funds	8,805,968
Total net position	<u>36,040,125</u>
Total liabilities and net position	<u><u>\$ 71,152,066</u></u>

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2013**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Service</u>
Governmental activities:		
Instruction:		
Direct instruction	\$ 5,445,380	\$ -
Support services:		
Students	961,351	-
Instruction	183,806	-
General Administration	488,545	-
School Administration	406,725	-
Central Services	234,135	-
Operation & Maintenance of Plant	1,528,558	-
Student Transportation	213,972	-
Other Support Services	2,595	721,372
Food Services	517,353	22,150
Capital Outlay	3,896,868	-
Interest on long-term debt	1,381,919	-
Total governmental activities	<u>\$ 15,261,207</u>	<u>\$ 743,522</u>

<u>Program Revenues</u>		<u>Net</u>
<u>Operating</u>	<u>Capital</u>	<u>(Expenses)</u>
<u>Grants and</u>	<u>Grants and</u>	<u>Revenues and</u>
<u>Contributions</u>	<u>Contributions</u>	<u>Changes in</u>
		<u>Net Position</u>
\$ 4,983,491	\$ -	\$ (461,889)
-	150,959	(810,392)
-	-	(183,806)
-	-	(488,545)
-	-	(406,725)
-	-	(234,135)
-	-	(1,528,558)
173,177	-	(40,795)
-	-	718,777
446,495	-	(48,708)
-	-	(3,896,868)
-	-	(1,381,919)
<u>\$ 5,603,163</u>	<u>\$ 150,959</u>	<u>(8,763,563)</u>

**General Revenues:**

Property taxes:	
Levied for general purposes	252,715
Levied for debt service	2,044,369
Levied for capital projects	2,023,619
State aid not restricted	3,583,295
Gain on Sale of Assets	11,874
Miscellaneous	183,334
Transfers	1,931
Unrestricted investment earnings	6,828
	<u>8,107,965</u>
Total general revenues	
	<u>8,107,965</u>
Change in net position	(655,598)
Net position - beginning	<u>36,695,723</u>
Net position - ending	<u>\$ 36,040,125</u>

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
June 30, 2013

	General Fund			
	Operational	Teachorage	Transportation	Instructional Materials
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and cash equivalents	\$ 858,252	\$ 146,285	\$ 1	\$ 20,468
Investments	-	-	-	-
Accounts receivable				
Taxes	16,256	-	-	-
Due from other governments	-	-	-	-
Other accounts receivable	-	-	-	-
Interfund receivable	395,332	-	-	-
Prepaid Assets	16,975	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 1,286,815</u>	<u>\$ 146,285</u>	<u>\$ 1</u>	<u>\$ 20,468</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities</i>				
Accounts payable	\$ 10,061	\$ 1,732	\$ -	\$ -
Accrued salaries and benefits	25,970	9,239	1,367	-
Interfund payable	-	-	-	-
Unearned Revenue	-	-	-	-
<i>Total liabilities</i>	<u>36,031</u>	<u>10,971</u>	<u>1,367</u>	<u>-</u>
<i>Fund Balances</i>				
Fund Balance				
Non-spendable	-	-	-	-
Restricted for:				
General Fund	-	135,314	(1,366)	20,468
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Debt Service Funds	-	-	-	-
Committed for:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Assigned for:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Unassigned for:				
General Fund	<u>1,250,784</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total fund balances</i>	<u>1,250,784</u>	<u>135,314</u>	<u>(1,366)</u>	<u>20,468</u>
<i>Total liabilities and fund balances</i>	<u>\$ 1,286,815</u>	<u>\$ 146,285</u>	<u>\$ 1</u>	<u>\$ 20,468</u>



Bond Building	Capital Improvements HB-33	Debt Service	Other Governmental Funds	Total Governmental Funds
\$ 684,718	\$ 1,547,264	\$ 2,423,624	\$ 625,015	\$ 6,305,627
3,000,000	3,000,000	-	-	6,000,000
-	63,805	118,470	65,017	263,548
-	-	-	265,532	265,532
-	-	-	44,000	44,000
-	-	-	-	395,332
20,040	-	-	13,610	50,625
-	-	-	2,441	2,441
<u>3,704,758</u>	<u>4,611,069</u>	<u>2,542,094</u>	<u>1,015,615</u>	<u>13,327,105</u>
\$ 51,978	\$ -	\$ -	\$ 14,953	\$ 78,724
-	6,305	-	20,504	63,385
-	-	-	395,332	395,332
-	-	-	423,370	423,370
<u>51,978</u>	<u>6,305</u>	<u>-</u>	<u>854,159</u>	<u>960,811</u>
-	-	-	2,441	2,441
-	-	-	-	154,416
-	-	-	17,623	17,623
3,652,780	4,604,764	-	141,392	8,398,936
-	-	2,542,094	-	2,542,094
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>3,652,780</u>	<u>4,604,764</u>	<u>2,542,094</u>	<u>161,456</u>	<u>12,366,294</u>
<u>3,704,758</u>	<u>4,611,069</u>	<u>2,542,094</u>	<u>1,015,615</u>	<u>13,327,105</u>

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**GOVERNMENTAL FUNDS**

Exhibit B-1  
 (Page 2 of 2)

**RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION**  
 June 30, 2013

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

Fund balances - total governmental fund:	\$	12,366,294
Capital assets used in governmental activities are not financial resources and therefore, are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position		57,929,105
Other assets are not available to pay for current-period expenditures and therefore, are deferred in the funds:		
Property taxes		-
Bond issuance costs (net of amortization)		291,188
Other liabilities are not due and payable in the current period and therefore are not reported in the funds - accrued interest payable		(212,562)
Long-term liabilities, including bonds payable and compensated absences are not due and payable in the current period and therefore are not reported in the fund:		<u>(34,333,900)</u>
Net Position of Governmental Activities in the Statement of Net Position	\$	<u><u>36,040,125</u></u>

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2013

	General Funds			
	Operational	Teacherage	Transportation	Instructional Materials
<i>Revenues:</i>	\$	\$	\$	\$
Taxes				
Taxes levied/assessed	252,715	-	-	-
Local sources				
Tuition	-	-	-	-
Investment income	-	-	-	-
Food services	-	-	-	-
District activities	668,650	-	-	-
Other revenue	11,533	171,801	-	-
State sources				
Unrestricted Grants	3,583,295	-	-	-
Restricted Grants	80,077	-	173,177	46,364
Federal sources				
Unrestricted Grants	2,896,836	-	-	-
Unrestricted -state passthrough	107,371	-	-	-
Restricted Grants	-	-	-	-
Restricted -state passthrough	-	-	-	-
Department of Interior	-	-	-	-
Other items	12,490	-	-	-
<i>Total revenues</i>	<u>7,612,967</u>	<u>171,801</u>	<u>173,177</u>	<u>46,364</u>
<i>Expenditures:</i>				
Current:				
Instruction	3,287,765	-	-	39,726
Support Services				
Students	1,229,623	-	-	-
Instructor	180,626	-	-	-
General Administration	422,278	-	-	-
School Administration	406,725	-	-	-
Central Services	224,349	-	-	-
Operation & maintenance of plant	1,383,988	143,057	-	-
Student transportation	-	-	172,647	-
Other Support Services	2,595	-	-	-
Operation of Non-instructional Service				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>7,137,949</u>	<u>143,057</u>	<u>172,647</u>	<u>39,726</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>475,018</u>	<u>28,744</u>	<u>530</u>	<u>6,638</u>
<i>Other financing sources (uses)</i>				
Transfers (In) Out	1,860	-	-	-
Bond Premium	-	-	-	-
Bond Proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,860</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	476,878	28,744	530	6,638
<i>Fund balances - beginning of year</i>	<u>773,906</u>	<u>106,570</u>	<u>(1,896)</u>	<u>13,830</u>
<i>Fund balances - end of year</i>	<u>\$ 1,250,784</u>	<u>\$ 135,314</u>	<u>\$ (1,366)</u>	<u>\$ 20,468</u>

Bond Building	Capital Improvements HB-33	Debt Service	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 1,007,623	\$ 2,044,369	\$ 1,015,996	\$ 4,320,703
-	-	-	-	-
3,412	3,416	-	-	6,828
-	-	-	22,150	22,150
-	-	-	52,722	721,372
75,294	-	-	-	258,628
-	-	-	-	3,583,295
-	-	-	270,704	570,322
-	-	-	32,060	2,928,896
-	-	-	-	107,371
-	-	-	893,800	893,800
-	-	-	1,178,439	1,178,439
-	-	-	-	-
-	-	-	-	12,490
<u>78,706</u>	<u>1,011,039</u>	<u>2,044,369</u>	<u>3,465,871</u>	<u>14,604,294</u>
-	-	-	1,439,307	4,766,798
-	-	-	406,974	1,636,597
-	-	-	3,180	183,806
-	1,717	3,296	61,170	488,461
-	-	-	-	406,725
-	-	-	9,786	234,135
-	-	-	232,000	1,759,045
-	-	-	18,563	191,210
-	-	-	-	2,595
-	-	-	517,353	517,353
824,977	175,740	-	1,083,318	2,084,035
-	-	3,865,000	-	3,865,000
-	-	1,448,232	-	1,448,232
<u>824,977</u>	<u>177,457</u>	<u>5,316,528</u>	<u>3,771,651</u>	<u>17,583,992</u>
<u>(746,271)</u>	<u>833,582</u>	<u>(3,272,159)</u>	<u>(305,780)</u>	<u>(2,979,698)</u>
-	-	-	71	1,931
-	-	-	-	-
-	-	-	-	-
-	-	-	71	1,931
<u>(746,271)</u>	<u>833,582</u>	<u>(3,272,159)</u>	<u>(305,709)</u>	<u>(2,977,767)</u>
<u>4,399,051</u>	<u>3,771,182</u>	<u>5,814,253</u>	<u>467,165</u>	<u>15,344,061</u>
<u>\$ 3,652,780</u>	<u>\$ 4,604,764</u>	<u>\$ 2,542,094</u>	<u>\$ 161,456</u>	<u>\$ 12,366,294</u>

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGE**  
**IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

Exhibit B-2  
 (Page 2 of 2)

For the year Ended June 30, 2013

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

Net change in fund balances - total governmental funds	\$	(2,977,767)
--------------------------------------------------------	----	-------------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital expenditures		
Current year capital expenditure:		817,480
Depreciation expense		(2,398,568)

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

Property taxes		-
----------------	--	---

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

Decrease in accrued interest		85,767
Bond Premium		(15,123)
Increase in compensated absence:		(10,063)
Amortization of bond issuance cost		37,676
Issuance of new debt		(2,985,000)
Principal payments on bonds		6,790,000

Changes in Net Position of Governmental Activities	\$	(655,598)
----------------------------------------------------	----	-----------

(This page intentionally left blank.)



**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**OPERATIONAL FUND**

Exhibit C-1

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county sources	\$ 337,711	\$ 337,711	\$ 939,720	\$ 602,009
State sources	3,763,484	3,691,747	3,663,372	(28,375)
Federal sources	2,723,737	2,831,108	3,004,207	173,099
Interest	-	-	-	-
<i>Total revenues</i>	<u>6,824,932</u>	<u>6,860,566</u>	<u>7,607,299</u>	<u>746,733</u>
<i>Expenditures:</i>				
Current:				
Instruction	4,009,930	4,009,930	3,286,880	723,050
Support Services				
Students	1,252,329	1,239,303	1,227,856	11,447
Instruction	171,230	199,345	197,647	1,698
General Administration	542,077	503,521	430,066	73,455
School Administration	418,578	410,461	406,898	3,563
Central Services	3,336,561	234,181	221,774	12,407
Operation & maintenance of plant	1,356,680	1,423,898	1,420,015	3,883
Student transportation	-	-	-	-
Other Support Services	36,969	36,969	-	36,969
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>11,124,354</u>	<u>8,057,608</u>	<u>7,191,136</u>	<u>866,472</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(4,299,422)</u>	<u>(1,197,042)</u>	<u>416,163</u>	<u>1,613,205</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	1,860	1,860
Designated Cash	4,299,422	1,197,042	-	(1,197,042)
<i>Total other financing sources (uses)</i>	<u>4,299,422</u>	<u>1,197,042</u>	<u>1,860</u>	<u>(1,195,182)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>418,023</u>	<u>418,023</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>835,561</u>	<u>835,561</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,253,584</u>	<u>\$ 1,253,584</u>
<i>Excess(deficiency) of revenues over expenditures</i>			\$ 416,163	
<i>Adjustment to revenue for accruals and other deferrals</i>			21,894	
<i>Adjustment to expenditures for payables, prepaids and other accruals</i>			38,821	
<i>Excess (deficiency) of revenues over expenditures (GAAP basis)</i>			<u>\$ 476,878</u>	

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**TEACHERAGE FUND**

Exhibit C-2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county sources	\$ 138,444	\$ 138,444	\$ 171,801	\$ 33,357
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>138,444</u>	<u>138,444</u>	<u>171,801</u>	<u>33,357</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	214,274	260,357	147,429	112,928
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>214,274</u>	<u>260,357</u>	<u>147,429</u>	<u>112,928</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(75,830)</u>	<u>(121,913)</u>	<u>24,372</u>	<u>146,285</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Designated Cash	75,830	121,913	-	(121,913)
<i>Total other financing sources (uses)</i>	<u>75,830</u>	<u>121,913</u>	<u>-</u>	<u>(121,913)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>24,372</u>	<u>24,372</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>121,913</u>	<u>121,913</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 146,285</u>	<u>\$ 146,285</u>
<i>Net change in fund balance (Non-GAAP Budgetary basis)</i>			\$ 24,372	
<i>Adjustment to revenue for accruals and other deferrals</i>			-	
<i>Adjustment to expenditures for payables, prepaids and other accruals</i>			4,372	
<i>Excess (deficiency) of revenues over expenditures (GAAP basis)</i>			<u>\$ 28,744</u>	

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**TRANSPORTATION FUND**

Exhibit C-3

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	165,733	173,177	173,177	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>165,733</u>	<u>173,177</u>	<u>173,177</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	165,733	173,177	173,177	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>165,733</u>	<u>173,177</u>	<u>173,177</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
<i>Excess(deficiency) of revenues over expenditures (Non-GAAP basis)</i>			\$ -	
<i>Adjustment to revenue for accruals and other deferrals</i>			-	
<i>Adjustment to expenditures for payables, prepaids and other accruals</i>			<u>530</u>	
<i>Excess (deficiency) of revenues over expenditures (GAAP basis)</i>			<u>\$ 530</u>	

(This page intentionally left blank.)

