

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
(With Auditors' Report Thereon)



(This page intentionally left blank.)

## **INTRODUCTORY SECTION**

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**TABLE OF CONTENTS**

	<u>Exhibit</u>	<u>Page</u>
<b>INTRODUCTORY SECTION</b>		
Table of Contents		i
Official Roster		ii
<b>FINANCIAL SECTION</b>		
Independent Auditors' Report		iii
Basic Financial Statements		
Government-wide Financial Statements:		
Statement of Net Assets	A-1	1
Statement of Activities	A-2	3
Fund Financial Statements:		
Balance Sheet – Governmental Funds	B-1	5
Reconciliation of the Balance Sheet to the Statement of Net Assets		7
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	B-2	8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities		10
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – General Fund	C-1	11
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual: Transportation Fund	C-2	12
Instructional Materials Fund	C-3	13
Statement of Fiduciary Assets and Liabilities	D-1	14
Notes to the Financial Statements		15
<b>SUPPLEMENTARY INFORMATION</b>		
Combining and Individual Fund Statements and Schedules:		
Combining Balance Sheet – Nonmajor Governmental Funds	A-1	41
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	A-2	42
Combining Balance Sheet – Nonmajor Special Revenue Funds	B-1	47
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	B-2	58
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Food Service Special Revenue Fund	B-3	69
Athletics Special Revenue Fund	B-4	70
Non-Instructional Materials Special Revenue Fund	B-5	71
Title I Special Revenue Fund	B-6	72
IDEA-B Entitlement Special Revenue Fund	B-7	73
Discretionary IDEA-B Special Revenue Fund	B-8	74
Preschool IDEA-B Special Revenue Fund	B-9	75
IDEA-B Early Intervention Services Special Revenue Fund	B-10	76
Education of the Homeless Special Revenue Fund	B-11	77

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**TABLE OF CONTENTS**  
(Continued)

	<u>Statement</u>	<u>Page</u>
Statement of Revenues, Expenditures, and Changes in Fund Balance		
– Budget (Non-GAAP Budgetary Basis) and Actual:		
Enhancing Ed. Thru Tech (E2T2-C) Special Revenue Fund	B-12	78
English Language Acquisition Special Revenue Fund	B-13	79
Teacher/Principal Training & Recruiting Special Revenue Fund	B-14	80
Safe & Drug Free Schools & Community Special Revenue Fund	B-15	81
Rural and Low Income Schools Special Revenue Fund	B-16	82
Title I School Improvement Special Revenue Fund	B-17	83
Immigrant Funding Special Revenue Fund	B-18	84
Reading First Special Revenue Fund	B-19	85
Carl D Perkins Secondary Special Revenue Fund	B-20	86
Carl D Perkins Secondary Redistribution Special Revenue Fund	B-21	87
ARRA Title I ASA Special Rev.Fund	B-22	88
ARRA IDEA-B Federal Stimulus Special Revenue Fund	B-23	89
ARRA Preschool IDEA-B Federal Stimulus Special Rev Fund	B-24	90
IDEA-B Intervention Services Fed. Stimulus Special Rev Fund	B-25	91
Education Of Homeless Federal Stimulus Special Rev Fund	B-26	92
Enhancing Education through Technology Formula Fund	B-27	93
Title I School Improvement ARRA Special Revenue Fund	B-28	94
Alcohol Abuse Reduction Special Revenue Fund	B-29	95
Impact Aid Special Education Special Revenue Fund	B-30	96
Impact Aid Indian Education Special Revenue Fund	B-31	97
Title XIX Medicaid Special Revenue Fund	B-32	98
Indian Ed Formula Grant Special Revenue Fund	B-33	99
SEG Federal Stimulus Special Revenue Fund	B-34	100
Education Jobs Fund Special Revenue Fund	B-35	101
LANL Foundation Special Revenue Fund	B-36	102
PNM Foundation Inc. Special Revenue Fund	B-37	103
Teacher Incentive Fund Special Revenue Fund	B-38	104
Dual Credit Instructional Materials Special Revenue Fund	B-39	105
2008 G. O. Bonds Special Revenue Fund	B-40	106
Technology for Education PED Special Revenue Fund	B-41	107
Incentives for School Improvement Act Special Revenue Fund	B-42	108
Truancy Initiative PED Special Revenue Fund	B-43	109
Libraries GO Bonds Laws of 2004 Special Revenue Fund	B-44	110
Beginning Teacher Mentoring Program Special Revenue Fund	B-45	111
Breakfast of Elementary Students Special Revenue Fund	B-46	112
Rural Ed Summer Enrichment Program Special Revenue Fund	B-47	113
Kindergarten Three Plus Special Revenue Fund	B-48	114
Summer Reading, Math and Science Institute Special Rev Fund	B-49	115
2009 G.O. Library Books Special Rev. Fund	B-50	116
NM Highway Department Special Revenue Fund	B-51	117
AP NM Incentive Funding Special Revenue Fund	B-52	118
Private Direct Grants Special Revenue Fund	B-53	119
McCune Charitable Foundation Special Revenue Fund	B-54	120
School Based Health Clinics Special Revenue Fund	B-55	121
Combining Balance Sheet – Nonmajor Capital Project Funds	C-1	123
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Project Funds	C-2	124
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**TABLE OF CONTENTS**  
(Continued)

	<u>Statement</u>	<u>Page</u>
Bond Building Capital Projects Fund	C-3	125
Public School Capital Outlay Capital Projects Fund	C-4	126
Special Capital Outlay - State Capital Projects Fund	C-5	127
Capital Improvements SB-9 Capital Projects Fund	C-6	128
Education Technology Equipment Act Capital Projects Fund	C-7	129
Combining Balance Sheet – Nonmajor Debt Service Funds	D-1	131
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Funds	D-2	132
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Debt Service Fund	D-3	133
Deferred Sick Leave Debt Service Fund	D-4	134
Educational Technology Debt Service Fund	D-5	135
<b>Component Unit:</b>		
Component Unit – Balance Sheet	F-1	136
Component Unit – Statement of Revenues, Expenses and Changes in Fund Balance	F-2	140
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Operational Fund	F-3	144
Instructional Materials Fund	F-4	145
Athletics	F-5	146
Non-Instructional Support Special Revenue Fund	F-6	147
Entitlement IDEA-B Special Revenue Fund	F-7	148
Title XIX Medicaid	F-8	149
SEG Federal Stimulus	F-9	150
Education Jobs Fund	F-10	151
Libraries – SB301 GO Bonds Special Revenue Fund	F-11	152
Public School Capital Outlay Capital Projects Fund	F-12	153
Special Capital Outlay – State Capital Projects Fund	F-13	154
Schedule of Cash and Investments	Sch F-I	155
Cash Reconciliation	Sch F-II	156
 <b>SUPPORTING SCHEDULES:</b>		
Schedule of Changes in Assets and Liabilities – Agency Funds	I	158
Schedule of Collateral Pledged by Depository for Public Funds	II	159
Schedule of Cash and Temporary Investment Accounts	III	160
Cash Reconciliation	IV	161
 <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>		165
 <b>FEDERAL FINANCIAL ASSISTANCE</b>		
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133		167
Schedule of Expenditures of Federal Awards	V	169
Schedule of Findings and Questioned Costs	VI	171

(This page intentionally left blank.)



**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**OFFICIAL ROSTER**  
**JUNE 30, 2011**

<u><b>Name</b></u>		<u><b>Title</b></u>
	<u>Board of Education</u>	
Jose "Coca" Archuleta		President
Ralph Medina		Secretary
Andrew Chavez		Member
Pablo Lujan		Member
Floyd Archuleta		Member
	<u>School Officials</u>	
Mr. Janette Archuleta		Superintendent
Ms. Debbie Valdez		Business Manager

(This page intentionally left blank.)

**FINANCIAL SECTION**

(This page intentionally left blank.)



# Griego Professional Services, LLC

Certified Public Accountants

## INDEPENDENT AUDITORS' REPORT

Hector Balderas  
New Mexico State Auditor  
The Office of Management and Budget  
To the Board of Education  
Española Public School District  
Española, New Mexico

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general funds and major special revenue fund of Española Public School District, New Mexico, as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds, and the budgetary comparisons for the major capital project funds, debt service funds and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of Española Public School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

We were unable to determine the validity of the list of capital assets or related accumulated depreciation, stated in the accompanying financial statements as of June 30, 2011. We were unable to determine the correct amount of capital assets, accumulated depreciation, or current year depreciation by alternate procedures. The effect of the Statement of Net Assets total assets and net assets, and the Statement of Activities depreciation expense are not readily determinable.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to obtain sufficient documentary evidence to determine the capital assets and depreciation balance, 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 Española Public School District, New Mexico, as of June 30, 2011, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of Española Public School District, New Mexico as of June 30, 2011, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital project funds, debt service fund and all nonmajor funds for the year then ended in conformity with account principles generally accepted in the United States of America.