## STATE OF NEW MEXICO

Exhibit C-4

DULCE INDEPENDENT SCHOOLS  
INSTRUCTIONAL MATERIALS FUNDSTATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	46,365	53,300	46,364	(6,936)
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>46,365</u>	<u>53,300</u>	<u>46,364</u>	<u>(6,936)</u>
<i>Expenditures:</i>				
Current:				
Instruction	54,853	61,788	39,726	22,062
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>54,853</u>	<u>61,788</u>	<u>39,726</u>	<u>22,062</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(8,488)</u>	<u>(8,488)</u>	<u>6,638</u>	<u>15,126</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Designated Cash	8,488	8,488	-	(8,488)
<i>Total other financing sources (uses)</i>	<u>8,488</u>	<u>8,488</u>	<u>-</u>	<u>(8,488)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>6,638</u>	<u>6,638</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>13,830</u>	<u>13,830</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,468</u>	<u>\$ 20,468</u>
<i>Excess(deficiency) of revenues over expenditures (Non-GAAP basis)</i>			\$ 6,638	
<i>Adjustment to revenue for accruals and other deferrals</i>			-	
<i>Adjustment to expenditures for payables, prepaids and other accruals</i>			-	
<i>Excess (deficiency) of revenues over expenditures (GAAP basis)</i>			<u>\$ 6,638</u>	

(This page intentionally left blank.)



**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**AGENCY FUNDS**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
June 30, 2013

Exhibit D

**ASSETS**

*Current Assets*

Cash \$ 210,756

*Total assets* \$ 210,756

**LIABILITIES**

*Current Liabilities*

Deposits held in trust for others \$ 210,756

*Total liabilities* \$ 210,756

(This page intentionally left blank.)

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 1. Summary of Significant Accounting Policies**

The Dulce Independent Schools 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 is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education for the Dulce community. The Districts operates with a local board of education-superintendent form of government and provides a supervised program of instruction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District's financial statements. The financial statements and notes are the representation of Dulce Independent Schools' management who is responsible for their integrity and objectivity. The financial statements of the 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 financial statements have incorporated all applicable GASB statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures. The more significant of the government's accounting policies are described below.

**A. *Financial Reporting Entity***

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 61. Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the District has no component units, and is not a component unit of another governmental agency.

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 1. Summary of Significant Accounting Policies** (continued)

B. *Government-wide and fund financial statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. *Measurement focus, basis of accounting, and financial statement presentation*

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

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

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 1. Summary of Significant Accounting Policies** (continued)

C. *Measurement focus, basis of accounting, and financial statement presentation* (continued)

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The agency funds are custodial in nature (assets and liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. These funds are used to account for assets that the District holds for others in an agency capacity.

The government reports the following major governmental funds:

*Operational Fund:*

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided by district school tax levy, state equalization and earnings from investments. Expenditures include all costs associated with the daily operations of the schools except for those items included in other funds.

The *Teacherage* fund is used to account for rents and housing for District personnel.

The *Transportation Fund* is used to account for the State Equalization received from the State Department of Education which is used to pay for the costs associated with transporting school age children.

The *Instructional Materials Fund* is used to account for the monies received from the State Department of Education for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

The *Bond Building Fund* is used to account for the accumulation of resources for the funds provided from the District's bond issues. Resources are used for the purpose of erecting, remodeling, making additions to, or furnishing public school buildings and purchasing or improving public school grounds. Financing is provided by ad valorem taxes as specified by Article 15 of the Finance of Counties, Municipalities, and School Districts Act., and the payment of, general long-term debt principal, interest and related costs.

The *Capital Improvements HB-33 Capital Projects Fund* is used to account for monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of purchasing technology assets and supplies.

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

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 1. Summary of Significant Accounting Policies** (continued)

*C. Measurement focus, basis of accounting, and financial statement presentation* (continued)

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

Private-sector standards of accounting and financial reporting under FASB and AICPA guidance are now included in GASB guidance by GASB 62.

Program revenues are categorized as (a) charges for services, which include revenues collected for cafeteria fees and lost books, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources such as Title I, IDEA-B, Impact Aid and 21<sup>st</sup> Century school funding to be used as specified within each program grant agreement, and (c) program –specific capital grants and contributions, which include revenues from state sources such as SB-9 and HB-33 funding to be used for capital projects. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include taxes.

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

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is include in the direct expense of each function, except for that portion of the deprecation that is identified as unallocated on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. There were no such transactions during the fiscal year ended June 30, 2013.

*D. Assets, Liabilities and Net Assets or Equity*

**Deposits and Investments:** 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.

State statutes authorize the District to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool. Investments for the District are reported at fair value.

**Receivables and Payables:** Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 1. Summary of Significant Accounting Policies** (continued)

**D. Assets, Liabilities and Net Assets or Equity**

The District receives monthly income from a tax levy in Rio Arriba County. The funds are collected by the County Treasurers and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurers in July and August 2013 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2013.

Certain Special Revenue funds are administered on a reimbursement method of funding; other funds are operated on a cash advance method of funding. The funds incurred the cost and submitted the necessary request for reimbursement or advance, respectively.

**Prepaid Items:** Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

**Instructional Materials:** The New Mexico Public Education Department (PED) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the New Mexico Public Education Department "State Adopted Instructional Material" list, while fifty percent of each allocation is available for purchases directly from vendors. The districts are allowed to carry forward unused allocations from year to year.

**Inventory:** Inventory is valued at cost utilizing the purchase basis of accounting. Inventory in the Special Revenue Funds consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed. The U.S.D.A. commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories. Non-commodity 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. No Unearned Revenue was recorded for unused commodity inventory as of June 30, 2013.

**Capital Assets:** Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5).

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction.

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

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Building improvements	20
Furniture, fixtures and equipment	3-15
Vehicles	5

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 1. Summary of Significant Accounting Policies** (continued)

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

**Unearned Revenues:** Accounting principles generally accepted in the United States of America require that grant revenue be recognized at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as Unearned Revenues. Amounts receivable from the property taxes levied for the current year that are not considered to be “available” under the current financial resources measurement focus are reported as Unearned Revenues in the governmental fund financial statements. GASB 63 amended previous guidance on Unearned Revenues in the Government-Wide Financial Statements to include deferred outflow of resources, which is the consumption of net assets by the government that is applicable to a future reporting period and deferred inflow of resources, which is acquisition of net assets by the government that is applicable to a future reporting period.

**Compensated Absences:** After a non-certified employee has been with the District for a period of at least six months, the employee is entitled to a one-week paid vacation. When employed twelve months, the employee is entitled to a two week paid vacation accumulative to no more than 20 contract days. Vacation is to be scheduled at an appropriate time and approved by the supervisor. If an employee is discharged because of lack of work, and through no fault of the employee, they will receive commensurate vacation pay. All vacation pay and applicable accumulated sick leave is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. No liability is reported for unpaid accumulated sick leave, as no payment is required upon termination of service by employees.

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

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

**Fund Equity:** In the fund financial statements, governmental funds report reservations of fund balance that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. These designations are established to earmark resources for specific future use and to indicate that the fund equity does not represent available spendable resources.

*Invested in capital assets, net of related debt* consists of net assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.

*Restricted fund balance* represents amounts that are constrained either by: 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or 2) imposed by law through constitutional provisions or enabling legislation.



STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 1. Summary of Significant Accounting Policies** (continued)

E. *Assets, Liabilities and Net Assets or Equity* (continued)

*Committed fund balance* represents amounts that are useable only for specific purposes by formal action of the government's highest level of decision-making authority.

*Assigned fund balance* represents amounts that are intended to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by the governing body or a subordinate high-level body or official whom the governing body has delegated.

*Unassigned fund balance* is the residual classification for the general fund and represents the amounts that have not been assigned to other funds, and that have not been restricted, committed, or assigned to specific purposes.

The District's policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

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

All other interfund transaction, except quasi-external transactions and reimbursements are reported as transfers. Nonrecurring or no-routine permanent transfers of equity are reported as residual equity transfers. All other intefund transfers are reported as operating transfers.

**Reclassifications:** Certain amounts presented in prior year data have been reclassified in order to be consistent with the current year's presentation.

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

E. *Revenues*

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$3,583,295 in state equalization guarantee distributions during the year ended June 30, 2013.

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

D. *Revenues (continued)*

**Tax Revenues:** The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. The District recognizes tax revenues in the period for which they are levied in the government-wide financial statements. The District records only the portion of the taxes considered 'measurable' and 'available' in the governmental fund financial statements. The District recognized \$714,234 in tax revenues in the governmental fund financial statements during the year ended June 30, 2013. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes. In addition to property taxes, the District receives Oil and Gas Taxes. The District recognized \$3,606,469 in Oil and Gas Taxes in the governmental fund financial statements during the year ended June 30, 2013.

**Transportation Distribution:** School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$173,177 in transportation distributions during the year ended June 30, 2013.

**Instructional Materials:** The District had allocations allowed by the State for the current year of \$46,364. Allocations received and utilized are reflected in revenue and expenditures of the General Fund.

**SB-9 State Match:** The Director shall distribute to any school district that has imposed a tax under the Public School Capital Outlay Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of section 22-25-3 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1, of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. Provided, however in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit shall be reduced as necessary. The District received \$18,762 in state SB-9 Matching during the year ended June 30, 2013.

**Federal Grants:** The District receives revenues from various Federal departments (both direct and indirect), which are legally restricted to expenditures for specific purposes. These programs are reported as Special Revenue Funds. Each program operated under its own budget, which has been approved by the Federal Department or the flow through agency (usually the New Mexico Department of Education). The various budgets are approved by the Local School Board and the New Mexico Public Education Department. The District also receives reimbursement under the National School Lunch and Breakfast Programs for its food services operation, and the distribution of commodities through the New Mexico Human Services Department. The District received \$32,060 in commodities for the year ended June 30, 2013.

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 2. Stewardship, Compliance and Accountability**

*Budgetary Information*

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

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

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

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

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

1. In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
2. In May or June, the budget is approved by the Board of Education.
3. The school board meeting is open for the general public unless a closed meeting has been called.
4. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.
5. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the SBPU.
6. Legal budget control for expenditures is by function.
7. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over in the next fiscal year by budgeting those in the subsequent fiscal year's budget.
8. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.
9. Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for Budget purposes.

The School Board may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico Administrative Code 6.20.2.9 prohibits a school district from exceeding budgetary control at the function level.

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 2. Stewardship, Compliance and Accountability (continued)**

*Budgetary Information (continued)*

The District is required to balance its budgets each year. Accordingly, amounts that are excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures.

**NOTE 3. Cash and Temporary Investments**

State statutes authorize the investment of the District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2013.

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

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

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

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

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

**Deposits**

NM State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for a least one half of the amount on deposit with the institution. The schedule listed below will meet the State of New Mexico, Office of the State Auditor's requirements in reporting the insured portion of the deposits.

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 3. Cash and Temporary Investments (continued)**

<u>Type</u>	<u>Wells Fargo</u>	<u>Total Bank</u>
General	\$6,931,870	\$6,931,870
CD's	6,000,000	6,000,000
FDIC Coverage	<u>(250,000)</u>	<u>(250,000)</u>
Total uninsured public funds	12,681,870	12,681,870
Collateral requirement (50%)	6,340,935	6,340,935
Pledged Securities (over) under collateralized	6,638,789 (297,854)	6,638,789 (297,854)
Custodial Credit Risk Deposits		
Account Balance	\$12,931,870	
FDIC Insured	250,000	
Collateral:		
Collateral held by the pledging bank, not in the District's name	6,638,789	
Uninsured and uncollateralized	<u>6,043,081</u>	
Total Deposits	\$12,931,870	

Custodial credit risk is the risk that in the event of a bank failure, the governments' deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2013, \$6,043,081 of the District's bank balance of \$12,931,870 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 6,043,081
FDIC Insurance	250,000
Collateral held by pledging bank's trust department not in the District's name	<u>6,638,789</u>
Total	<u>\$ 12,931,870</u>

Reconciliation of Cash and Temporary Investments

Governmental Funds - Balance Sheet	
Cash and cash equivalents per Exhibit A-1	\$ 12,305,607
Cash per Exhibit D-1	210,756
Less Investments in LGIP	-
Add outstanding checks and other reconciling items	<u>415,507</u>
	<u>\$ 12,931,870</u>

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 3. Cash and Temporary Investments (continued)**

Custodial Credit Risk- Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have an investment policy for custodial credit risk. New Mexico State Statutes require collateral pledged to be delivered for the securities underlying an overnight repurchase agreement, or a joint safekeeping receipt to be issued to the District for at least on hundred two percent of the fair value of the securities underlying overnight repurchase accounts invested with the institution.

As of June 30, 2013, the Districts' investment balances were exposed to custodial credit risk as follows:

Certificates of Deposit \$ 6,000,000

Interest Rate Risk- Investments

Interest Rate Risk and Credit Rating- Certificates of Deposit

The District does not have a formal policy limiting investment maturities to manage its exposure to fair value losses from increasing interest rates. The District's investments at June 30, 2013 include the following:

Certificates of Deposit \$ 6,000,000

**NOTE 4. Accounts Receivable**

Accounts receivable as of June 30, 2013, are as follows:

	General Fund	Bond Building Fund	Capital Improvements HB-33 Fund	Debt Service Fund	Total Nonmajor Funds	Total
Property taxes	\$ 16,256	\$ -	\$ 63,805	\$ 118,470	\$ 65,017	\$ 263,548
Due from other governments:						
Title I	-	-	-	-	65,070	65,070
IDEA B Entitlement	-	-	-	-	14,045	14,045
21 <sup>st</sup> Century	-	-	-	-	121,111	121,111
English Language Acquisition	-	-	-	-	2,845	2,845
Teacher /Principal Training	-	-	-	-	17,800	17,800
Rural & Low Income Schools	-	-	-	-	11,292	11,292
Breakfast for Elementary Students	-	-	-	-	3,565	3,565
Capital Improvements SB-9	-	-	-	-	18,762	18,762
	<b>\$ 16,256</b>	<b>\$ -</b>	<b>\$ 63,805</b>	<b>\$ 118,470</b>	<b>\$ 374,549</b>	<b>\$ 573,080</b>

The above receivables are deemed 100% collectible. In accordance with GASB # 33, property tax receivables are presented net of deferred on the governmental fund financial statements.

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 4. Accounts Receivable and Unearned Revenues (continued)**

**Unearned Revenues**

Unearned Revenue represents advances on grants which have not been earned at June 30, 2013.

	<u>General</u> <u>Fund</u>	<u>Debt</u> <u>Service</u>	<u>Other</u> <u>Governmental</u>	<u>Total</u>
Property Taxes	\$ -	\$ -	\$ -	\$ -
IDEA B Private	\$ -	\$ -	\$ 72	\$ 72
Impact Aid Spec Education	\$ -	\$ -	\$ 160,933	\$ 160,933
Impact Aid	\$ -	\$ -	\$ 255,399	\$ 255,399
21 <sup>st</sup> Century	\$ -	\$ -	\$ 1,077	\$ 1,077
State Directed Activities	\$ -	\$ -	\$ 5,889	\$ 5,889
<b>Total</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 423,370</u>	<u>\$ 423,370</u>

**NOTE 5. Accounts Payables**

Accounts payable as of June 30, 2013, are as follows:

Payable to suppliers	\$ 78,724
Accrued Salaries and benefits	63,385
Accrued interest	212,562
<b>Total accounts payable and accrued expenses</b>	<u><b>\$ 354,671</b></u>

**NOTE 6. Interfund Receivables, Payables, and Transfers**

The District records temporary interfund receivables and payables to enable the funds to operate until grant monies are received.

The composition of interfund balances during the year ended June 30, 2013 is as follows:

	Interfund Receivable	Interfund Payable
General Fund	\$ 395,332	\$ -
Nonmajor Funds:		
Title I Entitlement	-	35,853
IDEA B Entitlement	-	11,979
IDEA B Discretionary	-	10,997
21 <sup>st</sup> Century	-	200,275
English Language Acquisition	-	13,193
Teacher/Principal Training	-	16,076
Rural and Low Income Education	-	11,292
Title I Incentives	-	1,464
Breakfast for Elementary Students	-	4,995
School Improvements Framework	-	3,959
Kindergarten Three Plus	-	17,756
Gear Up CHE	-	22,122
School Based Health Center	-	33,730
	<u>\$ 395,332</u>	<u>\$ 395,332</u>





STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 8. Long-term Debt**

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2013 are for governmental activities. 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.

Bonds outstanding at June 30, 2013, are comprised of the following:

Series	Date of Issue	Original Amount	Interest Rate	Balance
The Bank of New York 5/15/06	05/15/06	7,000,000	3.65% - 4.00%	1,810,000
The Bank of New York 6/1/07	06/01/07	10,000,000	4.00% - 4.25%	4,040,000
The Bank of New York 9/1/08	09/01/08	10,000,000	4.00% - 5.00%	6,325,000
General Obligation Bonds Series 2009 3/1/09	03/01/09	8,000,000	2.25% - 4.40%	8,000,000
General Obligation Bonds Series 2011 4/12/11	04/12/11	12,550,000	3.25% - 4.00%	11,905,000
General Obligation Bond Series 2013 1/13/13	1/23/13	2,985,000	1.25%	2,010,000
<b>Total</b>				<b><u>34,090,000</u></b>

The following is a summary of the long-term debt and the activity for the year ended June 30, 2013:

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013	Due Within One Year
General obligation bonds	37,895,000	2,985,000	6,790,000	34,090,000	2,760,000
Compensated Absences	61,798	49,935	39,872	74,861	39,872
	<b><u>\$ 37,956,798</u></b>	<b><u>\$3,034,935</u></b>	<b><u>\$6,829,872</u></b>	<b><u>\$34,164,861</u></b>	<b><u>\$2,799,872</u></b>

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 8. Long-term Debt (continued)**

The annual requirements to amortize the General Obligation Bonds as of June 30, 2013, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	2,760,000	1,253,570	4,013,570
2015	3,460,000	1,166,975	4,626,975
2016	1,950,000	1,080,350	3,030,350
2017	3,270,000	979,050	4,249,050
2018-2023	21,650,000	2,860,125	24,510,125
2024-2028	1,000,000	20,000	1,020,000
	<b>\$ 34,090,000</b>	<b>\$ 7,360,070</b>	<b>\$ 41,450,070</b>

The general fund is typically used to liquidate long-term liabilities other than debt. The debt service fund liquidates general obligation bonds.

Reconciliation of Long-Term Debt to the Statement of Net Position

Total Long term debt	\$ 34,090,000
Net Issue Costs/Premium/Discounts on Bond Issues	(213,734)
Accumulated Amortization	94,585
	<u>\$ 33,970,851</u>

**NOTE 9. Risk Management**

The District is a member of the New Mexico Public School Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. Also included under the risk management program are Boiler, Machinery and Student Accident Insurance.

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$750 deductible to each building. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to Depositor's Forgery, Credit Card Forgery, and Money Orders. A limit of \$100,000 applies to Money and Securities, which include a \$750 deductible.

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2013, there have been no claims that have exceeded insurance coverage.

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 10. Other Required Individual Fund Disclosures**

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

A.	Deficit fund balance of individual funds.	
	Transportation	\$ (1366)
	IDEA B Discretionary	(10,997)
	21 <sup>st</sup> Century	(77,364)
	English Language Acquisition	(10,348)
	Incentives for School Improvement PED	(1,464)
	Breakfast for Elementary Students	(1,430)
	School Improvement Framework	(3,959)
	Kindergarten Three Plus	(3,947)
	MS Science	(129)
	Gear-up CHE	(22,122)
	Farm to Table	(470)
	School Based Health Center	(33,730)

Deficit Fund Balances will be funded by general fund transfers or additional grant funds.

B.	Excess of expenditures over appropriations by fund and function.	
	Capital Project HB33	General Administration (2300) 117
	Capital Project SB9	General Administration (2300) 137

**NOTE 11. Pension Plan- Educational Retirement Board**

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

**Funding Policy.**

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

**Employer Contributions**

In the fiscal year 2013, the District was required to contribute 12.4% of the gross covered salary for employees whose annual salary is \$20,000 or less, and 10.9% of the gross covered salary for employees whose annual salary is more than \$20,000.

In the future, the District will contribute the following percentages of the gross covered salary of employees: 13.5% of gross covered salary in fiscal year 2014; and 13.9% of gross covered salary in fiscal year 2015.

The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Dulce Independent Schools’ contributions to the ERB for the years ended June 30, 2013, 2012 and 2011 were \$968,915, \$1,027,784, and \$1,147,984, respectively, which equal the required contributions for each year.

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 12. Post-Employment Benefits-State Retiree Healthcare Plan**

*Plan description:* Dulce Independent Schools contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit post-employment 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 Retiree Health Care Act on the person's behalf, unless that person retires before the employer's NMRHCA effective date, in which event the time period required for the employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; or (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 RCHA 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 RCHA or viewed on their website at [www.nmrhca.stat.nm.us](http://www.nmrhca.stat.nm.us).

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

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

The District's contributions to the RHCA for the years ended June 30, 2013, 2012 and 2011 were \$143,226, \$139,282, and \$88,150, respectively, which equal the required contributions for each year.

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 13. Contingent Liabilities**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the School expects such amount, if any, to be immaterial.

The District is involved in various claims and lawsuits arising in the normal course of business. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the District.

**NOTE 14. 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 15. Non-Cash Federal Assistance**

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2013 was \$32,060.

**NOTE 16. Memorandum of Understanding/Joint Powers Agreement**

REC

Purpose: 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 USDE under the Education of the Handicapped Act, Part B, PL 94-142 among others.

Participants: Regional Education Cooperative and Dulce Independent Schools  
Responsible Party for Operation and Audit: Regional Education Cooperative

Beginning and Ending Date of Agreement: July 1, 1995 until the end of any fiscal year during which the school gives notice of intent to terminate.

Total Estimated Amount of Project and Actual Amount Contributed: The REC paid expenditures on behalf of the District.

Jicarilla Apache Nation

Purpose: To effectuate an agreement whereby the Jicarilla Apache Nation has the authority and the inherent right to exercise its responsibility to the Jicarilla Apache People for their education by prescribing and implementing educational laws and policies applicable to all schools serving the Jicarilla Apache Nation.

Participants: Jicarilla Apache Nation and Dulce Independent Schools

Responsible Party for Operation and Audit: Dulce Independent Schools

Beginning and Ending Date of Agreement: June 29, 2010 and shall remain in effect indefinitely

Total Estimated Amount of Project and Actual Amount Contributed: Undetermined

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 16. Memorandum of Understanding/Joint Powers Agreement (continued)**

School Based Health Center

Purpose: To support school-based health center core service provisions, including, but not limited to, integrated primary and behavioral health care, health promotion and education for school-age children, school and community partnership development and positive youth engagement.

Participants: Dulce Independent Schools and the New Mexico Department of Health

Responsible Party for Operation and Audit: Each agency will maintain their own records

Beginning and Ending Date of Agreement: July 1, 2011 until termination or expiration of funds

Total Estimated Amount of Project and Actual Amount Contributed: Not to exceed \$80,000

Jicarilla Child and Family Education Center

Purpose: To support establish a cooperative relationship and working procedures between DISD and JCFEC in the provision of special education and related services to eligible children in compliance with applicable federal Jicarilla Nation and state laws and regulations.

Participants: Dulce Independent Schools and the Jicarilla Child and Family Education Center

Responsible Party for Operation and Audit: Each agency will maintain their own records

Beginning and Ending Date of Agreement: January 2012 to January 2015

Total Estimated Amount of Project and Actual Amount Contributed: No cost

**NOTE 17. Construction Commitments**

The District had a contract for construction services for the remodel project which had an outstanding balance due of \$ 6,349,971 and a design contract for \$530,000 of which \$135,000 is outstanding at June 30, 2013.

**NOTE 18. Subsequent Accounting Standard Pronouncements**

The GASB issued Statement No. 65, *Financial reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and net Position* which is effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The objective of this statement is to provide financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Concepts Statement 4 also identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The District has reviewed the effects of implementation of this statement.

The GASB issued Statement No. 66, which is effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The objective of this statement is to amend Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of a state and local government’s risk financing activities to the general fund and the internal service fund type. As a result, government would base their decisions about governmental fund type usage for risk financing activities on the definitions in State NO. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement also amends Statement No. 62,

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
Notes to the Financial Statements  
June 30, 2013

**NOTE 18. Subsequent Accounting Standard Pronouncements (continued)**

Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and that principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee. These changes would eliminate any uncertainty regarding the application of Statement No. 13, Accounting for Operating Leases with Schedule Rent Increases, and result in guidance that is consistent with the requirements in Statement No. 48, Sales of Pledges of receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues, respectively. The District has reviewed the effects of the implementation of this statement.

**NOTE 19. Subsequent Events Review**

Dulce Independent Schools has evaluated subsequent events through August 30, 2013, which is the date the financial statements were available to be issued. Nothing additional required to be reported.

(This page intentionally left blank.)



**SUPPLEMENTARY INFORMATION**

(This page intentionally left blank.)

**NONMAJOR GOVERNMENTAL FUNDS**

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**NONMAJOR GOVENMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for Federal, State and Local funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks. Grants accounted for in the Special Revenue Funds include:

**Food Services** – This fund is utilized to account for Federal and Local sources of income relating to the food service programs. The Food Services Fund is segregated into two categories, one being the Federal funds and the other being Non-Federal funds. Federal funds consist of the National School Lunch Program, which is administered by the State of New Mexico for the purpose of making breakfast and lunch available to all school children and to encourage the domestic consumption of agricultural commodities and other food components. The Non-Federal funds consist of income derived from Snack-Bar facilities located in the District. Authority for the creation of this fund is NMSA 22-13-13.

**Athletics** - This fund is used to account for fees generated at athletic activities throughout the School District. The gate receipts are obtained from the general public and are expended in this fund. The authority for creation of this fund is 6.20.2 NMAC.

**Title I** – This fund’s major objectives are to provide supplemental educational opportunities for academically disadvantaged children in the area where they reside. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; education need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for the creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

**IDEA B Entitlement** – The purpose of this program is to account for revenue used to help maximize the resources in meeting the objective of handicapped children. The federal revenues in this fund are received from and administered by the New Mexico Department of Education. Authority for the creation of this fund is Part B of the Handicapped Act, Public Law 105-17.

**IDEA B Discretionary** – The purpose of this program is to account for revenue used to help maximize the resources in meeting the objective of handicapped children. The funds are to be used to purchase Math and Literacy intervention programs/materials. The federal revenues in this fund are received from and administered by the New Mexico Department of Education. Authority for the creation of this fund is Part B of the Handicapped Act, Public Law 105-17.

**IDEA-B Preschool** - The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105-17.

**IDEA-B Private**- The objective is to provide a preschool sub grant for special education and related services to students with disabilities who are parentally placed in private elementary and secondary schools located in the school district. Authority for creation of this fund is Public Law 105-17.

**21<sup>st</sup> Century** - The objective is to account for federal funds utilized to expand an after school, weekend and summer program. The program is designed to integrate the visual and performing arts with literacy, life skills and physical activity for kindergarten to 12<sup>th</sup> grade focusing on the neighborhood and the community as a classroom.