P.O. Box 37379 • Albuquerque, NM 87176-7379  
8500 Menaul Blvd. NE, Ste. B295 • Albuquerque, NM 87112  
Phone (505) 856-2741 - Fax (505) 856-7510

(This page intentionally left blank.)

In accordance with *Government Auditing Standards*, we have also issued our report dated February 29, 2012 on our consideration of Española Public School District, New Mexico's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Española Public School District, New Mexico has not presented the *Management's Discussion and Analysis* that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the Española Public School District's basic financial statements and the combining and individual fund financial statements and budgetary comparisons presented as supplemental information. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governmental and Non-Profit Organizations*, and is not a required part of the financial statements. The additional schedules listed as "Supporting Schedules" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script that reads "Arigo Professional Services, LLC".

Albuquerque, New Mexico  
February 29, 2012

(This page intentionally left blank.)



**BASIC  
FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2011**

Exhibit A-1  
(Page 1 of 2)

	<b>Primary Government</b>	
	<b>Governmental Activities</b>	<b>Component Unit</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 8,435,731	\$ 148,174
Property taxes receivable	2,647,822	-
Other receivables	2,170,949	91,722
Inventory	298,687	53,440
Total current assets	13,553,189	293,336
Noncurrent assets:		
Bond issuance costs (net of amortization of \$11,917 )	17,773	-
Capital assets (net of accumulated depreciation):		
Land	4,852,702	-
Buildings and building improvements	67,090,096	-
Furniture, fixtures and equipment	6,355,870	15,770
Less: accumulated depreciation	(32,052,479)	(9,058)
Total noncurrent assets	46,263,962	6,712
Total assets	\$ 59,817,151	\$ 300,048

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2011**

Exhibit A-1  
(Page 2 of 2)

	<b>Primary Government Governmental Activities</b>	<b>Component Unit</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable	\$ 462,694	\$ 18,163
Accrued compensated absences	46,281	-
Accrued payroll liabilities	1,047,434	25,352
Deferred revenue	143,718	9,188
Accrued interest	222,407	-
Interfund balances	534,200	-
Current portion of bonds payable	2,405,000	-
Total current liabilities	4,861,734	52,703
Noncurrent liabilities:		
Bond underwriter premiums (net of amortization of \$2,059)	3,071	-
Bonds Payable	9,025,000	-
Accrued compensated absences	203,540	-
Total noncurrent liabilities	9,231,611	-
Total liabilities	14,093,345	52,703
Invested in capital assets, net of related debt	34,816,189	6,712
Restricted for:		
Debt service	5,699,044	-
Capital projects	2,682,988	(105,131)
Unrestricted	2,525,585	345,764
Total net assets	45,723,806	247,345
Total liabilities and net assets	\$ 59,817,151	\$ 300,048

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2011**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>
<b>Primary Government</b>			
Governmental activities:			
Education:			
Instruction	\$ 21,701,752	\$ 261,379	\$ 6,149,191
Support services:			
Students	4,739,293	-	781,705
Instruction	962,922	-	652,495
General Administration	1,412,594	-	-
School Administration	1,914,699	-	1,311,144
Other Support Services	44,452	-	-
Central Services	1,261,996	-	-
Operation & Maintenance of Plant	7,397,297	-	-
Student Transportation	1,613,636	-	1,467,369
Food Services Operation	2,363,906	250,067	1,834,135
Interest on long-term debt	444,815	-	-
Depreciation-unallocated	2,569,008	-	-
Total governmental activities	<u>46,426,370</u>	<u>511,446</u>	<u>12,196,039</u>
<b>Component Unit</b>	<u>\$ 1,742,495</u>	<u>\$ 16,565</u>	<u>\$ 125,120</u>

**General Revenues:**

Property taxes:  
    Levied for general purposes  
    Levied for debt service  
    Levied for capital projects  
State Equalization Guarantee  
Unrestricted investment earnings  
Miscellaneous  
    Total general revenues

Change in net assets  
Net assets - beginning  
Restatement (Note 14)  
Restated net assets - beginning  
Net assets - ending

The accompanying notes are an integral part of these financial statements

<b>Net (Expense) Revenue and Changes in Net Assets</b>		
<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Component Unit</u>
\$ -	\$ (15,291,182)	\$ -
-	(3,957,588)	-
-	(310,427)	-
-	(1,412,594)	-
-	(603,555)	-
-	(44,452)	-
-	(1,261,996)	-
334,021	(7,063,276)	-
-	(146,267)	-
-	(279,704)	-
-	(444,815)	-
-	(2,569,008)	-
<u>334,021</u>	<u>(33,384,864)</u>	<u>-</u>
<u>\$ 128,341</u>		<u>\$ (1,472,469)</u>
	\$ 118,469	\$ -
	3,945,298	-
	(14,382)	-
	29,024,702	1,542,253
	106,886	-
	1,138,044	27,737
	<u>34,319,017</u>	<u>1,569,990</u>
	934,153	97,521
	44,789,653	140,472
	-	9,352
	<u>44,789,653</u>	<u>149,824</u>
	<u>\$ 45,723,806</u>	<u>\$ 247,345</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2011**

	Operational Fund			Bond Building 31100
	General 11000	Transportation 13000	Instructional Materials 14000	
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and temporary investments	\$ 8,435,731	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	76,255	-	-	-
Due from other governments	41,545	-	-	-
Interfund receivables	-	-	26,687	2,228,817
Other	22,956	-	-	-
Inventory	85,189	-	-	-
<i>Total assets</i>	<u>8,661,676</u>	<u>-</u>	<u>26,687</u>	<u>2,228,817</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	160,210	-	-	92,512
Accrued payroll liabilities	1,047,434	-	-	-
Interfund payables	5,578,414	16,975	-	-
Deferred revenue - property taxes	74,121	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>6,860,179</u>	<u>16,975</u>	<u>-</u>	<u>92,512</u>
<i>Fund balances</i>				
Nonspendable	85,189	-	-	-
Restricted for:				
Debt Service	-	-	-	-
Special Revenue	-	-	-	-
Capital Projects	-	-	-	2,136,305
Unassigned	252,087	(16,975)	80	-
Assigned	1,464,221	-	26,607	-
<i>Total fund balance</i>	<u>1,801,497</u>	<u>(16,975)</u>	<u>26,687</u>	<u>2,136,305</u>
<i>Total liabilities and fund balance</i>	<u>\$ 8,661,676</u>	<u>\$ -</u>	<u>\$ 26,687</u>	<u>\$ 2,228,817</u>

The accompanying notes are an integral part of these financial statements

Debt Service 41000	Other Governmental Funds	Total Primary Government
\$ -	\$ -	\$ 8,435,731
2,196,510	375,057	2,647,822
-	2,106,448	2,147,993
2,654,121	2,341,388	7,251,013
-	-	22,956
-	213,498	298,687
<u>4,850,631</u>	<u>5,036,391</u>	<u>20,804,202</u>
-	209,972	462,694
-	-	1,047,434
-	2,189,824	7,785,213
2,134,030	364,110	2,572,261
-	143,718	143,718
<u>2,134,030</u>	<u>2,907,624</u>	<u>12,011,320</u>
-	213,498	298,687
2,716,601	499,520	3,216,121
-	500,120	500,120
-	639,984	2,776,289
-	(108,518)	126,674
-	384,163	1,874,991
<u>2,716,601</u>	<u>2,128,767</u>	<u>8,792,882</u>
<u>\$ 4,850,631</u>	<u>\$ 5,036,391</u>	<u>\$ 20,804,202</u>

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**GOVERNMENTAL FUNDS**

Exhibit B-1  
(Page 2 of 2)

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2011

	Governmental Funds
Amounts reported for governmental activities in the statement of net assets are different because:	
Fund balances - total governmental funds	8,792,882
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	46,246,189
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:	
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities	2,572,261
Bond issuance costs, including original issue discounts and premiums are not financial resources and, therefore, are not reported in the funds	
Bond issuance costs net of accumulated amortization	17,773
Bond underwriter premiums net of accumulated amortization	(3,071)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued interest payable	(222,407)
Accrued compensated absences	(249,821)
General obligation bonds	(11,430,000)
Net Assets-total Governmental Activities	45,723,806