**IDEA B Risk Pool**- The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105-17.

**English Language Acquisition** – The purpose of this fund is to give financial support to local school districts with high concentrations of immigrant children. Authority for the creation of this fund is Title III, Part A of ESEA, as amended by NO Child Left Behind Act, P.L. 107-110.

**Teacher/Principal Training** – The purpose of this fund is to improve the skills of teachers and the quality of instruction in mathematics and science, and also to increase the accessibility of such instruction to all students. Authority for creation of this fund is Title II of the Elementary and Secondary Education Act (ESEA) of 1965 as amended, Public Law 103-382.

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**NONMAJOR GOVENMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**

**Rural and Low Income Schools** – The purpose of this fund is to account for monies to rural schools to enhance the education program in technology, career readiness, and summer school and after school tutoring programs. The authority for this program is under CFDA 84.3580, Title II.

**Impact Aid Special Education** – The purpose of these grants are to provide financial assistance to local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), where there is a significant number of children who reside on Federal lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3 (2a) and 3 (b)). The authorization for this fund is PL 81-874.

**Impact Aid Education** – The purpose of these grants are to provide financial assistance to local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), where there is a significant number of children who reside on Federal lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3 (2a) and 3 (b)). The authorization for this fund is PL 81-874.

**Title XIX Medicaid** – The objective of this program is to provide federal funds for the implementation of the Medical Assistance Program Medicaid providing payments for medical assistance to low-income persons who are age 65 or over, blind, disabled, or members of families with dependent children or qualified pregnant women or children. Authority for creation of the Title XIX Medical Assistance Program is the Medicaid Title XIX of the Social Security Act, as amended, (42 USC 1396, et seq.)

**Bus Replacement**– The purpose of fund is to provide funds for the replacement of a bus. Authority for creation of this fund is Laws of 1997, Chapter 32.

**Assessments**– PED– The purpose of this state grant is to provide funds for use assessing the academic level of students. Authority for creation of this fund is Laws of 1997, Chapter 32.

**Robotics**– The purpose of this state grant is to provide funds for use in teaching and competing in robotics. Authority for creation of this fund is Laws of 1997, Chapter 32.

**Incentives for School Improvement** PED– The purpose of this state grant is to provide funds for use in providing student educational trips, automation of the District's libraries, and other educational materials. Authority for creation of this fund is Laws of 1997, Chapter 32.

**Beginning Teacher Mentoring** – The objective of this program is to provide beginning teachers an effective transition into the teaching profession, retain capable teachers, improve the achievement of students and improve the overall success of the school. Funding is provided by the New Mexico Public Education Department. Authority for creation of this fund is NMSA 22-2-8-10.

**Breakfast for Elementary Students** – The objective of this program is to provide breakfast to elementary students. Funding is provided by the New Mexico Public Education Department. .

**School Improvement Framework** - The purpose of this program is to account for revenues and expenditures used to purchase library materials and were awarded as a result of meeting adequate yearly progress for two consecutive years.

**Kindergarten- Three Plus**- The purpose of this program is to account for revenues and expenditures used for a pilot program for kindergarten through third grade students. Funds can be used for teachers, education assistants, nurses, an academic coach and PE coach.

**21<sup>st</sup> Century**- The purpose of this program is to account for revenues and expenditures used for after school care for students. The fund was created by grant provisions.

**MS Science**- The purpose of this program is to account for revenues and expenditures used for the Middle School Science Department. The fund was created by grant provisions.

(This page intentionally left blank.)



**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**NONMAJOR GOVENMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**

**State Directed Activities-Idea B Discretionary** - The purpose of this program is to account for revenue used to help maximize the resources in meeting the objective of handicapped children. The funds are to be used to purchase Math and Literacy intervention programs/materials. The federal revenues in this fund are received from and administered by the New Mexico Department of Education. Authority for the creation of this fund is Part B of the Handicapped Act, Public Law 105-17.

**Medicaid HSD**- The purpose of this program is to assist schools in offering key health and health related services that are designed to integrate and maintain active learning in Medicaid-eligible children with disabilities and special health care needs.

**Gear Up-CHE** – The objective of this program to help low income, first generation students prepare for and succeed in post-secondary education. This fund was created by the Higher Education Department and NM Gear up.

**Farm to Table** – The objective of this program to provide healthy food options to students. The fund is provided by PED and the Department of Agriculture.

**School Based Health Center** – The objective of this program to provide health services to students. The fund is provided by PED and the Department of Health.

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**NONMAJOR GOVENMENTAL FUNDS**

**CAPITAL PROJECTS FUNDS**

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

The District has four separate funds classified as non-major Capital Projects Funds as follows:

**Special Capital Outlay Federal** – To maintain school facilities owned by the Department of Education and operated by the Board of Education agencies and transfer these facilities to local agencies where appropriate. These funds are authorized by the Elementary and Secondary Education Act of 1965, Title VIII, Section 8008 as amended.

**Capital Improvements SB-9** – To account for erecting, remodeling, making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof as identified by the local school board. Financing is provided by the State of New Mexico’s State Equalization Matching and a special tax levy. Authority for the creation of this fund is NMSA 22-25-1 to 22-25-10.

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
June 30, 2013

<b>ASSETS</b>	Food Service	Athletics	Title I
<i>Current Assets</i>			
Cash and cash equivalents	\$ 70,598	\$ 41,828	\$ -
Investments	-	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	65,070
Other accounts receivable	15,219	-	-
Interfund receivable	-	-	-
Prepaid Assets	-	-	6,810
Inventory	2,441	-	-
	<u>88,258</u>	<u>41,828</u>	<u>71,880</u>
<i>Total assets</i>	<u>\$ 88,258</u>	<u>\$ 41,828</u>	<u>\$ 71,880</u>
 <b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	\$ 10,112	\$ -	\$ 3,605
Accrued salaries and benefits	-	-	898
Interfund payable	-	-	35,853
Unearned Revenue	-	-	-
	<u>10,112</u>	<u>-</u>	<u>40,356</u>
<i>Total liabilities</i>	<u>10,112</u>	<u>-</u>	<u>40,356</u>
 <i>Fund Balances</i>			
Fund Balance			
Non-spendable	2,441	-	-
Restricted for:			
General Fund	-	-	-
Special Revenue Funds	75,705	41,828	31,524
Capital Projects Funds	-	-	-
Debt Service Funds	-	-	-
Committed for:			
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Assigned for:			
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Unassigned for:			
General Fund	-	-	-
	<u>78,146</u>	<u>41,828</u>	<u>31,524</u>
<i>Total fund balances</i>	<u>78,146</u>	<u>41,828</u>	<u>31,524</u>
<i>Total liabilities and fund balances</i>	<u>\$ 88,258</u>	<u>\$ 41,828</u>	<u>\$ 71,880</u>

IDEA-B Entitlement	IDEA-B Discretionary	IDEA-B Preschool	IDEA-B Private	21st Century
\$ 1	\$ -	\$ -	\$ 72	\$ -
-	-	-	-	-
-	-	-	-	-
14,045	-	-	-	121,111
-	-	-	-	-
-	-	-	-	-
-	-	-	-	1,800
-	-	-	-	-
<u>\$ 14,046</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72</u>	<u>\$ 122,911</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
11,979	10,997	-	-	200,275
-	-	-	72	-
<u>11,979</u>	<u>10,997</u>	<u>-</u>	<u>72</u>	<u>200,275</u>
-	-	-	-	-
-	-	-	-	-
2,067	(10,997)	-	-	(77,364)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>2,067</u>	<u>(10,997)</u>	<u>-</u>	<u>-</u>	<u>(77,364)</u>
<u>\$ 14,046</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72</u>	<u>\$ 122,911</u>

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
June 30, 2013

<b>ASSETS</b>	<u>IDEA-B Risk Pool</u>	<u>English Language Acquisition</u>	<u>Teacher/ Principal Training</u>
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Investments	-	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	2,845	17,800
Other accounts receivable	-	-	-
Interfund receivable	-	-	-
Prepaid Assets	-	-	-
Inventory	-	-	-
	<hr/>	<hr/>	<hr/>
<i>Total assets</i>	<u>\$ -</u>	<u>\$ 2,845</u>	<u>\$ 17,800</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities</i>			
Accounts payable	\$ -	\$ -	\$ -
Accrued salaries and benefits	-	-	899
Interfund payable	-	13,193	16,076
Unearned Revenue	-	-	-
	<hr/>	<hr/>	<hr/>
<i>Total liabilities</i>	<u>-</u>	<u>13,193</u>	<u>16,975</u>
<i>Fund Balances</i>			
Fund Balance			
Non-spendable	-	-	-
Restricted for:			
General Fund	-	-	-
Special Revenue Funds	-	(10,348)	825
Capital Projects Funds	-	-	-
Debt Service Funds	-	-	-
Committed for:			
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Assigned for:			
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Unassigned for:			
General Fund	-	-	-
	<hr/>	<hr/>	<hr/>
<i>Total fund balances</i>	<u>-</u>	<u>(10,348)</u>	<u>825</u>
<i>Total liabilities and fund balances</i>	<u>\$ -</u>	<u>\$ 2,845</u>	<u>\$ 17,800</u>

Rural & Low Income Schools	Impact Aid Special Education	Impact Aid Education	Title XIX Medicaid	Bus Replacement
\$ -	\$ 163,419	\$ 257,038	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
11,292	-	-	-	-
-	-	-	-	-
-	-	-	-	-
5,000	-	-	-	-
-	-	-	-	-
<u>16,292</u>	<u>163,419</u>	<u>257,038</u>	<u>-</u>	<u>-</u>
\$ 772	\$ -	\$ -	\$ -	\$ -
-	2,486	1,639	-	-
11,292	-	-	-	-
-	160,933	255,399	-	-
<u>12,064</u>	<u>163,419</u>	<u>257,038</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
4,228	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>4,228</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>16,292</u>	<u>163,419</u>	<u>257,038</u>	<u>-</u>	<u>-</u>

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
June 30, 2013

<b>ASSETS</b>	GO Bond Library SB1	Assessments	Robotics
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	\$ -	\$ -
Investments	-	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	11,042
Other accounts receivable	-	-	-
Interfund receivable	-	-	-
Prepaid Assets	-	-	-
Inventory	-	-	-
	-	-	-
<i>Total assets</i>	\$ -	\$ -	\$ 11,042

**LIABILITIES AND FUND BALANCES**

<i>Current Liabilities</i>			
Accounts payable	\$ -	\$ -	\$ -
Accrued salaries and benefits	-	-	-
Interfund payable	-	-	11,042
Unearned Revenue	-	-	-
	-	-	-
<i>Total liabilities</i>	-	-	11,042
<i>Fund Balances</i>			
Fund Balance			
Non-spendable	-	-	-
Restricted for:			
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Debt Service Funds	-	-	-
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Assigned for:			
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Unassigned for:			
General Fund	-	-	-
	-	-	-
<i>Total fund balances</i>	-	-	-
<i>Total liabilities and fund balances</i>	\$ -	\$ -	\$ 11,042



Incentive for School Improvement PED	Beginning Teacher Mentoring	Breakfast for Elementary Students	School Improvement Framework	Kindergarten Three Plus
\$ -	\$ 3,203	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	3,565	-	-
-	-	-	-	27,665
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ 3,203</u>	<u>\$ 3,565</u>	<u>\$ -</u>	<u>\$ 27,665</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	13,856
1,464	-	4,995	3,959	17,756
-	-	-	-	-
<u>1,464</u>	<u>-</u>	<u>4,995</u>	<u>3,959</u>	<u>31,612</u>
-	-	-	-	-
-	-	-	-	-
(1,464)	3,203	(1,430)	(3,959)	(3,947)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>(1,464)</u>	<u>3,203</u>	<u>(1,430)</u>	<u>(3,959)</u>	<u>(3,947)</u>
<u>\$ -</u>	<u>\$ 3,203</u>	<u>\$ 3,565</u>	<u>\$ -</u>	<u>\$ 27,665</u>

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**

	21st Century	MS Science	State Directed Activities IDEA-B Discretionary	Industrial Arts Career Tech & Voc Ed Training	School Library Materials
<b>ASSETS</b>					
<i>Current Assets</i>					
Cash and cash equivalents	\$ 1,077	\$ -	\$ 5,890	\$ -	\$ -
Investments	-	-	-	-	-
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	-	-	-
Other accounts receivable	-	-	-	-	-
Interfund receivable	-	-	-	-	-
Prepaid Assets	-	-	-	-	-
Inventory	-	-	-	-	-
	-	-	-	-	-
<i>Total assets</i>	\$ 1,077	\$ -	\$ 5,890	\$ -	\$ -
 <b>LIABILITIES AND FUND BALANCES</b>					
<i>Current Liabilities</i>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued salaries and benefits	-	-	-	-	-
Interfund payable	-	129	-	-	-
Unearned Revenue	1,077	-	5,889	-	-
	1,077	-	5,889	-	-
<i>Total liabilities</i>	1,077	129	5,889	-	-
<i>Fund Balances</i>					
Fund Balance					
Non-spendable	-	-	-	-	-
Restricted for:					
General Fund	-	-	-	-	-
Special Revenue Funds	-	(129)	1	-	-
Capital Projects Funds	-	-	-	-	-
Debt Service Funds	-	-	-	-	-
Committed for:					
General Fund	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Assigned for:					
General Fund	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Unassigned for:					
General Fund	-	-	-	-	-
	-	(129)	1	-	-
<i>Total fund balances</i>	-	(129)	1	-	-
<i>Total liabilities and fund balances</i>	\$ 1,077	\$ -	\$ 5,890	\$ -	\$ -

Medicaid HSD	Gear-up CHE	Farm to Table	School Based Health Center	Impact Aid Capital Projects-Federal	Capital Improvements SB-9	Total Nonmajor Governmental Funds
\$ 24,953	\$ -	\$ -	\$ -	\$ -	\$ 56,936	\$ 625,015
-	-	-	-	-	-	-
-	-	-	-	-	65,017	65,017
-	-	-	-	-	18,762	265,532
-	-	-	-	1,116	-	44,000
-	-	-	-	-	-	-
-	-	-	-	-	-	13,610
-	-	-	-	-	-	2,441
<u>\$ 24,953</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,116</u>	<u>\$ 140,715</u>	<u>\$ 1,015,615</u>
\$ 25	\$ -	\$ -	\$ -	\$ -	\$ 439	\$ 14,953
726	-	-	-	-	-	20,504
-	22,122	470	33,730	-	-	395,332
-	-	-	-	-	-	423,370
<u>751</u>	<u>22,122</u>	<u>470</u>	<u>33,730</u>	<u>-</u>	<u>439</u>	<u>854,159</u>
-	-	-	-	-	-	2,441
-	-	-	-	-	-	-
24,202	(22,122)	(470)	(33,730)	-	-	17,623
-	-	-	-	1,116	140,276	141,392
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>24,202</u>	<u>(22,122)</u>	<u>(470)</u>	<u>(33,730)</u>	<u>1,116</u>	<u>140,276</u>	<u>161,456</u>
<u>\$ 24,953</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,116</u>	<u>\$ 140,715</u>	<u>\$ 1,015,615</u>

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2013

	Food Services	Athletics	Title I
<i>Revenues:</i>			
Taxes	\$	\$	\$
Taxes levied/assessed	-	-	-
Local sources			
Tuition	-	-	-
Investment income	-	-	-
Food services	22,150	-	-
District activities	-	52,722	-
Other revenue	-	-	-
State sources			
Unrestricted Grants	-	-	-
Restricted Grants	36,661	-	-
Federal sources			
Unrestricted Grants	32,060	-	-
Unrestricted -state passthrough	-	-	-
Restricted Grants	-	-	-
Restricted -state passthrough	377,774	-	350,313
Department of Interior	-	-	-
Other items	-	-	-
<i>Total revenues</i>	468,645	52,722	350,313
<i>Expenditures:</i>			
Current:			
Instruction	-	54,051	286,607
Support Services			
Students	-	-	20,281
Instruction	-	-	-
General Administration	-	-	11,901
School Administration	-	-	-
Central Services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other Support Services	-	-	-
Operation of Non-instructional Services			
Food services operations	500,975	-	-
Capital outlay	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	500,975	54,051	318,789
<i>Excess (deficiency) of revenues over expenditures</i>	(32,330)	(1,329)	31,524
<i>Other financing sources (uses)</i>			
Transfers	-	-	-
Bond Premium	-	-	-
Bond Proceeds	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-
<i>Net changes in fund balances</i>	(32,330)	(1,329)	31,524
<i>Fund balances - beginning of year</i>	110,476	43,157	-
<i>Fund balances - end of year</i>	\$ 78,146	\$ 41,828	\$ 31,524

IDEA-B Entitlement	IDEA-B Discretionary	IDEA-B Preschool	IDEA-B Private	21st Century
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
175,749	(10,997)	4,757	-	219,471
-	-	-	-	-
-	-	-	-	-
<u>175,749</u>	<u>(10,997)</u>	<u>4,757</u>	<u>-</u>	<u>219,471</u>
147,679	-	4,757	-	228,040
20,394	-	-	-	-
-	-	-	-	-
5,609	-	-	-	40,446
-	-	-	-	-
-	-	-	-	9,786
-	-	-	-	-
-	-	-	-	18,563
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>173,682</u>	<u>-</u>	<u>4,757</u>	<u>-</u>	<u>296,835</u>
<u>2,067</u>	<u>(10,997)</u>	<u>-</u>	<u>-</u>	<u>(77,364)</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>2,067</u>	<u>(10,997)</u>	<u>-</u>	<u>-</u>	<u>(77,364)</u>
-	-	-	-	-
<u>\$ 2,067</u>	<u>\$ (10,997)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (77,364)</u>

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2013

	IDEA-B Risk Pool	English Language Acquisition	Teacher/ Principal Training
<i>Revenues:</i>			
Taxes	\$	\$	\$
Taxes levied/assessed	-	-	-
Local sources			
Tuition	-	-	-
Investment income	-	-	-
Food services	-	-	-
District activities	-	-	-
Other revenue	-	-	-
State sources			
Unrestricted Grants	-	-	-
Restricted Grants	-	-	-
Federal sources			
Unrestricted Grants	-	-	-
Unrestricted -state passthrough	-	-	-
Restricted Grants	-	-	-
Restricted -state passthrough	786	(5,195)	54,048
Department of Interior	-	-	-
Other items	-	-	-
<i>Total revenues</i>	<u>786</u>	<u>(5,195)</u>	<u>54,048</u>
<i>Expenditures:</i>			
Current:			
Instruction	786	5,153	32,585
Support Services			
Students	-	-	19,142
Instruction	-	-	-
General Administration	-	-	1,496
School Administration	-	-	-
Central Services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other Support Services	-	-	-
Operation of Non-instructional Services			
Food services operations	-	-	-
Capital outlay	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>786</u>	<u>5,153</u>	<u>53,223</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(10,348)</u>	<u>825</u>
<i>Other financing sources (uses)</i>			
Transfers	-	-	-
Bond Premium	-	-	-
Bond Proceeds	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	(10,348)	825
<i>Fund balances - beginning of year</i>	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ (10,348)</u>	<u>\$ 825</u>

Rural & Low Income Schools	Impact Aid Special Education	Impact Aid Education	Title XIX Medicaid	Bus Replacement
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	81,836
-	-	-	-	-
-	129,521	753,740	-	-
11,733	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>11,733</u>	<u>129,521</u>	<u>753,740</u>	<u>-</u>	<u>81,836</u>
7,505	123,883	456,232	-	-
-	5,638	297,508	23,166	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	81,836
-	-	-	-	-
<u>7,505</u>	<u>129,521</u>	<u>753,740</u>	<u>23,166</u>	<u>81,836</u>
<u>4,228</u>	<u>-</u>	<u>-</u>	<u>(23,166)</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4,228	-	-	(23,166)	-
-	-	-	23,166	-
<u>\$ 4,228</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2013

	GO Bond Library SB1	Assessments	Robotics
<i>Revenues:</i>			
Taxes	\$	\$	\$
Taxes levied/assessed	-	-	-
Local sources			
Tuition	-	-	-
Investment income	-	-	-
Food services	-	-	-
District activities	-	-	-
Other revenue	-	-	-
State sources			
Unrestricted Grants	-	-	-
Restricted Grants	3,180	4,822	23,597
Federal sources			
Unrestricted Grants	-	-	-
Unrestricted -state passthrough	-	-	-
Restricted Grants	-	-	-
Restricted -state passthrough	-	-	-
Department of Interior	-	-	-
Other items	-	-	-
<i>Total revenues</i>	<u>3,180</u>	<u>4,822</u>	<u>23,597</u>
<i>Expenditures:</i>			
Current:			
Instruction	-	4,822	23,597
Support Services			
Students	-	-	-
Instruction	3,180	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other Support Services	-	-	-
Operation of Non-instructional Services			
Food services operations	-	-	-
Capital outlay	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>3,180</u>	<u>4,822</u>	<u>23,597</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>			
Transfers	-	-	-
Bond Premium	-	-	-
Bond Proceeds	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



Incentive for School Improvement PED	Beginning Teacher Mentoring	Breakfast for Elementary Students	School Improvement Framework	Kindergarten Three Plus
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	3,203	14,948	-	50,210
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	3,203	14,948	-	50,210
-	-	-	-	54,157
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	16,378	-	-
-	-	-	-	-
-	-	-	-	-
-	-	16,378	-	54,157
-	3,203	(1,430)	-	(3,947)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	3,203	(1,430)	-	(3,947)
(1,464)	-	-	(3,959)	-
<u>\$ (1,464)</u>	<u>\$ 3,203</u>	<u>\$ (1,430)</u>	<u>\$ (3,959)</u>	<u>\$ (3,947)</u>

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2013

	21st Century	MS Science	State Directed Activities IDEA-B Discretionary	Industrial Arts Career Tech & Voc Ed Training	School Library Materials
<i>Revenues:</i>					
Taxes	\$	\$	\$	\$	\$
Taxes levied/assessed	-	-	-	-	-
Local sources					
Tuition	-	-	-	-	-
Investment income	-	-	-	-	-
Food services	-	-	-	-	-
District activities	-	-	-	-	-
Other revenue	-	-	-	-	-
State sources					
Unrestricted Grants	-	-	-	-	-
Restricted Grants	-	8,854	-	-	-
Federal sources					
Unrestricted Grants	-	-	-	-	-
Unrestricted -state passthrough	-	-	-	-	-
Restricted Grants	-	-	-	-	-
Restricted -state passthrough	-	-	-	-	-
Department of Interior	-	-	-	-	-
Other items	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>8,854</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	8,983	-	-	-
Support Services					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General Administration	-	-	-	-	-
School Administration	-	-	-	-	-
Central Services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other Support Services	-	-	-	-	-
Operation of Non-instructional Services					
Food services operations	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>8,983</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(129)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>					
Transfers	-	-	-	835	(764)
Bond Premium	-	-	-	-	-
Bond Proceeds	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>835</u>	<u>(764)</u>
<i>Net changes in fund balances</i>	-	(129)	-	835	(764)
<i>Fund balances - beginning of year</i>	-	-	1	(835)	764
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ (129)</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>

Medicaid HSD	Gear-up CHE	Farm to Table	School Based Health Center	Impact Aid Capital Projects-Federal	Capital Improvements SB-9	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,015,996	\$ 1,015,996
-	-	-	-	-	-	-
-	-	-	-	-	-	22,150
-	-	-	-	-	-	52,722
-	-	-	-	-	-	-
46,754	(22,123)	-	-	-	18,762	270,704
-	-	-	-	-	-	32,060
-	-	-	-	10,539	-	893,800
-	-	-	-	-	-	1,178,439
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>46,754</u>	<u>(22,123)</u>	<u>-</u>	<u>-</u>	<u>10,539</u>	<u>1,034,758</u>	<u>3,465,871</u>
-	-	470	-	-	-	1,439,307
20,845	-	-	-	-	-	406,974
-	-	-	-	-	-	3,180
-	-	-	-	-	1,718	61,170
-	-	-	-	-	-	-
-	-	-	-	-	-	9,786
-	-	-	-	-	232,000	232,000
-	-	-	-	-	-	18,563
-	-	-	-	-	-	-
-	-	-	-	-	-	517,353
-	-	-	-	65,571	935,911	1,083,318
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>20,845</u>	<u>-</u>	<u>470</u>	<u>-</u>	<u>65,571</u>	<u>1,169,629</u>	<u>3,771,651</u>
<u>25,909</u>	<u>(22,123)</u>	<u>(470)</u>	<u>-</u>	<u>(55,032)</u>	<u>(134,871)</u>	<u>(305,780)</u>
-	-	-	-	-	-	71
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	71
25,909	(22,123)	(470)	-	(55,032)	(134,871)	(305,709)
(1,707)	1	-	(33,730)	56,148	275,147	467,165
<u>\$ 24,202</u>	<u>\$ (22,122)</u>	<u>\$ (470)</u>	<u>\$ (33,730)</u>	<u>\$ 1,116</u>	<u>\$ 140,276</u>	<u>\$ 161,456</u>

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**FOOD SERVICE SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ 14,000	\$ 14,000	22,150	\$ 8,150
State sources	-	-	36,661	36,661
Federal sources	362,893	362,893	382,815	19,922
Interest	-	-	-	-
<i>Total revenues</i>	<u>376,893</u>	<u>376,893</u>	<u>441,626</u>	<u>64,733</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	508,316	466,440	460,575	5,865
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>508,316</u>	<u>466,440</u>	<u>460,575</u>	<u>5,865</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(131,423)</u>	<u>(89,547)</u>	<u>(18,949)</u>	<u>70,598</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	131,423	89,547	-	(89,547)
<i>Total other financing sources (uses)</i>	<u>131,423</u>	<u>89,547</u>	<u>-</u>	<u>(89,547)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(18,949)</u>	<u>(18,949)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>89,547</u>	<u>89,547</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,598</u>	<u>\$ 70,598</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (18,949)	
Adjustment to revenue for accruals and other deferrals			(5,041)	
Adjustment to expenditures for payables, prepaids and other accruals			(8,340)	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ (32,330)</u>	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**ATHLETICS SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ 42,000	\$ 42,000	52,722	\$ 10,722
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>42,000</u>	<u>42,000</u>	<u>52,722</u>	<u>10,722</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	86,298	86,298	54,051	32,247
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>86,298</u>	<u>86,298</u>	<u>54,051</u>	<u>32,247</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(44,298)</u>	<u>(44,298)</u>	<u>(1,329)</u>	<u>42,969</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	44,298	44,298	-	(44,298)
<i>Total other financing sources (uses)</i>	<u>44,298</u>	<u>44,298</u>	<u>-</u>	<u>(44,298)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,329)</u>	<u>(1,329)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>43,157</u>	<u>43,157</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,828</u>	<u>\$ 41,828</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (1,329)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ (1,329)</u>	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**TITLE I SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	293,918	349,118	427,092	77,974
Interest	-	-	-	-
<i>Total revenues</i>	<u>293,918</u>	<u>349,118</u>	<u>427,092</u>	<u>77,974</u>
<i>Expenditures:</i>				
Current:				
Instruction	263,095	316,131	289,934	26,197
Support Services				
Students	21,958	21,086	20,061	1,025
Instruction	-	-	-	-
General Administration	8,865	11,901	11,901	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>293,918</u>	<u>349,118</u>	<u>321,896</u>	<u>27,222</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>105,196</u>	<u>105,196</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>105,196</u>	<u>105,196</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(141,049)</u>	<u>(141,049)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (35,853)</u>	<u>\$ (35,853)</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ 105,196	
Adjustment to revenue for accruals and other deferrals			(69,969)	
Adjustment to expenditures for payables, prepaids and other accruals			(3,703)	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ 31,524</u>	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**IDEA B ENTITLEMENT SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	180,591	222,605	42,014
Interest	-	-	-	-
<i>Total revenues</i>	-	180,591	222,605	42,014
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	154,588	147,679	6,909
Support Services				
Students	-	20,394	20,394	-
Instruction	-	-	-	-
General Administration	-	5,609	5,609	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	180,591	173,682	6,909
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	48,923	48,923
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	48,923	48,923
<i>Cash balances - beginning of year</i>	-	-	(60,901)	(60,901)
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (11,978)	\$ (11,978)
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ 48,923	
Adjustment to revenue for accruals and other deferrals			(46,856)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ 2,067	