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	Operational Fund			Bond Building 31100
	General 11000	Transportation 13000	Instructional Materials 14000	
<i>Revenues:</i>				
Property taxes	\$ 85,608	\$ -	\$ -	\$ -
State grants	29,268,077	1,467,369	173,548	-
Federal grants	797,444	-	-	-
Charges for services	155,625	-	-	-
Miscellaneous	5,185	-	-	-
Interest	106,886	-	-	-
<i>Total revenues</i>	<u>30,418,825</u>	<u>1,467,369</u>	<u>173,548</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	16,085,548	-	74,503	-
Support Services				
Students	3,659,374	-	-	-
Instruction	558,554	-	-	-
General Administration	1,323,742	-	-	-
School Administration	1,742,294	-	-	-
Central Services	1,082,491	-	-	-
Operation & Maintenance of Plant	5,250,607	-	-	-
Student Transportation	38,120	1,470,176	-	-
Other Support Services	44,452	-	-	-
Food Services Operations	321,261	-	-	-
Capital outlay	-	-	-	1,367,165
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>30,106,443</u>	<u>1,470,176</u>	<u>74,503</u>	<u>1,367,165</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>312,382</u>	<u>(2,807)</u>	<u>99,045</u>	<u>(1,367,165)</u>
<i>Net changes in fund balances</i>	312,382	(2,807)	99,045	(1,367,165)
<i>Fund balances - beginning of year</i>	1,489,115	(14,168)	(72,358)	3,503,470
<i>Fund balances - end of year</i>	<u>\$ 1,801,497</u>	<u>\$ (16,975)</u>	<u>\$ 26,687</u>	<u>\$ 2,136,305</u>

The accompanying notes are an integral part of these financial statements

Debt Service 41000	Other Governmental Funds	Total Primary Government
\$ 2,455,083	\$ 414,568	\$ 2,955,259
-	659,548	31,568,542
-	9,189,257	9,986,701
-	355,821	511,446
-	1,132,378	1,137,563
-	-	106,886
<u>2,455,083</u>	<u>11,751,572</u>	<u>46,266,397</u>
-	5,536,756	21,696,807
-	1,079,919	4,739,293
-	404,368	962,922
23,693	65,159	1,412,594
-	172,405	1,914,699
-	179,505	1,261,996
-	332,878	5,583,485
-	105,340	1,613,636
-	-	44,452
-	2,042,645	2,363,906
-	444,545	1,811,710
1,825,000	375,000	2,200,000
454,685	34,963	489,648
<u>2,303,378</u>	<u>10,773,483</u>	<u>46,095,148</u>
<u>151,705</u>	<u>978,089</u>	<u>171,249</u>
151,705	978,089	171,249
2,564,896	1,150,678	8,621,633
<u>\$ 2,716,601</u>	<u>\$ 2,128,767</u>	<u>\$ 8,792,882</u>

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Exhibit B-2  
 (Page 2 of 2)

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2011

	Governmental Funds
Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	\$ 171,249
Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.	
Depreciation expense	(2,569,008)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
Change in deferred revenue related to property taxes receivable	1,094,126
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 statement of activities:	
Amortization of bond issuance costs	(2,541)
Amortization of bond premiums	439
Increase in accrued interest payable	44,833
Increase in accrued compensated absences	(4,945)
Principal payments on bonds	<u>2,200,000</u>
Change in Net Assets-total Governmental Activities	<u><u>\$ 934,153</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**GENERAL FUND**

Exhibit C-1

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ 86,799	\$ 86,799	\$ 85,265	\$ (1,534)
State grants	29,918,205	29,074,048	29,214,584	140,536
Federal grants	920,491	920,491	797,444	(123,047)
Miscellaneous	2,500	2,500	190,810	188,310
Interest	125,000	125,000	106,886	(18,114)
<i>Total revenues</i>	<u>31,052,995</u>	<u>30,208,838</u>	<u>30,394,989</u>	<u>186,151</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	16,649,818	16,027,307	16,210,864	(183,557)
Support Services				
Students	4,116,107	4,066,107	3,665,998	400,109
Instruction	556,806	556,806	558,554	(1,748)
General Administration	1,087,761	1,087,761	1,323,742	(235,981)
School Administration	1,812,214	1,812,214	1,742,294	69,920
Central Services	1,042,637	1,042,637	1,082,491	(39,854)
Operation & Maintenance of Plant	5,624,918	5,453,272	5,251,987	201,285
Student Transportation	36,863	36,863	38,120	(1,257)
Other Support Services	977,916	977,916	44,452	933,464
Food Services Operations	270,000	270,000	293,134	(23,134)
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>32,175,040</u>	<u>31,330,883</u>	<u>30,211,636</u>	<u>1,119,247</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,122,045)</u>	<u>(1,122,045)</u>	<u>183,353</u>	<u>1,305,398</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,122,045	1,122,045	-	(1,122,045)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,122,045</u>	<u>1,122,045</u>	<u>-</u>	<u>(1,122,045)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>183,353</u>	<u>183,353</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,673,964</u>	<u>2,673,964</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,857,317</u>	<u>\$ 2,857,317</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			23,836	
Adjustments to expenditures			105,193	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 312,382</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**TRANSPORTATION FUND**

Exhibit C-2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	1,514,489	1,470,219	1,467,369	(2,850)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	1,514,489	1,470,219	1,467,369	(2,850)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	1,514,489	1,470,219	1,470,176	43
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	1,514,489	1,470,219	1,470,176	43
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(2,807)	(2,807)
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	(2,807)	(2,807)
<i>Fund balances - beginning of year</i>	-	-	(14,168)	(14,168)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (16,975)	\$ (16,975)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (2,807)	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**INSTRUCTIONAL MATERIALS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	147,092	147,092	173,548	26,456
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>147,092</u>	<u>147,092</u>	<u>173,548</u>	<u>26,456</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	147,092	147,092	146,982	110
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>147,092</u>	<u>147,092</u>	<u>146,982</u>	<u>110</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>26,566</u>	<u>26,566</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>26,566</u>	<u>26,566</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>121</u>	<u>121</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,687</u>	<u>\$ 26,687</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			72,479	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 99,045</u>	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**AGENCY FUNDS**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**JUNE 30, 2011**

Exhibit D-1

	<u>Agency Funds</u>
<b>ASSETS</b>	
<i>Current Assets</i>	
Cash	\$ -
Due from other funds	534,200
<i>Total assets</i>	<u>534,200</u>
<b>LIABILITIES</b>	
<i>Current Liabilities</i>	
Deposits held in trust for others	534,200
<i>Total liabilities</i>	<u>534,200</u>
<b>NET ASSETS</b>	
Unrestricted Net Assets	-
<i>Total Net Assets</i>	-
<i>Total net assets and liabilities</i>	<u>\$ 534,200</u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

The Española Public School District was created under the provision of Chapter 22 Article 5, Paragraph 4, New Mexico Statutes 1978 to provide public education for the children within the District. The School Board is authorized to establish policies and regulations for its own government consistent with the laws of the State of New Mexico and the regulations of the State Board of Education and the Legislative Finance Committee. The School Board is comprised of five members who are elected for terms of four years. The Board selects a superintendent who administers the District.

The summary of significant accounting policies of the District is presented to assist in the understanding of the District's financial statements. The financial statements and notes are the representation of Española Public School District's management, who is responsible for their integrity and objectivity. The financial statements of the Española Public School District (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) statements and interpretations, Accounting Principles, Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The Government-Wide financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles, Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedures issued after November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of the District's accounting policies are described below.

*A. Financial Reporting Entity*

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The District also has one *component unit*, Carinos Charter School, as defined by GASB Statement No. 14 as there are one other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the District meets the criteria for including as component units. There are no other primary governments with which the District has a significant relationship.

*B. Government-wide and fund financial statements*

The government-wide financial statements (i.e., the statement of net assets and the statement of activities and changes in net assets) 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.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 1. Summary of Significant Accounting Policies - (Continued)**

*B. Government-wide and fund financial statements (Continued)*

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

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, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise fund 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 are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*. Property taxes are recognized as revenues in the year for which the taxes are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 1. Summary of Significant Accounting Policies - (Continued)**

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

However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, 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. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. 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.

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

The *General Fund* is the primary operating fund of the District, and accounts for all financial resources, except those required to be accounted for in other funds.

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

The *Debt Service Funds* account for the services of general long-term debt not being financed by proprietary or nonexpendable trust funds.

The *Capital Projects Funds* account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Under the requirements of GASB #34, the District is required to present certain of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the following (in addition to the General Fund), which may include funds that were not required to be presented as major but were at the discretion of management:

*Operational Funds:*

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.

**STATE OF NEW MEXICO**  
ESPAÑOLA PUBLIC SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011

**NOTE 1. Summary of Significant Accounting Policies - (Continued)**

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

The *Bond Building Capital Projects Fund* is used to account for bond proceeds and any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District.

The *Debt Service Fund* is used to account for the accumulation of resources for the payment of General Long-Term Debt principal and interest.

Additionally, the government reports the following fund types:

*Fiduciary Funds:*

The fiduciary funds are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. These funds account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or student organizations.

*Agency Funds:*

Agency funds are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

School activity funds – accounts for assets held by the District as an agent for the individual schools and school organization.

Clearing agency fund – accounts for assets held by the District before they are remitted to other entities such as withholdings including pension, retiree health care, and others.

Component Unit – Charter School

The District has one Charter School, Carinos Charter School, which was established by order of the Secretary of Education in the fiscal year ended June 30, 2006. The Charter School meets the State Auditor's criteria for inclusion as a component unit. The Charter School is presented discretely. The Charter Schools did not have any component units. If it had any component units similar to fiduciary funds, it would not be incorporated into the government-wide financial statements. The component unit would have been treated as a major fund for financial statement preparation.