**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**IDEA B DISCRETIONARY SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(10,997)</u>	<u>(10,997)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (10,997)</u>	<u>\$ (10,997)</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ -</u>	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**IDEA B PRESCHOOL SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	5,375	8,934	7,276	(1,658)
Interest	-	-	-	-
<i>Total revenues</i>	<u>5,375</u>	<u>8,934</u>	<u>7,276</u>	<u>(1,658)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	5,375	8,934	4,757	4,177
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,375</u>	<u>8,934</u>	<u>4,757</u>	<u>4,177</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,519</u>	<u>2,519</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,519</u>	<u>2,519</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,519)</u>	<u>(2,519)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ 2,519	
Adjustment to revenue for accruals and other deferrals			(2,519)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ -</u>	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**IDEA B-PRIVATE SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash balances - beginning of year</i>	-	-	72	72
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ 72	\$ 72
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ -	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**21st CENTURY SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

Statement A-10

	Budgeted Amounts			
	Original	Final	Actual	Variance
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	331,476	398,788	67,312
Interest	-	-	-	-
<i>Total revenues</i>	-	331,476	398,788	67,312
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	244,770	228,040	16,730
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	47,648	40,446	7,202
School Administration	-	-	-	-
Central Services	-	14,735	11,586	3,149
Operation & maintenance of plant	-	-	-	-
Student transportation	-	24,323	18,563	5,760
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	331,476	298,635	32,841
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	100,153	100,153
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	100,153	100,153
<i>Cash balances - beginning of year</i>	-	-	(300,428)	(300,428)
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (200,275)	\$ (200,275)
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ 100,153	
Adjustment to revenue for accruals and other deferrals			(179,317)	
Adjustment to expenditures for payables, prepaids and other accruals			1,800	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ (77,364)	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**IDEA-B RISK POOL SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

Statement A-11

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	974	786	(188)
Interest	-	-	-	-
<i>Total revenues</i>	-	974	786	(188)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	974	786	188
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	974	786	188
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash balances - beginning of year</i>	-	-	-	-
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ -	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**ENGLISH LANGUAGE ACQUISITION SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

Statement A-12

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	13,443	11,642	(1,801)
Interest	-	-	-	-
<i>Total revenues</i>	-	13,443	11,642	(1,801)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	13,443	5,153	8,290
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	13,443	5,153	8,290
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	6,489	6,489
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	6,489	6,489
<i>Cash balances - beginning of year</i>	-	-	(19,682)	(19,682)
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (13,193)	\$ (13,193)
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ 6,489	
Adjustment to revenue for accruals and other deferrals			(16,837)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ (10,348)	

## STATE OF NEW MEXICO

Statement A-13

## DULCE INDEPENDENT SCHOOLS

TEACHER/PRINCIPAL TRAINING & RECRUITING SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			
	Original	Final	Actual	Variance
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	39,779	65,320	55,337	(9,983)
Interest	-	-	-	-
<i>Total revenues</i>	<u>39,779</u>	<u>65,320</u>	<u>55,337</u>	<u>(9,983)</u>
<i>Expenditures:</i>				
Current:				
Instruction	17,209	41,788	32,585	9,203
Support Services				
Students	21,333	21,333	18,921	2,412
Instruction	-	-	-	-
General Administration	1,237	2,199	1,496	703
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>39,779</u>	<u>65,320</u>	<u>53,002</u>	<u>12,318</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,335</u>	<u>2,335</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,335</u>	<u>2,335</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(18,411)</u>	<u>(18,411)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,076)</u>	<u>\$ (16,076)</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ 2,335	
Adjustment to revenue for accruals and other deferrals			(1,289)	
Adjustment to expenditures for payables, prepaids and other accruals			(221)	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ 825</u>	

## STATE OF NEW MEXICO

Statement A-14

## DULCE INDEPENDENT SCHOOLS

RURAL & LOW INCOME SCHOOLS SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	11,480	18,932	4,587	(14,345)
Interest	-	-	-	-
<i>Total revenues</i>	<u>11,480</u>	<u>18,932</u>	<u>4,587</u>	<u>(14,345)</u>
<i>Expenditures:</i>				
Current:				
Instruction	11,480	18,932	11,733	7,199
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>11,480</u>	<u>18,932</u>	<u>11,733</u>	<u>7,199</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(7,146)</u>	<u>(7,146)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(7,146)</u>	<u>(7,146)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(4,146)</u>	<u>(4,146)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,292)</u>	<u>\$ (11,292)</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (7,146)	
Adjustment to revenue for accruals and other deferrals			12,146	
Adjustment to expenditures for payables, prepaids and other accruals			(772)	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ 4,228</u>	



## STATE OF NEW MEXICO

Statement A-15

## DULCE INDEPENDENT SCHOOLS

IMPACT AID SPECIAL EDUCATION SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	83,541	83,541	113,883	30,342
Interest	-	-	-	-
<i>Total revenues</i>	<u>83,541</u>	<u>83,541</u>	<u>113,883</u>	<u>30,342</u>
<i>Expenditures:</i>				
Current:				
Instruction	193,420	217,692	123,883	93,809
Support Services				
Students	42,420	42,420	3,152	39,268
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>235,840</u>	<u>260,112</u>	<u>127,035</u>	<u>133,077</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(152,299)</u>	<u>(176,571)</u>	<u>(13,152)</u>	<u>163,419</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	152,299	176,571	-	(176,571)
<i>Total other financing sources (uses)</i>	<u>152,299</u>	<u>176,571</u>	<u>-</u>	<u>(176,571)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(13,152)</u>	<u>(13,152)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>176,571</u>	<u>176,571</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 163,419</u>	<u>\$ 163,419</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (13,152)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			13,152	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ -</u>	

## STATE OF NEW MEXICO

Statement A-16

## DULCE INDEPENDENT SCHOOLS

## IMPACT AID SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	680,934	680,934	724,209	43,275
Interest	-	-	-	-
<i>Total revenues</i>	<u>680,934</u>	<u>680,934</u>	<u>724,209</u>	<u>43,275</u>
<i>Expenditures:</i>				
Current:				
Instruction	657,844	620,521	456,234	164,287
Support Services				
Students	346,910	346,910	297,434	49,476
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,004,754</u>	<u>967,431</u>	<u>753,668</u>	<u>213,763</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(323,820)</u>	<u>(286,497)</u>	<u>(29,459)</u>	<u>257,038</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	323,820	286,497	-	(286,497)
<i>Total other financing sources (uses)</i>	<u>323,820</u>	<u>286,497</u>	<u>-</u>	<u>(286,497)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(29,459)</u>	<u>(29,459)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>286,497</u>	<u>286,497</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 257,038</u>	<u>\$ 257,038</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (29,459)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			29,459	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ -</u>	

## STATE OF NEW MEXICO

Statement A-17

## DULCE INDEPENDENT SCHOOLS

## TITLE XIX MEDICAID SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			
	Original	Final	Actual	Variance
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	26,234	26,234	25,888	346
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	26,234	26,234	25,888	346
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(26,234)	(26,234)	(25,888)	346
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	26,234	26,234	-	(26,234)
<i>Total other financing sources (uses)</i>	26,234	26,234	-	(26,234)
<i>Net change in fund balances</i>	-	-	(25,888)	(25,888)
<i>Cash balances - beginning of year</i>	-	-	25,888	25,888
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (25,888)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			2,722	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ (23,166)	

## STATE OF NEW MEXICO

Statement A-18

DULCE INDEPENDENT SCHOOLS  
 BUS REPLACEMENT FUND SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			
	Original	Final	Actual	Variance
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	81,836	81,836	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	81,836	81,836	-
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	81,836	81,836	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	81,836	81,836	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash balances - beginning of year</i>	-	-	-	-
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ -	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**GO BOND LIBRARY SB SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

Statement A-19

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	3,602	3,602	6,601	2,999
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>3,602</u>	<u>3,602</u>	<u>6,601</u>	<u>2,999</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	3,602	3,602	3,180	422
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,602</u>	<u>3,602</u>	<u>3,180</u>	<u>422</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>3,421</u>	<u>3,421</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>3,421</u>	<u>3,421</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(3,421)</u>	<u>(3,421)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ 3,421	
Adjustment to revenue for accruals and other deferrals			(3,421)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ -</u>	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**ASSESSMENTS SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

Statement A-20

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	4,822	4,822	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	4,822	4,822	-
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	4,822	4,822	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	4,822	4,822	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash balances - beginning of year</i>	-	-	-	-
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ -	

## STATE OF NEW MEXICO

Statement A-21

DULCE INDEPENDENT SCHOOLS  
ROBOTICS SPECIAL REVENUE FUNDSTATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	23,600	12,555	(11,045)
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>23,600</u>	<u>12,555</u>	<u>(11,045)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	23,600	23,597	3
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>23,600</u>	<u>23,597</u>	<u>3</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(11,042)</u>	<u>(11,042)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(11,042)</u>	<u>(11,042)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,042)</u>	<u>\$ (11,042)</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (11,042)	
Adjustment to revenue for accruals and other deferrals			11,042	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ -</u>	

## STATE OF NEW MEXICO

Statement A-22

## DULCE INDEPENDENT SCHOOLS

INCENTIVE FOR SCHOOL IMPROVEMENT PED SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			
	Original	Final	Actual	Variance
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash balances - beginning of year</i>	-	-	(1,464)	(1,464)
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (1,464)	\$ (1,464)
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ -	



## STATE OF NEW MEXICO

Statement A-23

## DULCE INDEPENDENT SCHOOLS

BEGINNING TEACHER MENTORING SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash balances - beginning of year</i>	-	-	3,203	3,203
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ 3,203	\$ 3,203
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ -	-
Adjustment to revenue for accruals and other deferrals			-	-
Adjustment to expenditures for payables, prepaids and other accruals			3,203	-
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ 3,203	-

## STATE OF NEW MEXICO

Statement A-24

## DULCE INDEPENDENT SCHOOLS

BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	16,378	11,383	(4,995)
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	16,378	11,383	(4,995)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	16,378	16,378	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	16,378	16,378	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(4,995)	(4,995)
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(4,995)	(4,995)
<i>Cash balances - beginning of year</i>	-	-	-	-
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (4,995)	\$ (4,995)
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (4,995)	
Adjustment to revenue for accruals and other deferrals			3,565	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ (1,430)	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**SCHOOL IMPROVEMENT FRAMEWORK SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

Statement A-25

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash balances - beginning of year</i>	-	-	(3,959)	(3,959)
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (3,959)	\$ (3,959)
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ -	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**KINDERGARTEN THREE PLUS SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

Statement A-26

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	35,200	68,370	59,519	(8,851)
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	35,200	68,370	59,519	(8,851)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	35,200	68,370	51,769	16,601
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	35,200	68,370	51,769	16,601
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	7,750	7,750
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	7,750	7,750
<i>Cash balances - beginning of year</i>	-	-	(25,506)	(25,506)
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (17,756)	\$ (17,756)
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ 7,750	
Adjustment to revenue for accruals and other deferrals			(9,310)	
Adjustment to expenditures for payables, prepaids and other accruals			(2,387)	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ (3,947)	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**STATE 21ST CENTURY SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash balances - beginning of year</i>	-	-	1,077	1,077
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ 1,077	\$ 1,077
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ -	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**MS SCIENCE SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	9,480	8,854	(626)
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	9,480	8,854	(626)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	9,480	8,983	497
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	9,480	8,983	497
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(129)	(129)
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(129)	(129)
<i>Cash balances - beginning of year</i>	-	-	-	-
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (129)	\$ (129)
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (129)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ (129)	

## STATE OF NEW MEXICO

Statement A-29

## DULCE INDEPENDENT SCHOOLS

STATE DIRECTED ACTIVITIES-IDEA B DISCRETIONARY SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,890</u>	<u>5,890</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,890</u>	<u>\$ 5,890</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ -</u>	

## STATE OF NEW MEXICO

Statement A-30

## DULCE INDEPENDENT SCHOOLS

INDUSTRIAL ARTS CAREER TECH & VOC ED TRAINING SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	835	835
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	835	835
<i>Net change in fund balances</i>	-	-	835	835
<i>Cash balances - beginning of year</i>	-	-	(835)	(835)
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ 835	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ 835	



## STATE OF NEW MEXICO

Statement A-31

## DULCE INDEPENDENT SCHOOLS

## SCHOOL LIBRARY MATERIALS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	(764)	(764)
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	(764)	(764)
<i>Net change in fund balances</i>	-	-	(764)	(764)
<i>Cash balances - beginning of year</i>	-	-	764	764
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (764)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ (764)	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**MEDICAID HSD SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

Statement A-32

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	25,000	25,000	46,754	21,754
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>25,000</u>	<u>25,000</u>	<u>46,754</u>	<u>21,754</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	28,158	25,000	20,212	4,788
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>28,158</u>	<u>25,000</u>	<u>20,212</u>	<u>4,788</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(3,158)</u>	<u>-</u>	<u>26,542</u>	<u>26,542</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	3,158	-	-	-
<i>Total other financing sources (uses)</i>	<u>3,158</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>26,542</u>	<u>26,542</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,589)</u>	<u>(1,589)</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,953</u>	<u>\$ 24,953</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ 26,542	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			(633)	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ 25,909</u>	