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.

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. 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 and IDEA-B to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from the state resources 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 all taxes and other items not properly included among program revenues.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 1. Summary of Significant Accounting Policies - (Continued)**

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

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with the function. The District does not currently employ indirect cost allocation systems. Depreciation expense is specifically identifies by function and is included in the direct expense of each function, except for that portion of depreciation that is identified as unallocated in the Statement of Activities. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Proprietary funds distinguish operating revenues and expenses from the non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenue of the District's enterprise fund is fees. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

**Cash 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. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the Pool is the same as the fair value of the pool shares.

**Restricted Assets:** Restricted assets consist of those funds expendable for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be expended.

**Receivables and Payables:** Interfund activity is reported as either 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 costs 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.

The District receives monthly income from a tax levy in Rio Arriba County. The funds are collected by the County Treasurer and are remitted to the District in the following month. Under the modified accrual method of accounting, the amount remitted by the Rio Arriba County Treasurer's in July and August 2011 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund financial statements during the year ended June 30, 2011.

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.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 1. Summary of Significant Accounting Policies - (Continued)**

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

**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 material 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 material listed in the State Board of Education 'State Adopted Instructional Material' list, while fifty percent of each allocation is available for purchases directly from vendors, for which the school district receives cash draw-downs, or transfer to the fifty percent account for requisition of material from the adopted list. The Districts are allowed to carry forward unused textbook credits from year to year.

**Inventory:** Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the General and Food Services funds consists of expendable supplies held for consumption and related supplies. The cost is recorded as an expenditure at the time individual inventory items are purchased. The reported inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net assets.

**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. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government wide statements. 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 assets lives are not capitalized. Library books 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 during the year ended June 30, 2011.

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

Land improvements	20 years
Buildings/building improvements	40 years
Furniture and equipment	3-10 years
Vehicles	10 years

**Deferred Revenues:** The District recognizes grant revenue 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 deferred 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 deferred revenues in the governmental fund financial statements.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 1. Summary of Significant Accounting Policies - (Continued)**

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

**Compensated Absences:** Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide statement of net assets.

**Long-term Obligations:** In the government-wide fund 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 related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the period the bonds are issued. 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 services expenditures.

**Net Assets or Fund Equity:** Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The detail of which is presented in Note 16.

In the government-wide financial statements, fund equity is classified as net assets and is displayed in three components:

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

*Restricted Net Assets:* Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net assets are restricted for “debt service or capital projects.”

*Unrestricted Net Assets:* All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

The Government-wide Statement of Net Assets reports \$8,382,032 of restricted net assets of which \$2,682,988 is restricted by enabling legislation.

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.

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



**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 1. Summary of Significant Accounting Policies - (Continued)**

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

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

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**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. Significant estimates affecting the District's financials include management's estimate of the useful lives of capital assets.

*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 cost.

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The Schools received \$28,983,149 in state equalization guarantee distributions during the year ended June 30, 2011.

**Tax Revenues:** The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Tax revenues are recognized when they are in the hands of the collecting agency. The District records only the portion of the taxes considered to be 'measurable' and 'available' on a modified accrual basis. The District recognized \$2,955,259 in tax revenues during the year ended June 30, 2011. 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.

Property taxes attach an enforceable lien on property as of January 1. Tax notices are sent to property owners by November 1<sup>st</sup> of each year to be paid in whole or in two installments by November 10<sup>th</sup> and April 10<sup>th</sup> of each year. Rio Arriba County collects County, City, and School taxes and distributes them to each fund once per month except in June when the taxes are distributed twice to close out the fiscal year.

**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 \$1,467,369 in transportation distributions during the year ended June 30, 2011.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 1. Summary of Significant Accounting Policies - (Continued)**

*E. Revenues – (continued)*

**Instructional Materials:** The New Mexico Public Education Department (PED) receives federal material 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 State Board of Education “State Adopted Instructional Material” list, while fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2011 totaled \$173,548.

**Public School Capital Outlay:** Under the provisions of Chapter 22, Article 24, a public school capital outlay fund was created. The money in the fund may be used only for capital expenditures deemed by the public school capital outlay council necessary for an adequate educational program, and the capital outlay expenditures are limited to the purchase, or construction of temporary or permanent classrooms.

The council shall approve an application for grant assistance from the fund when the council determines that:

1. A critical need exists requiring action;
2. The residents of the school districts have provided all available resources to the district to meet its capital outlay requirements;
3. The school district has used its resources in a prudent manner;
4. The school district is in a county or counties which have participated in the reappraisal program and the reappraised values are on the tax rolls, or will be used for the tax year 1979 as certified by the property tax division; and
5. The school district has provided insurance for buildings of the school district in accordance with the provisions of Section 13-5-3 NMSA 1978.

The council shall consider all applications for assistance from the fund and after public hearing shall either approve or deny the application. Applications for grant assistance shall only be accepted by the council after a district has complied with the provisions of this section. The council shall list all applications in order of priority and all allocations shall be made on a priority basis.

Money in the fund shall be disbursed by warrant of the Department of Finance and Administration on vouchers signed by the Secretary of Finance and Administration following certification by the council that the application has been approved.

During the year ended June 30, 2011, the District received \$20,805 in special capital outlay funds.

**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 figure shall be reduced as necessary.

The district received \$313,216 in state SB-9 matching during the year end June 30, 2011.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 1. Summary of Significant Accounting Policies - (Continued)**

*E. Revenues (Continued)*

**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 is operated under its own budget, which has been approved by the Federal Department or the flowthrough agency (usually the New Mexico Public Education Department). The various budgets are approved by the Local School Board and the New Mexico Public Education Department.

The District also receives revenues from Federal department which are unrestricted to expenditures for special purposes. These revenues are reported in the Operational Fund.

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

*Budgetary Information*

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

These budgets are prepared on the Non-GAAP (Cash) budgetary 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 the fund balance.

Actual expenditures may not exceed the budget at the function level. 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 District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the State of New Mexico Public Education Department (PED) by the District shall contain headings and details as described by law and have been approved by the Public Education Department.
2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the District for the ensuing fiscal year.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 2. Stewardship, Compliance and Accountability – (Continued)**

*Budgetary Information (Continued)*

4. The “operating” budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.
5. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
6. 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 Public Education Department.
7. 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 District and approved by the DBPU.
8. Legal budget control for expenditures is by function.
9. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year’s budget. The budget of Española Public School District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.
11. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for budget purposes.

The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico state law prohibits a Governmental Agency from exceeding an individual line item.

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, equity, and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2011, is presented.

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

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 3. Cash and Temporary Investments**

State statutes authorize the investment of the District's funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2011.

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 II 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 \$100,000 in aggregate and separate from the \$100,000 coverage for public unit demand deposits at the same institution. This coverage has increased to \$250,000 for time and savings deposits as well as demand deposits until December 31, 2013. Additionally, until December 31, 2012, all deposits in non-interest bearing transaction accounts (such as non-interest bearing checking accounts) at participating institutions are fully guaranteed, regardless of dollar amount.

**Primary Government**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk, other than the following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978.) At June 30, 2011, \$8,960,388 of the District's deposits of \$9,460,388 was exposed to custodial credit risk. \$4,108,831 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the District's name. As of June 30, 2011, the carrying amount of these deposits was \$10,049,157. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for 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**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

	<u>Bank</u>	<u>America</u>	<u>Totals</u>
Amount of Deposits	\$ 7,315,608	\$ 2,144,780	\$ 9,460,388
FDIC Coverage	250,000	250,000	500,000
Total uninsured public funds	<u>\$ 7,065,608</u>	<u>\$ 1,894,780</u>	<u>\$ 8,960,388</u>
Pledged collateral held by pledging bank's trust department or agent but not in agency's name	<u>(10,792,383)</u>	<u>(2,276,836)</u>	<u>(13,069,219)</u>
Uninsured and uncollateralized	(3,726,775)	(382,056)	(4,108,831)
Collateral requirement (50%)	\$ 3,532,804	\$ 947,390	\$ 4,480,194
Pledged Securities	10,792,383	2,276,836	13,069,219
(Over) under collateralized	<u>\$ (7,259,579)</u>	<u>\$ (1,329,446)</u>	<u>\$ (8,589,025)</u>

**Reconciliation of Cash and Temporary Investments**

Governmental Funds - Balance Sheet	
Cash and cash equivalents per Exhibit A-1	\$ 8,435,731
Statement of Fiduciary Net Assets - cash per Exhibit D-1	-
	<u>8,435,731</u>
Add outstanding checks and other reconciling items	<u>1,613,426</u>
Bank balance of deposits	<u>\$ 10,049,157</u>

**Investments**

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The District had the following temporary investments at June 30, 2011:

<u>Investments</u>	<u>Fair Value</u>	<u>Investment Maturities Less than One Year</u>
Money Market at Valley National Bank, Espanola, New Mexico	\$ 7,171,336	\$ 7,171,336
State Investment	<u>588,769</u>	<u>588,769</u>
Total	<u>\$ 7,555,001</u>	<u>\$ 7,555,001</u>

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

The District's investment policy does not specifically limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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

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

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

*Custodial Credit Risk:* State statutes authorize the investment of school district funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool and money market accounts. The District is also allowed to invest in United States Government obligations. The District's investment policy does not further its investment choices.