## STATE OF NEW MEXICO

Statement A-33

## DULCE INDEPENDENT SCHOOLS

## GEAR-UP CHE SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	-	27,430	27,430
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	27,430	27,430
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	27,430	27,430
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	27,430	27,430
<i>Cash balances - beginning of year</i>	-	-	(49,552)	(49,552)
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (22,122)	\$ (22,122)
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ 27,430	
Adjustment to revenue for accruals and other deferrals			(49,553)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ (22,123)	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**FARM TO TABLE SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ 910	-	\$ (910)
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	910	-	(910)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	910	470	440
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	910	470	440
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(470)	(470)
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(470)	(470)
<i>Cash balances - beginning of year</i>	-	-	-	-
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (470)	\$ (470)
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (470)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ (470)	

STATE OF NEW MEXICO

DULCE INDEPENDENT SCHOOLS  
 SCHOOL BASED HEALTH CENTER SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Cash balances - beginning of year</i>	-	-	(33,730)	(33,730)
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ (33,730)	\$ (33,730)
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ -	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**BOND BUILDING CAPITAL PROJECTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

Statement A-36

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ 6,000	\$ 6,000	75,294	\$ 69,294
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	3,852	3,852
<i>Total revenues</i>	<u>6,000</u>	<u>6,000</u>	<u>79,146</u>	<u>73,146</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	4,382,719	4,409,246	797,674	3,611,572
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,382,719</u>	<u>4,409,246</u>	<u>797,674</u>	<u>3,611,572</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(4,376,719)</u>	<u>(4,403,246)</u>	<u>(718,528)</u>	<u>3,684,718</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	4,376,719	4,403,246	-	(4,403,246)
<i>Total other financing sources (uses)</i>	<u>4,376,719</u>	<u>4,403,246</u>	<u>-</u>	<u>(4,403,246)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(718,528)</u>	<u>(718,528)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>4,403,246</u>	<u>4,403,246</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,684,718</u>	<u>\$ 3,684,718</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (718,528)	
Adjustment to revenue for accruals and other deferrals			19,600	
Adjustment to expenditures for payables, prepaids and other accruals			(47,343)	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ (746,271)</u>	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**IMPACT AID CAPITAL PROJECTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

Statement A-37

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ -	\$ -	-	\$ -
State sources	-	-	-	-
Federal sources	-	9,423	9,423	-
Interest	-	-	-	-
<i>Total revenues</i>	-	9,423	9,423	-
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	0	65,571	65,571	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	65,571	65,571	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	(56,148)	(56,148)	-
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	56,148	-	(56,148)
<i>Total other financing sources (uses)</i>	-	56,148	-	(56,148)
<i>Net change in fund balances</i>	-	-	(56,148)	(56,148)
<i>Cash balances - beginning of year</i>	-	-	56,148	56,148
<i>Cash balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (56,148)	
Adjustment to revenue for accruals and other deferrals			1,116	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			\$ (55,032)	

## STATE OF NEW MEXICO

Statement A-38

## DULCE INDEPENDENT SCHOOLS

CAPITAL IMPROVEMENTS HB-33 CAPITAL PROJECTS FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ 1,348,236	\$ 1,348,236	989,161	\$ (359,075)
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	3,856	3,856
<i>Total revenues</i>	<u>1,348,236</u>	<u>1,348,236</u>	<u>993,017</u>	<u>(355,219)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	1,600	1,600	1,717	(117)
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	4,781,858	5,131,475	228,945	4,902,530
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,783,458</u>	<u>5,133,075</u>	<u>230,662</u>	<u>4,902,413</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(3,435,222)</u>	<u>(3,784,839)</u>	<u>762,355</u>	<u>4,547,194</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	3,435,222	3,784,839	-	(3,784,839)
<i>Total other financing sources (uses)</i>	<u>3,435,222</u>	<u>3,784,839</u>	<u>-</u>	<u>(3,784,839)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>762,355</u>	<u>762,355</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,784,909</u>	<u>3,784,909</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,547,264</u>	<u>\$ 4,547,264</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ 762,355	
Adjustment to revenue for accruals and other deferrals			18,022	
Adjustment to expenditures for payables, prepaids and other accruals			53,205	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ 833,582</u>	



**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**SB-9 CAPITAL PROJECTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ 1,348,236	\$ 1,348,236	996,418	\$ (351,818)
State sources	-	18,762	-	(18,762)
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,348,236</u>	<u>1,366,998</u>	<u>996,418</u>	<u>(370,580)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	1,581	1,581	1,718	(137)
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Services				
Food services operations	-	-	-	-
Capital outlay	1,346,655	1,597,683	1,170,100	427,583
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,348,236</u>	<u>1,599,264</u>	<u>1,171,818</u>	<u>427,446</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(232,266)</u>	<u>(175,400)</u>	<u>56,866</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	232,266	-	(232,266)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>232,266</u>	<u>-</u>	<u>(232,266)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(175,400)</u>	<u>(175,400)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>232,336</u>	<u>232,336</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,936</u>	<u>\$ 56,936</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (175,400)	
Adjustment to revenue for accruals and other deferrals			38,340	
Adjustment to expenditures for payables, prepaids and other accruals			2,189	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ (134,871)</u>	

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**DEBT SERVICE FUND**

Statement A-40

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original	Final		
<i>Revenues:</i>				
Local and county sources	\$ 4,324,866	\$ 4,324,866	\$ 2,049,593	\$ (2,275,273)
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>4,324,866</u>	<u>4,324,866</u>	<u>2,049,593</u>	<u>(2,275,273)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	5,000	3,296	1,704
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & maintenance of plan	-	-	-	-
Student transportation	-	-	-	-
Other Support Services	-	-	-	-
Operation of Non-instructional Service:				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	2,890,000	3,865,000	3,865,000	-
Interest	1,434,866	1,448,238	1,448,232	6
<i>Total expenditures</i>	<u>4,324,866</u>	<u>5,318,238</u>	<u>5,316,528</u>	<u>1,710</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(993,372)</u>	<u>(3,266,935)</u>	<u>(2,273,563)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated Cash	-	993,372	-	(993,372)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>993,372</u>	<u>-</u>	<u>(993,372)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(3,266,935)</u>	<u>(3,266,935)</u>
<i>Cash balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,690,559</u>	<u>5,690,559</u>
<i>Cash balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,423,624</u>	<u>\$ 2,423,624</u>
Excess (deficiency) of revenues over expenditures (Non-GAAP Budgetary basis)			\$ (3,266,935)	
Adjustment to revenue for accruals and other deferrals			(5,224)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Excess (deficiency) of revenues over expenditures (GAAP basis)			<u>\$ (3,272,159)</u>	

**FIDUCIARY FUNDS**

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**

**FIDUCIARY FUNDS**

Agency Funds

**Agency Funds** – To account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Dulce Independent Schools has the following funds classified as Agency Funds:

**Activity** – To account for assets held by the District until distributed to various organizations at the schools.

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**AGENCY FUNDS**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
For the Year Ended June 30, 2013

Statement B

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
<b>ASSETS</b>				
Class of 2011	\$ -	\$ 80	\$ 80	\$ -
Class of 2012	1,148		1,148	-
Class of 2013	2,091	2,866	4,316	641
Class of 2014	1,770	2,639	4,203	206
Class of 2015	2,583	7,965	1,700	8,848
Class of 2016		785	228	557
Athletic Scholarships	10,000	5,000		15,000
ROTC	1,855	1,349	2,698	506
MS Activity	3,300	2,288	3,697	1,891
MS Student Council	6,868	12,512	13,686	5,694
Transportation	82,678	53,254	31,420	104,512
HS Closeup		900	900	-
MS Library	929	1,609	1,532	1,006
FFA	3,776	175	54	3,897
HS Library	5,605	-	-	5,605
HS Cheerleaders	-	204	-	204
HS Student Council	4,266	952	3,388	1,830
Elementary Activity	4,810	7,978	4,832	7,956
Elementary Library	6,484	10,057	10,373	6,168
Elem Jicarill Language & Culture Student	1,939	112	2,051	-
German Club	293	3,770	3,770	293
Dreams	2,220	-	2,220	-
MS Native Business Club	76	-	76	-
Elementary Sports	8,535	1,327	4,552	5,310
HS Activity	238	3,571	2,995	814
HS Yearbook	1,026	1,651	975	1,702
All Sports	14,791	40,735	33,028	22,498
7AA	1,500	9,011	2,334	8,177
1AA	2,159	1,000	909	2,250
Ski Club	589	8,015	7,216	1,388
MS Closeup	1,173	40,211	37,581	3,803
Total	<u>\$ 172,702</u>	<u>\$ 220,016</u>	<u>\$ 181,962</u>	<u>\$ 210,756</u>
<b>LIABILITIES</b>				
Deposits held for others	172,702	220,016	181,962	210,756
Total Liabilities	<u>\$ 172,702</u>	<u>\$ 220,016</u>	<u>\$ 181,962</u>	<u>\$ 210,756</u>

(This page intentionally left blank.)



**SUPPORTING SCHEDULES**

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY**  
June 30, 2013

Schedule I

Name of Depository	Description of Pledged Collateral	PAR/ Market Value June 30, 2013	Name and Location of Safekeeper
Wells Fargo Bank	FN AI0499, maturity date 4/1/2041 Cusip # 3138ADRV9, 4.5%	\$ 189,677	Wells Fargo Bank Northwest, NA
Wells Fargo Bank	FN AK1226, maturity date 3/1/2042 Cusip # 3138E5LF3, 3.5%	70,130	Wells Fargo Bank Northwest, NA
Wells Fargo Bank	FN ALO604, maturity date 8/1/2026 Cusip # 3138EGU69, 3.0%	505,874	Wells Fargo Bank Northwest, NA
Wells Fargo Bank	FN AO2093, maturity date 5/1/2042 Cusip # 3138LSKF6, 3.0%	2,419,937	Wells Fargo Bank Northwest, NA
Wells Fargo Bank	FN AQ9183, maturity date 1/1/2043 Cusip # 31411VFP9, 3.0%	165,219	Wells Fargo Bank Northwest, NA
Wells Fargo Bank	FN AQ9991, maturity date 1/1/2043 Cusip # 3138MSC56, 3.0%	178,576	Wells Fargo Bank Northwest, NA
Wells Fargo Bank	FN AB6498, maturity date 10/1/2042 Cusip # 31417DGG2, 3.00%	215,356	Wells Fargo Bank Northwest, NA
Wells Fargo Bank	FN AD8033, maturity date 8/1/2040 Cusip # 31418V4T6, 4.00%	2,871,006	Wells Fargo Bank Northwest, NA
Wells Fargo Bank	FN AE0215, maturity date 12/1/2039 Cusip # 31419AGZ4, 4.00%	23,014	Wells Fargo Bank Northwest, NA
	Total Collateral Pledged	\$ <u><u>6,638,789</u></u>	

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**SCHEDULE OF DEPOSIT AND INVESTMENT ACCOUNTS**  
June 30, 2013

Schedule II

Deposit or Investment Account Type	Wells Fargo Bank	Total
General Checking- Interest Bearing	\$ 6,718,537	\$ 6,718,537
Activity Checking- Interest Bearing	213,333	213,333
Certificate of Deposit-Interest Bearing	6,000,000	6,000,000
	12,931,870	12,931,870
Total On Deposit	12,931,870	12,931,870
Reconciling Items	(415,487)	(415,487)
Reconciled Balance June 30, 2013	\$ 12,516,383	\$ 12,516,383

Reconciliation to financial statements:

Cash and cash equivalents:	
Total cash and cash equivalents per Statement of Net Position	\$ 6,305,627
Total cash and cash equivalents per Fiduciary Statement of Assets and Liabilities	210,756
Total Cash (not including investments)	\$ 6,516,383
Total Investments per Statement of Net Position	6,000,000
Total cash and Investments	\$ 12,516,383

**STATE OF NEW MEXICO**  
Dulce Independent Schools  
Cash Reconciliation  
June 30, 2013

	Operational Account	Teachergage Account	Transportation Account	Instructional Materials Account	Food Services Account
Cash per June 30, 2012 audit report	\$ 835,565	\$ 121,913	\$ 1	\$ 13,830	\$ 89,547
Add:					
2012-13 revenues	7,607,838	171,801	173,177	46,364	473,686
Adjustments	2,095	-	-	-	-
Loans from other funds	-	-	-	-	-
<b>Total cash available</b>	<b>8,445,498</b>	<b>293,714</b>	<b>173,178</b>	<b>60,194</b>	<b>563,233</b>
Less:					
2012-13 expenditures	(7,191,914)	(147,429)	(173,177)	(39,726)	(492,635)
Loans (to) other funds	-	-	-	-	-
<b>Cash June 30, 2013</b>	<b>\$ 1,253,584</b>	<b>\$ 146,285</b>	<b>\$ 1</b>	<b>\$ 20,468</b>	<b>\$ 70,598</b>

Athletics Account	Federal Flowthrough Fund	Federal Direct Fund	Local Fund	State Flowthrough Fund	State Direct Fund	Local/State Fund
\$ 43,157	\$ (558,063)	\$ 491,346	\$ -	\$ (27,252)	\$ (51,142)	\$ (33,730)
52,722	1,128,113	838,092	-	188,570	74,184	-
-	423	(2,822)	-	73	-	-
-	-	-	-	-	-	-
95,879	570,473	1,326,616	-	161,391	23,043	(33,730)
(54,051)	(870,066)	(906,160)	-	(190,564)	(20,212)	(470)
-	-	-	-	-	-	-
<u>\$ 41,828</u>	<u>\$ (299,593)</u>	<u>420,456</u>	<u>-</u>	<u>(29,173)</u>	<u>2,831</u>	<u>(34,200)</u>

**STATE OF NEW MEXICO**  
Dulce Independent Schools  
Cash Reconciliation

	Bond Building	Spcial Capital Outlay Federal	Capital Improv. HB 33	Capital Improv. SB 9
Cash per June 30, 2012 audit report	\$ 4,403,246	\$ 56,148	\$ 3,784,909	\$ 232,336
Add:				
2012-13 revenues	79,147	9,423	993,017	996,418
Adjustments	-	-	-	-
Loans from other funds	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total cash available	4,482,393	65,571	4,777,926	1,228,754
Less:				
2012-13 expenditures	(797,675)	(65,571)	(230,662)	(1,171,818)
Loans (to) from other funds	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Cash June 30, 2013	<u>\$ 3,684,718</u>	<u>\$ -</u>	<u>\$ 4,547,264</u>	<u>\$ 56,936</u>

Bank balance end of year  
Deposits in transit  
Less Outstanding checks  
Cash June 30, 2013



Schedule III  
 (Page 2 of 2)

Debt Service Fund	Total
\$ 5,690,559	\$ 15,092,370
2,049,593	14,882,145
-	(231)
-	-
7,740,152	29,974,285
(5,316,528)	(17,668,658)
-	-
\$ 2,423,624	\$ 12,305,627
	\$ 12,718,537
	16,524
	(429,434)
	\$ 12,305,627

(This page intentionally left blank.)