The State Treasurer Local Government Investment Pool is not registered with the SEC. Section 6-10-10 1, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment funds in securities that are issued by the United States government or by its departments or agencies and are either backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares; at the end of each month all interest earned is distributed by the State Treasurer to the length of time the amounts of the fund were invested. Any unrealized gain or loss on the portfolio is distributed through the investment yield on distribution dates. The carrying amount or fair market value of these investments approximates cost. The State of New Mexico is the regulatory oversight entity and participation in the pool is voluntary. The State Treasurer Local Government investment is rated AAAM by Standard and Poor's; its WAM is 50 as of June 30, 2011.

**Component Unit**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure, the Charter Schools deposits may not be returned to it. The Charter School does not have a deposit policy for custodial credit risk. At June 30, 2011, \$0 of the Charter School's deposits of \$284,242 was exposed to custodial credit risk. As of June 30, 2011, the carrying amount of these deposits was \$148,174. The Charter School is a 501(c)(3) tax exempt organization not subject to the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

	Valley National Bank
Amount of Deposits	\$ 293,406
FDIC Coverage	293,406
Total uninsured public funds	\$ -

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

Cash and cash equivalents per Exhibit A-1	
Component Unit	\$ 148,174
Outstanding checks and other reconciling items	<u>145,232</u>
Bank balance of cash and temporary investments	<u><u>\$ 293,406</u></u>

**NOTE 4. Inventory**

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased. The reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

Inventories at June 30, 2011 consisted of the following:

General Fund:	
Operational account (maintenance supplies)	<u>85,189</u>
	<u>\$ 85,189</u>
Special Revenue Fund:	
Cafeteria	<u>213,498</u>
	<u>\$ 213,498</u>
Component Unit:	
General Fund	<u>\$ 53,440</u>

**NOTE 5. Receivables**

Receivables as of June 30, 2011 are as follows:

	General	Debt Service Fund	Nonmajor Funds	Total
Property Taxes	\$ 76,255	2,196,510	\$ 375,057	\$ 2,647,822
Intergovernmental-grants	41,545	-	2,173,573	2,215,118
Other	22,956	-	-	22,956
<b>Total</b>	<u>\$ 140,756</u>	<u>\$ 2,196,510</u>	<u>\$ 2,548,630</u>	<u>\$ 4,885,896</u>

The above receivables are deemed 100% collectible. In accordance with GASB #33, property taxes receivable are presented net of deferred revenue of \$2,572,261 on the governmental fund financial statements.

Other receivables consist of credits, refunds and settlements totaling \$22,956.



**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 5. Receivables (continued)**

**Component Unit**

	General Fund		IDEA-B Entitlement		SEG Federal Stim.		Education Jobs Fund		Total
Intergovernmental-grants:	702	\$	48,020	\$	27,820	\$	15,180	\$	91,722

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

The District records temporary interfund receivable and payables to enable the funds to operate until grant monies are received. The composition of interfund balances as of June 30, 2011 is as follows:

Governmental Activities:	Interfund Receivables	Interfund Payables
Major Funds:		
General	\$ -	\$ 5,578,414
Transportation	-	16,975
Instructional Materials	26,687	-
Bond Building	2,228,817	-
Debt Service	2,654,121	-
Nonmajor Funds:		
Special Revenue Funds	1,183,279	2,081,306
Capital Project Funds	668,626	108,518
Debt Service Funds	489,483	-
Total Governmental Activities	<u>\$ 7,251,013</u>	<u>\$ 7,785,213</u>
Fiduciary Funds	534,200	-
Total All Funds	<u><u>\$ 7,785,213</u></u>	<u><u>\$ 7,785,213</u></u>

Component Unit:

General Fund	183,591	-
IDEA-B Entitlement	-	34,632
Title XIX Medicaid	-	839
SEG Federal Stimulus	-	28,805
Education Jobs Fund	-	14,184
Public School Capital Outlay	-	51,047
Special Capital Outlay - State	-	54,084
Total	<u>\$ 183,591</u>	<u>\$ 183,591</u>

All Interfund balances are to be paid within one year.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 7. Capital Assets**

A summary of capital assets and changes occurring during the year ended June 30, 2011 follows. Land and construction in progress are not subject to depreciation.

	Balance June 30, 2010	Additions	Transfers	Deletions	Balance June 30, 2011
Capital Assets not being depreciated					
Land improvements	\$ 4,852,702	\$ -	\$ -	\$ -	\$ 4,852,702
Total assets not being depreciated	4,852,702	-	-	-	4,852,702
Capital Assets used in Governmental Activities					
Building and building improvements	67,090,096	-	-	-	67,090,096
Furniture, fixtures, & equipment	6,355,870	-	-	-	6,355,870
Total assets being depreciated	73,445,966	-	-	-	73,445,966
Total assets	78,298,668	-	-	-	78,298,668
Less Accumulated Depreciation for:					
Building and building improvements	26,446,817	2,310,754	-	-	28,757,571
Furniture, fixtures, & equipment	3,036,654	258,254	-	-	3,294,908
Total Accumulated Depreciation	29,483,471	2,569,008	-	-	32,052,479
Total Capital Assets, being depreciated	43,962,495	(2,569,008)	-	-	41,393,487
Capital assets, net:	\$ 48,815,197	\$ (2,569,008)	\$ -	\$ -	\$ 46,246,189

**Component Unit:**

	Balance June 30, 2010	Additions	Adjustment	Deletions	Balance June 30, 2011
Capital Assets used in Governmental Activities					
Furniture, fixtures, & equipment	-	-	15,770	-	15,770
Total assets	-	-	15,770	-	15,770
Less Accumulated Depreciation for:					
Furniture, fixtures, & equipment	-	2,640	6,418	-	9,058
Total Accumulated Depreciation	-	2,640	6,418	-	9,058
Governmental activities capital assets, net:	\$ -	\$ (2,640)	\$ 9,352	\$ -	\$ 6,712

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 7. Capital Assets (continued)**

Capital assets, net of accumulated depreciation, at June 30, 2011 appear in the Statement of Net Assets and/or the Fund Statements Balance Sheets as follows: Governmental activities.

Depreciation expense for the year ended June 30, 2011 in the amount of \$2,569,008 was not charged to governmental activities. The entire amount is considered unallocated.

Component Unit:

Depreciation expense for the year ended June 30, 2011 in the amount of \$2,640 was charged to the following functions:

Instruction	1,354
Support Services – Central Services	<u>1,286</u>
Total	<u>\$ 2,640</u>

**NOTE 8. Long-term Debt**

During the year ended June 30, 2011 the following changes occurred in the liabilities reported in the government-wide statement of net assets:

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011	Due Within One Year
General Obligation Bonds	\$ 13,630,000	\$ -	\$ 2,200,000	\$ 11,430,000	\$ 2,405,000
Compensated Absences	244,876	242,008	237,063	249,821	46,281
Total	<u>\$ 13,874,876</u>	<u>\$ 242,008</u>	<u>\$ 2,437,063</u>	<u>\$ 11,679,821</u>	<u>\$ 2,451,281</u>

The annual requirements to amortize the Bonds and Notes Payable as of June 30, 2011, including interest payments are as follows. The interest rates range from 1.35% - 6.25% with maturity dates until June 1, 2018.

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2012	2,405,000	398,207	2,803,207
2013	1,895,000	313,150	2,208,150
2014	1,655,000	258,755	1,913,755
2015	1,720,000	195,913	1,915,913
2016	1,700,000	130,305	1,830,305
2017-2021	2,055,000	108,896	2,163,896
Totals	<u>\$ 11,430,000</u>	<u>\$ 1,405,226</u>	<u>\$ 12,835,226</u>

In prior years, the general fund was typically used to liquidate long-term liabilities other than general obligation bonds.

Compensated Absences – Administrative employees of the Schools are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2011, compensated absences increased \$4,945 over the prior year accrual. See Note 1 for more details

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

Operating Leases – The District leases office equipment under short-term cancelable operating leases. Rental cost for the year ended June 30, 2011 was \$211,536.

**Component Unit:**

Operating Leases – The Charter Schools leases office equipment under short-term cancelable operating leases. Rental cost for the year ended June 30, 2011 was \$11,189.