**COMPLIANCE SECTION**

(This page intentionally left blank.)



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

Hector H. Balderas  
New Mexico State Auditor  
The Office of Management and Budget and  
The Governing Board  
Dulce Independent Schools  
Dulce , NM

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, and the aggregate remaining fund information and the budgetary comparisons of the General fund and Special Revenue funds, of the Dulce Independent Schools as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Dulce Independent Schools' basic financial statements, and the combining and individual and related budgetary comparisons of Dulce Independent Schools, presented as supplemental information, and have issued our report thereon dated August 30, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Dulce Independent Schools' internal control over financial reporting to determine the auditing 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 Dulce Independent Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of the Dulce Independent Schools internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and significant deficiencies.

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 function, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses to be material weaknesses. The material weaknesses are described as FS 2013-02, and FS 2013-03.

(This page intentionally left blank.)

A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies. The significant deficiency is described as FS 10-02 and FS 2013-01.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Dulce Independent Schools financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and responses as items FS-10-02, FS 2013-01, FS 2013-02, FS 2013-03.

### **Dulce Independent Schools' Response to Findings**

Dulce Independent Schools' responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. Dulce Independent Schools' responses were not subjected to auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **Purpose of this Report**

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

*Precision Accounting LLC*

*Precision Accounting LLC*  
Albuquerque, New Mexico  
August 30, 2013

(This page intentionally left blank.)



**FEDERAL FINANCIAL ASSISTANCE**

(This page intentionally left blank.)



**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
INDEPENDENT AUDITORS REPORT**

Hector H. Balderas  
New Mexico State Auditor  
The Office of Management and Budget and  
The Governing Board  
Dulce Independent Schools  
Dulce, New Mexico

*Report on Compliance for Each Major Federal Program*

We have audited Dulce Independent Schools' compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Dulce Independent Schools' major federal programs for the year ended June 30, 2013. Dulce Independent Schools' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

*Management's Responsibility*

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

*Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of Dulce Independent Schools' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Dulce Independent Schools' compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Dulce Independent Schools' compliance.

*Opinion on Each Major Federal Program*

In our opinion, Dulce Independent Schools' complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

(This page intentionally left blank.)

## Report on Internal Control Over Compliance

The management of Dulce Independent Schools' is responsible for establishing and maintaining effective internal control over compliance with the types of compliance referred to above. In planning and performing our audit of compliance, we considered Dulce Independent Schools' internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance on each major program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Dulce Independent Schools' internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

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



Precision Accounting LLC  
Albuquerque, New Mexico  
August 30, 2013

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**DULCE INDEPENDENT SCHOOLS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended June 30, 2013

Schedule IV

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Program or Award Amount	Disbursements/ Expenditures
<i>Direct Programs:</i>				
U.S. Department of Education				
Impact Aid Special Education	84.041	25147	\$ 753,740	\$ 753,740
Impact Aid Education	84.041	25145	129,521	129,521
Impact Aid- Operational	84.041	11000	2,723,736	2,723,736
Impact Aid School Construction, Recovery Act (ARRA)	84.404	31500	65,571	6,571
Subtotal Department of Education			<u>3,672,568</u>	<u>3,613,568</u>
U.S. Department of Agriculture				
Forest Reserve	10.672	11000	107,371	107,371
Subtotal Department of Agriculture			<u>107,371</u>	<u>107,371</u>
<i>Pass Through Programs:</i>				
U.S. Department of Agriculture				
Passed through NM Public Education Department:				
Commodities Program	10.550	21000	32,060	32,060
National School Lunch Program	10.555	21000	336,803	336,803
National School Breakfast Program	10.553	21000	131,807	131,807
Total U.S. Department of Agriculture			<u>500,670</u>	<u>500,670</u>
U.S. Department of Education				
Passed through NM Public Education Department:				
Title I	84.010	24101	350,313	318,789
IDEA B Entitlement	84.027	24106	175,749	173,682
IDEA B Preschool	84.173	24109	4,757	4,757
21st Century	84.287	24119	219,471	296,835
Title III	84.365A	24153	(5,195)	5,153
Teacher/Principal Training and Recruiting	84.367A	24154	54,048	53,223
Rural & Low Income Schools	84.358	24160	11,733	7,505
Total U.S. Department of Education			<u>810,876</u>	<u>859,944</u>
Total Federal Financial Assistance			<u>\$ 5,091,485</u>	<u>\$ 5,081,553</u>

**Notes to Schedule of Expenditures of Federal Awards**

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the Dulce Independent Schools (District) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

2. Subrecipients

The District did not provide any federal awards to subrecipients during the year.

3. Non-Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2013 was \$32,060.

**Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:**

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 5,081,553
Total expenditures funded by other sources	<u>12,502,439</u>
Total expenditures	<u>\$ 17,583,992</u>

(This page intentionally left blank.)



STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2013

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Dulce Independent Schools.
2. Two significant deficiencies were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of Dulce Independent Schools were disclosed during the audit.
4. There were no audit findings required to be reported under A-133.510(a).
5. The auditor's report on compliance for major federal award programs for Dulce Independent Schools expresses an unqualified opinion.
6. The programs tested as major were the Title I CFDA No. 84.010, 21<sup>st</sup> Century CFDA No. 84.287, Impact Aid CFDA No. 84.041, Impact Aid Special Education CFDA No. 84.041, and the Student Nutrition Program CFDA No. 10.555.
7. The threshold for distinguishing Types A and B programs was \$300,000.
8. Dulce Independent Schools qualified as a **high** risk auditee.

**B. FINDINGS-FINANCIAL STATEMENT AUDIT**

**FS-10-02 Cash Receipts (Significant Deficiency)-repeated and revised**

CONDITION: Based on the test work performed, we noted that 2 receipts, totaling \$800, of 40 receipts tested totaling \$2,767,025, were deposited after the 24 hour deadline required by NMAC 6.20.2.14. The projected error indicates that a total of 38 receipts may be affected.

CRITERIA: NMAC 6.20.2.14 - Cash Control Standards, Section C: Money received and receipted shall be deposited in the bank within 24 hours or one banking day.

CAUSE: The District did not deposit 2 receipts within one banking day because the district personnel was waiting until the end of the collection period to deposit the monies instead of taking the money collected to the bank daily.

EFFECT: The District does not appear to be compliant with NMAC 6.20.2.14 - Cash Control Standards, Section C: Money received and receipted shall be deposited in the bank within 24 hours or one banking day.

RECOMMENDATION: The District should implement a procedure to insure that all receipts be deposited within 24 hours or one banking day.

CLIENT RESPONSE: The district is implementing a procedure for when the main depositor is not at work we have a backup to make sure deposits are done within the required timeframe.

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2013

**B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)**

**FS-2013-01 Excess Expenditures over Budget (Significant Deficiency)**

CONDITION: During our testwork of budgetary compliance, we noted two funds that had expenditures in excess of budget. The Capital Project HB-33 was over budget by \$117 in the General Admin function and Capital Project SB-9 was over budget by \$ 137 in the General Admin function. Both over expenditures were related to county collection costs associated with Property taxes.

CRITERIA: NMSA 6-6-6 requires that actual expenditures do not exceed budgeted expenditures by function.

EFFECT: The District appears to be out of compliance with State regulations related to the budgetary process.

CAUSE: The District estimated the expenditures based on prior year collections and did not amend as necessary.

RECOMMENDATION: We recommend that the District implement controls to monitor the spending of funds and to make budget adjustments whenever necessary.

CLIENT RESPONSE:

**FS-2013-02 Purchasing (Material Weakness)**

CONDITION: In cash disbursement testwork, we noted two checks where the P.O. was for an amount different from the invoice that was paid. On check 50051, we noted one purchase order that was less than the invoice that was paid. Invoice was for 88.49, P.O. was for 83.57, a difference of 4.92. On check number 50340, the PO was for 1,176.00 and the invoice was for \$1,283.58, a difference of 107.58. In the credit card testwork, we noted two P.O.'s that were less than the invoice that was paid. On check number 49964, the PO was for 250.01 and the Invoice amount paid was \$253.15, a difference of \$3.14. On check number 49833, the PO was for \$333, the same as the invoice for the item purchased without the discount but the invoice included tax which should not have been charged as the school district does have a NTTC for the vendor paid. Difference between PO and total Invoice was 5.52 – the total tax paid was 22.52. In travel testwork, we noted two checks where the P.O. was for an amount different from the invoice that was paid. On check 49545, invoice was for \$81, P.O. 5478 was for 72.00, a difference of \$9.00. On check number 50458, the PO 6438 was for 37.00 and the invoice was for 51.93, a difference of \$14.93. In A/P testwork, we noted one instance with one invoice was paid on CK 50813 in the amount of 419.88 when PO 6652 was for \$358.59, a difference of \$61.29.

CRITERIA: NMAC 6.20.2.14 Cash Control Standards section E requires that the school district shall verify that there is sufficient cash and budget prior to the disbursement of cash. NMAC 6.20.2.17 Purchasing, Section A, requires that each school district shall be in compliance with the Procurement Code, Section 13-1-21 NMSA 1978. The procurement code requires P.O.'s to reflect the amount to be paid so that the appropriate budget will be available.

CAUSE: It appears when there is an increase in price there is no process that requires that a revised P.O. must be created before payment can be made.

EFFECT: The School District appears to be non-compliant with NMAC 6.20.2.14 and 17 and NMSA 13-1, State Purchasing Act. Seven checks were paid in excess of the PO in the amount of \$206.38. One check was paid to a vendor that erroneously included tax on tangible personal property of \$22.52

RECOMMENDATION: PO's should be revised when there is a difference between the PO and the Invoice to ensure there is sufficient budget to cover that expenditure as required by statute. Invoices with taxes charged in error should be paid less the taxes charged when possible.

CLIENT RESPONSE: The district is implementing a procedure for when the main depositor is not at work we have a backup to make sure deposits are done within the required timeframe.

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2013

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

**FS-2013-03 Travel and Per Diem (Material Weakness)**

CONDITION: We noted one instance where the supporting document was not mathematically correct, which resulted in an employee being over-reimbursed for travel in the amount of \$1.24. We noted three instances where employees/board members were reimbursed for meals when those meals had been provided by the seminar/school that they were attending. Check #50436 reimbursed 15.08, Check #49149 reimbursed 26.55 and Check #50458 reimbursed 7.98 for meals that were purchased outside of the function when same meal had been provided by the seminar/school, a total of \$49.61

CRITERIA: NMAC 6.20.2.17 Purchasing, Section A requires that each school district shall be in compliance with the Procurement Code, Section 13-1-21 NMSA 197 which includes the verification of invoices supporting the amounts paid. DFA 95-1 Section 7, Reimbursement for other expenses, Part 2c states that the registration fee includes lodging or meals, then no per diem rates shall be paid and only actual expenses paid by the officer or employee and not included in the fee shall be reimbursed within limits of Sec. 4.

CAUSE: It appears that the worksheet was set up to include the tip in the total allowable by day when it should be in addition to the \$30.00 per day. Three individuals were reimbursed for meals purchased in addition to the meals provided by the seminar/school.

EFFECT: The School District appears to be non-compliant with NMAC 6.20.2.17 and NMSA 13-1, State Purchasing Act. One individual was reimbursed \$1.24 more than the recalculated worksheet allowed. Three persons were reimbursed a total of \$49.61 for meals that they purchased in addition to the meals provided by the seminar/school.

RECOMMENDATION: Board members and employees need specific policy training with respect to what meals are reimbursable. The A/P clerk and Business Manager need to review purchasing policies to ensure that they have a complete understanding of travel and per diem policies so that only allowable reimbursements are made.

CLIENT RESPONSE: The district is implementing a procedure for when the main depositor is not at work we have a backup to make sure deposits are done within the required timeframe.

C. **FINDINGS-FEDERAL AWARDS**

NONE

D. **PRIOR YEAR AUDIT FINDINGS**

FS 10-02 Cash Receipts-**Repeated**

FS 2012-01 Untimely Filing of Data Collection Form-**Cleared**

STATE OF NEW MEXICO  
DULCE INDEPENDENT SCHOOLS  
OTHER DISCLOSURES  
Year Ended June 30, 2013

**A. AUDITOR PREPARED FINANCIAL STATEMENTS**

Naomi Vicenti, the Business Manager, is capable of preparing, understanding and accepting responsibility for the GAAP basic financial statements. Although the District is responsible for the content of the financial statements they have contracted with the auditor to prepare the GAAP-basis financial statements and footnotes for inclusion in the annual audit report.

**B. EXIT CONFERENCE**

The contents of this report were discussed on August 22, 2013. The following individuals were in attendance.

Dulce Independent Schools

Joanna Dykehouse, Board President  
Connie Gomez, Board Member  
James Leshner, Superintendent  
Naomi Vicenti, Business Manager  
Rhonda Stroup, Payroll  
Beverly Martinez, Accounts Payable

Precision Accounting LLC

Melissa R. Santistevan, CPA, CFE, CICA, CGMA