**NOTE 9. Risk Management**

The District is a member of the New Mexico Public Schools 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 \$750,000,000 for each property damage claim with a \$750 deductible for 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 Security, which includes 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, 2011, there have been no claims that have exceeded insurance coverage.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**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. The following funds reported a deficit fund balance at June 30, 2011:

**Governmental Funds:**

**Major:**

Transportation	\$	16,975
----------------	----	--------

**Nonmajor Funds:**

Dual Credit IM (HB2)		4,255
2008 G.O. Bonds		2,074
Libraries Laws of 2004		196
Rural Ed. - Summer Enrichment Program		7,238
Kindergarten Three Plus		16,768
NM Highway Department		3,348
School Based Health Clinic		7,815
Public School Capital Outlay		9,323
Special Capital Outlay State		99,195
Total Governmental Funds	<u>\$</u>	<u>167,187</u>

**Component Unit:**

**Nonmajor Funds:**

Title XIX Medicaid		839
Public School Capital Outlay		51,047
Special Capital Outlay State		54,084
Total Component Unit	<u>\$</u>	<u>105,970</u>

These deficits are expected to be funded by additional grant funds and charges for services, where applicable.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 10. Other Required Individual Fund Disclosures (Continued)**

**B.** Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2011:

**Governmental Funds:**

**Major Funds:**

General Fund - Instruction	\$	183,557
General Fund - Food Service		23,134
Debt Service - Support Services		926
Total Major Governmental Funds	\$	207,617

**Nonmajor Funds:**

Preschool IDEA-B - Support Services	\$	12,470
Title I Federal Stimulus - Instruction		16,851
2008 GO Bonds - Support Services		117
Library GO Bonds Laws of 2004 - Support Services		196
Total Nonmajor Governmental Funds	\$	29,634
Total Governmental Funds	\$	237,251

**Component Unit:**

**Nonmajor Funds:**

State Equalization Gaurantee - Federal Stimulus	\$	1,451
Total Component Unit	\$	1,451

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

*Plan Description.* Substantially all of Española Public School District’ full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11 NMSA 1978.) The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing, multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits, and cost-of-living adjustments to plan members (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. ERB issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to ERB, P. O. Box 26129, Santa Fe, New Mexico 87502. The report is also available on ERB’s website at [www.nmerb.org](http://www.nmerb.org).

*Funding Policy.* Plan members are required to contribute 9.4% of their gross salary. The District is required to contribute 10.90% of the gross covered salary. The employer contribution will increase .75% each year until July 1, 2011 when the employer contribution will be 13.9%. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The District’s contribution to ERB for the fiscal years ending June 30, 2011, 2010 and 2009 were \$2,553,323, \$2,698,111 and \$2,844,136, respectively, which equal the amount of the required contributions for each fiscal year.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 12. Post-Employment Benefits – State Retiree Health Care Plan**

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

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

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque NM 87107.

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

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

<u>Fiscal Year</u>	<u>Employee Contribution Rate</u>	<u>Employer Contribution Rate</u>
FY12	1.834%	.917%
FY13	2.00%	1.00%

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

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

The District’s contributions to the RHCA for the years ended June 30, 2011, 2010 and 2009 were \$361,951, \$299,132 and \$312,281, respectively, which equal the required contributions for each year.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**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 District 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. Restatement of Net Assets**

**Component Unit:** A prior period adjustment was made in the amount of \$9,352 to the Government-wide financial statements of the primary government. Capital Assets were adjusted in the amount of \$15,770 due the lack of capital assets being maintained in the prior years. Accumulated depreciation was also adjusted by \$6,418.

**NOTE 15. Subsequent Accounting Standard Pronouncements**

In December 2009, the GASB issued Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plan*, which is effective for financial statement periods beginning after June 15, 2011. The objective of this Statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers).

In December 2009, the GASB issued Statement No. 58, *Accounting and Financial Reporting for Chapter Bankruptcies*, which is effective for financial statement periods beginning after June 15, 2009. The objective of this Statement is to provide accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. It requires governments to re-measure liabilities that are adjusted in bankruptcy when the bankruptcy court confirms a new payment plan.

In June 2010, the GASB issued Statement No. 59, *Financial Instruments Omnibus*, which is effective for financial statement periods beginning after June 15, 2010. The Statement updates and improves existing standards regarding financial reporting of certain financial instruments and external investment pools.

In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, which is effective for financial statement periods beginning after June 15, 2012. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements. This Statement modifies certain requirements for inclusion of component units in the financial reporting entity and amends the criteria for reporting component units as if they were part of the primary government in certain circumstances.



**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 15. Subsequent Accounting Standard Pronouncements (continued)**

In December of 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which is effective for financial statements for periods beginning after December 15, 2011. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

1. Financial Accounting Standards Board (FASB) Statements and Interpretations
2. Accounting Principles Board Opinions
3. Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure.

The requirements in this Statement will improve financial reporting by contributing to the GASB's efforts to codify all sources of generally accepted accounting principles for state and local governments so that they derive from a single source.

**NOTE 16. Governmental Fund Balance**

**Fund Balance:** In the fund financial statements, governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Some governments may not have policies or procedures that are comparable to those policies that underlie the classifications and therefore would not report amounts in all possible fund balance classifications.

In the governmental financial statements, fund balance is classified and is displayed in five components:

*Nonspendable:* Consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

*Restricted:* Consists of amounts that are restricted to specific purposes as a result of a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed:* Consist of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

*Assigned:* Consist of amounts that are constrained by the government's *intent* to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

*Unassigned:* Represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

Detail relating to the fund balance classifications is displayed below:

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 16. Fund Balance (continued)**

Espanola Public Schools

	General Fund		
	General Fund	Transportation Fund	Instructional Materials Fund
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
Inventory	\$ 85,189	\$ -	\$ -
<b>Restricted for:</b>			
Education	-	-	-
Debt service	-	-	-
School construction	-	-	-
Instructional materials	-	-	26,607
<b>Committed:</b>	-	-	-
<b>Assigned to:</b>			
Debt service	-	-	-
Other capital projects	-	-	-
Other purposes	1,464,221	-	-
<b>Unassigned:</b>	252,087	(16,975)	80
Total fund balances	<u>\$ 1,801,497</u>	<u>\$ (16,975)</u>	<u>\$ 26,687</u>

Component Unit:

	General Fund		
	General Fund	Transportation Fund	Instructional Materials Fund
<b>Fund Balances:</b>			
<b>Nonspendable:</b>			
Inventory	\$ 53,440	\$ -	\$ -
<b>Restricted for:</b>			
Education	-	-	-
Building rental	-	-	-
School construction	-	-	-
Instructional materials	-	-	-
<b>Committed:</b>	-	-	-
<b>Assigned to:</b>			
Debt service	-	-	-
Other capital projects	-	-	-
Other purposes	-	-	-
<b>Unassigned:</b>	254,959	-	1,690
Total fund balances	<u>\$ 308,399</u>	<u>\$ -</u>	<u>\$ 1,690</u>

Bond Building Fund	Debt Service Fund	Other Funds	Total
\$ -	\$ -	\$ 213,498	\$ 298,687
-	-	500,120	500,120
-	2,716,601	499,520	3,216,121
2,136,305	-	639,984	2,776,289
-	-	-	26,607
-	-	-	-
-	-	-	-
-	-	-	-
-	-	384,163	1,848,384
-	-	(108,518)	126,674
<u>\$ 2,136,305</u>	<u>\$ 2,716,601</u>	<u>\$ 2,128,767</u>	<u>\$ 8,792,882</u>

Bond Building Fund	Debt Service Fund	Other Funds	Total
\$ -	\$ -	\$ -	\$ 53,440
-	-	35,675	35,675
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	(105,131)	151,518
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (69,456)</u>	<u>\$ 240,633</u>

(This page intentionally left blank.)

**SUPPLEMENTARY INFORMATION**

(This page intentionally left blank.)

**NONMAJOR GOVERNMENTAL FUNDS**

(This page intentionally left blank.)



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2011**

Statement A-1

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	16,127	358,930	375,057
Due from other governments	2,106,448	-	-	2,106,448
Interfund receivables	1,183,279	668,626	489,483	2,341,388
Other	-	-	-	-
Inventory	213,498	-	-	213,498
<i>Total assets</i>	<u>3,503,225</u>	<u>684,753</u>	<u>848,413</u>	<u>5,036,391</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	180,420	29,552	-	209,972
Accrued payroll liabilities	-	-	-	-
Interfund payables	2,081,306	108,518	-	2,189,824
Deferred revenue - property taxes	-	15,217	348,893	364,110
Deferred revenue - other	143,718	-	-	143,718
<i>Total liabilities</i>	<u>2,405,444</u>	<u>153,287</u>	<u>348,893</u>	<u>2,907,624</u>
<i>Fund balances</i>				
Nonspendable	213,498	-	-	213,498
Restricted for:				
Debt Service	-	-	499,520	499,520
Capital Projects	-	639,984	-	639,984
Special Revenue	500,120	-	-	500,120
Unassigned	-	(108,518)	-	(108,518)
Assigned	384,163	-	-	384,163
<i>Total fund balance</i>	<u>1,097,781</u>	<u>531,466</u>	<u>499,520</u>	<u>2,128,767</u>
<i>Total liabilities and fund balance</i>	<u>\$ 3,503,225</u>	<u>\$ 684,753</u>	<u>\$ 848,413</u>	<u>\$ 5,036,391</u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
<i>Revenues:</i>				
Property taxes	\$ -	\$ 8,021	\$ 406,547	\$ 414,568
State grants	325,527	334,021	-	659,548
Federal grants	9,189,257	-	-	9,189,257
Miscellaneous	1,488,199	-	-	1,488,199
Interest	-	-	-	-
<i>Total revenues</i>	<u>11,002,983</u>	<u>342,042</u>	<u>406,547</u>	<u>11,751,572</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	5,536,756	-	-	5,536,756
Support Services				
Students	1,079,919	-	-	1,079,919
Instruction	404,368	-	-	404,368
General Administration	61,154	86	3,919	65,159
School Administration	172,405	-	-	172,405
Central Services	179,505	-	-	179,505
Operation & Maintenance of Plant	332,878	-	-	332,878
Student Transportation	105,340	-	-	105,340
Food Services Operations	2,042,645	-	-	2,042,645
Capital outlay	-	444,545	-	444,545
Debt service - Principal	-	-	375,000	375,000
Debt service - Interest	-	-	34,963	34,963
<i>Total expenditures</i>	<u>9,914,970</u>	<u>444,631</u>	<u>413,882</u>	<u>10,773,483</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>1,088,013</u>	<u>(102,589)</u>	<u>(7,335)</u>	<u>978,089</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>1,088,013</u>	<u>(102,589)</u>	<u>(7,335)</u>	<u>978,089</u>
<i>Fund balances - beginning of year</i>	<u>9,768</u>	<u>634,055</u>	<u>506,855</u>	<u>1,150,678</u>
<i>Fund balances - end of year</i>	<u>\$ 1,097,781</u>	<u>\$ 531,466</u>	<u>\$ 499,520</u>	<u>\$ 2,128,767</u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

**SPECIAL REVENUE 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 (21000)** – To account for the cost of operating a student food program and is financed with federal grants and fees paid by program users.

**Athletics (22000)** – 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.

**Non-Instructional Support (23000)** – to account for budgeted revenues and expenditures which relate to student activities other than athletics.

**Title I (24101 – IASA)** – The major objectives of the Title I program are to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. 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 identifies a campus; educational 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 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.

**Entitlement IDEA-B (24106) Federal Stimulus (24206)** – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100,639, and 101-476, 20 U.S.C. 1411-1420.

**Discretionary IDEA-B (24107)** – To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to all children with disabilities. Authorized by individuals with Disabilities Education Act (IDEA), Part B, Sections 611, as amended, 20 U.S.C. 1411.

**Preschool IDEA-B (24109) Federal Stimulus (24209)** – 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.

**Title VI (24112) and IDEA-B Early Intervention Services Federal Stimulus (24212)** – To account for a program funded by a Federal grant to assist the District to make improvements in elementary and secondary education. Funding authorized by Elementary and Secondary Education Act of 1965, as amended, Title I, Chapter 2, Part A; Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvements of 1988, Public Law 100-297, 20 U.S.C. 2911-2952, 2971-2976.

**Education of Homeless (24113) and Education of Homeless Federal Stimulus (24213)** – To ensure that homeless children and youth have equal access to the same free, appropriate public education as other children; to provide activities for and services to ensure that these children enroll in, attend, and achieve success in school; to establish or designate an office in each State educational agency (SEA) for the coordination of education for homeless children and youth; to develop and implement programs for school personnel to heighten awareness of specific problems of homeless children and youth; and to provide grants to local educational agencies (LEAs). Authorized by McKinney-Vento Homeless Assistance Act, Title VII, Subtitle B.

**Title II-D Enhancing Education thru Technology Competitive (24149)** – To account for federal resources used to strengthen the skills of teachers in the field of technology. (P.L. 103-382)

**English Language Acquisition (24153)** – To provide funds to improve the educational performance of limited English proficient students by assisting the children to learn English and meet State academic content standards.

## **SPECIAL REVENUE FUNDS (continued)**

**Teacher / Principal Training & Recruiting (24154)** – 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.

**Safe & Drug Free Schools & Community (24157)** – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

**Rural and Low Income Schools (24160)** – To account for a grant with the purpose of providing financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Authorized by Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended.

**Title I School Improvement (24162)** – To account for federal funds to provide family-center education projects to help parents become full partners in the education of their children and to assist children in reaching their full potential as leaders. Authority is Public Law 100-297.

**Emergency Immigrant Funding (24163)** – To account for funds to provide education and opportunity to immigrant students. Funding is competitive based on the quality of the program and significant increase of the number of students being served from previous years.

**Reading First (24167)** – To account for federal resources administered by the State Public Education Department for a comprehensive reading approach which will incorporate research-based materials, intensive and systematic on-site professional development and an assessment-teaching-learning cycle that feeds assessment data into dynamic instructional decision-making. (P.L. 100-297)

**Carl D. Perkins (24174 – Secondary Current) (24176 – Secondary Redistribution)** – The objective of this grant is to provide secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Department of Education. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

**Title I Federal Stimulus (24201) and Title I School Improvement Federal Stimulus (24262)** – to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. 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 identifies a campus; educational 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 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.

**Enhancing Education Through Technology - Formula (E2T2-F) - Fed Stimulus (24249)** - To account for federal resources used to strengthen the skills of teachers in the field of technology. (P.L. 103-382)

**Grant to Reduce Alcohol Abuse (25111)** - Grant to reduce alcohol abuse - Includes Project Success specialists and community advocacy to reduce underage drinking along with Student Wellness Action Teams and mental health services.

**Impact Aid (25145 - Special Education)** – To account for funding of a Federal program 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), or where there are a significant number of children who reside on Federal (including Indian) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b)): where there is a significant decrease (Section 3(c)) or a sudden and substantial increase (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

## **SPECIAL REVENUE FUNDS (continued)**

**Impact Aid – Indian Education (25147)** – To account for funding of a Federal program 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), or where there are a significant number of children who reside on Federal (including Indian) lands and /or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b)): where there is a significant decrease (Section 3(c)) or a reduced or increased operating costs (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

**Title XIX MEDICAID 3/21 Years (25153)** – To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children.

**Indian Education Formula Grant (25184)** – To account for a program funded by a Federal grant to develop and carry out supplementary elementary and secondary school programs designed to meet the special educational and culturally related academic needs of Indian children, for example to: 1) Improve academic performance, 2) Reduce school dropout rates and improve attendance, and 3) Integrate the value of cultural education into the school curriculum for Indian children. Funding authorized by Indian Education Act of 1988, Title V, Part C, Subpart 1, as amended, Public Law 100-297 and 93-638, 25 U.S.C. 2601-2606.

**State Equalization Guarantee – Federal Stimulus (25250)** – Education stabilization funds are used to restore state funding to public schools and higher education institutions for FY09, FY10 and FY11 for the purpose of stimulating the economy as specified in the American Recovery and Reinvestment Act (ARRA).

**Education Jobs Fund Federal Stimulus (25255)** – A federal program that provided assistance to states to save or create education jobs for the 2010-2011 school year.

**LANL Foundation (26113)** – Educational enrichment grant received from Los Alamos National Laboratory.

**PNM Foundation Inc. (26123)** – To account for a grant received from Public Services Company of New Mexico for an educational project.

**Teacher Incentive Fund (26182)** – To account for a U.S. Department of Education pass-through grant from the State of New Mexico Northern New Mexico Network for Rural Education.

**Dual Credit Instructional Materials (27103)** – To purchase college textbooks for students who dual enroll in college credited courses while still attending high school.

**2008 GO Bond Library Fund (27105)** – Funds used to purchase library books and library supplies for all school sites.

**Technology for Education PED (27117)** - The purpose of this grant is to assist the District to develop and implement a strategic, long-term plan for utilizing educational technology in the school system. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is NMSA 22-15A-1 to 22-15A-10.

**Incentives for School Improvement Act (27138)** – To account for monies received from the Award for High Improving Schools provided by the State of New Mexico for the purpose of identifying special needs at awarded locations and to purchase items to improve those schools.

**Truancy-CYFD (27139)** – A grant provided by the School and Family Support Bureau of New Mexico to provide support services to reduce truancy at Espanola Schools.



## **SPECIAL REVENUE FUNDS (continued)**

**Libraries GO BONDS Laws of 2004 (27145)** – Funds used to purchase library books and library supplies for all school sites.

**Beginning Teacher Mentoring Program (27154)** – 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 Board of Education. Authority for creation of this fund is NMSA 22-2-8-10.

**Breakfast for Elementary Students (27155)** – The 2005 Legislative General Appropriations Act allocated \$475,000 to implement Breakfast in the Classroom for elementary schools in need of improvement based on 2004-2005 AYP designation.

**AP Expansion (27165)** – To undertake work and activities and pedagogy that target and support the alignment and expansion of Advanced Placement Education to improve student and teacher learning and training.

**Kindergarten - Three Plus (27166)** – the funding is part of a pilot project for Kindergarten through third grade students at both Ann Parish Elementary and Desert View Elementary. Funds used for teachers, educational assistants, nurses, an academic coach, and PE coach at both schools.

**Summer Reading, Math & Science Institutes (27548)** – To account for funds utilized in summer programs. Funding is through the Public Education Department.

**2009 Library Book Fund (27549)** – The intent of these funds were to purchase school library books.

**NM Highway Department (28120)** – To account for road funds provided by the New Mexico Highway Department.

**AP New Mexico Incentive Funding (28168)** – To account for grant funds received through New Mexico Highlands University to fund approved applications for workshops and related projects (NM Dept. of Ed., Regulation #93.1.)

**Private Direct Grants (29102)** – To account for various private direct grants allocated to the school district.

**McCune Charitable Foundation (29114)** - To account for revenues received for the enhancement of various programs. Authority: Public Education Department.

**School Based Health Clinics (29130)** – To account for funds administered by the Department of Health and the County of Dona Ana in support of providing Primary Care and Mental Health Service on school campus.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2011**

	Food Services 21000	Athletics 22000	Non-Instructional Support 23000	Title I 24101
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	214,008	-	-	399,074
Interfund receivables	-	29,187	200,714	-
Other	-	-	-	-
Inventory	213,498	-	-	-
<i>Total assets</i>	<u>427,506</u>	<u>29,187</u>	<u>200,714</u>	<u>399,074</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	-	-	-	51,250
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	331,677	-	-	347,824
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>331,677</u>	<u>-</u>	<u>-</u>	<u>399,074</u>
<i>Fund Balance:</i>				
Nonspendable	213,498	-	-	-
Restricted for:				
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Assigned	-	-	-	-
Unassigned	(117,669)	29,187	200,714	-
<i>Total fund balance</i>	<u>95,829</u>	<u>29,187</u>	<u>200,714</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 427,506</u>	<u>\$ 29,187</u>	<u>\$ 200,714</u>	<u>\$ 399,074</u>

The accompanying notes are an integral part of these financial statements.

Entitlement IDEA-B 24106	Discretionary IDEA-B 24107	Preschool IDEA-B 24109	IDEA-B Early Intervention Services 24112	Education of Homeless 24113	Enhancing Ed Thru Technology (E2T2-C) 24149
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
387,679	17,743	28,475	43,972	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>387,679</u>	<u>17,743</u>	<u>28,475</u>	<u>43,972</u>	<u>-</u>	<u>-</u>
80,937	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
306,742	17,743	24,390	43,972	-	-
-	-	-	-	-	-
-	-	4,085	-	-	-
<u>387,679</u>	<u>17,743</u>	<u>28,475</u>	<u>43,972</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 387,679</u>	<u>\$ 17,743</u>	<u>\$ 28,475</u>	<u>\$ 43,972</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2011**

	English Language Acquisition 24153	Teacher / Principal Training / Recruiting 24154	Safe & Drug Free Schools & Community 24157	Rural and Low Income Schools 24160
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	257,787	85,032	9,073	-
Interfund receivables	-	-	-	73,317
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>257,787</u>	<u>85,032</u>	<u>9,073</u>	<u>73,317</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	257,787	85,032	9,073	-
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	73,317
<i>Total liabilities</i>	<u>257,787</u>	<u>85,032</u>	<u>9,073</u>	<u>73,317</u>
<i>Fund Balance:</i>				
Nonspendable	-	-	-	-
Restricted for:				
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 257,787</u>	<u>\$ 85,032</u>	<u>\$ 9,073</u>	<u>\$ 73,317</u>

The accompanying notes are an integral part of these financial statements.

Title I School Improvement 24162	Emergency Immigrant Funding 24163	Reading First 24167	Carl D Perkins Secondary Current 24174	Carl D Perkins Secondary Redistribution 24176	ARRA Title I IASA Federal Stimulus 24201
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
2,396	-	20,266	-	-	205,376
-	10,907	-	2,621	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,396</u>	<u>10,907</u>	<u>20,266</u>	<u>2,621</u>	<u>-</u>	<u>205,376</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,396	-	20,266	-	-	205,376
-	-	-	-	-	-
-	10,907	-	2,621	-	-
<u>2,396</u>	<u>10,907</u>	<u>20,266</u>	<u>2,621</u>	<u>-</u>	<u>205,376</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 2,396</u>	<u>\$ 10,907</u>	<u>\$ 20,266</u>	<u>\$ 2,621</u>	<u>\$ -</u>	<u>\$ 205,376</u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2011**

	ARRA IDEA-B Federal Stimulus 24206	ARRA Preschool IDEA-B Fed. Stimulus 24209	IDEA-B Early Intervention Services Federal Stimulus 24212	Education of Homeless Federal Stimulus 24213
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	50,399	-	76,092	7,536
Interfund receivables	-	4,140	-	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>50,399</u>	<u>4,140</u>	<u>76,092</u>	<u>7,536</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	50,399	-	76,092	7,536
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	4,140	-	-
<i>Total liabilities</i>	<u>50,399</u>	<u>4,140</u>	<u>76,092</u>	<u>7,536</u>
<i>Fund Balance:</i>				
Nonspendable	-	-	-	-
Restricted for:				
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 50,399</u>	<u>\$ 4,140</u>	<u>\$ 76,092</u>	<u>\$ 7,536</u>

The accompanying notes are an integral part of these financial statements.

Enhancing Ed. Through Technology Formula (E2T2-F) 24249	ARRA Title I School Improvement 24262	Alcohol Abuse Reduction 25111	Impact Aid Special Education 25145	Impact Aid Indian Education 25147	Title XIX Federal Stimulus 25153
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
72,553	160,597	22,358	-	-	-
-	-	-	16,421	31,087	479,649
-	-	-	-	-	-
-	-	-	-	-	-
<u>72,553</u>	<u>160,597</u>	<u>22,358</u>	<u>16,421</u>	<u>31,087</u>	<u>479,649</u>
-	-	22,358	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
72,553	160,597	-	-	-	-
-	-	-	-	-	-
-	-	-	16,421	31,087	-
<u>72,553</u>	<u>160,597</u>	<u>22,358</u>	<u>16,421</u>	<u>31,087</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	321,754
-	-	-	-	-	157,895
-	-	-	-	-	<u>479,649</u>
<u>\$ 72,553</u>	<u>\$ 160,597</u>	<u>\$ 22,358</u>	<u>\$ 16,421</u>	<u>\$ 31,087</u>	<u>\$ 479,649</u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2011**

	Indian Ed. Formula Grant 25184	State Equalization Guarantee ARRA 25250	Education Jobs Fund 25255	LANL Foundation 26113
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	-	-
Interfund receivables	1,140	-	-	62,409
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>1,140</u>	<u>-</u>	<u>-</u>	<u>62,409</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	-	-	-	-
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	1,140	-	-	-
<i>Total liabilities</i>	<u>1,140</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balance:</i>				
Nonspendable	-	-	-	-
Restricted for:				
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Assigned	-	-	-	62,409
Unassigned	-	-	-	-
<i>Total fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,409</u>
<i>Total liabilities and fund balance</i>	<u>\$ 1,140</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,409</u>

The accompanying notes are an integral part of these financial statements.



PNM Foundation 26123	Teacher Incentive Fund 26182	Dual Credit IM (HB2) 27103	2008 G.O. Bonds Library Fund 27105	Technology For Education 27117	Incentives for School Improvement Act 27138
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
2,710	3,067	-	-	155,599	10,101
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,710</u>	<u>3,067</u>	<u>-</u>	<u>-</u>	<u>155,599</u>	<u>10,101</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	4,255	2,074	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>4,255</u>	<u>2,074</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,710	3,067	(4,255)	(2,074)	155,599	10,101
<u>2,710</u>	<u>3,067</u>	<u>(4,255)</u>	<u>(2,074)</u>	<u>155,599</u>	<u>10,101</u>
<u>\$ 2,710</u>	<u>\$ 3,067</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 155,599</u>	<u>\$ 10,101</u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2011**

	Truancy CYFD 27139	Libraries GO Bonds Laws of 2004 27145	Beg. Teacher Mentoring Program 27154	Breakfast for Elementary Students 27155
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	-	-
Interfund receivables	-	-	6,756	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>-</u>	<u>6,756</u>	<u>-</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	-	196	-	-
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>196</u>	<u>-</u>	<u>-</u>
<i>Fund Balance:</i>				
Nonspendable	-	-	-	-
Restricted for:				
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	(196)	6,756	-
<i>Total fund balance</i>	<u>-</u>	<u>(196)</u>	<u>6,756</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,756</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

Rural Ed.-Summer Enrichment Program 27165	Kindergarten Three Plus 27166	Summer Reading, Math & Science 27548	2009 G.O. Library Books 27549	NM Highway Department 28120	AP NM Incentive Funding 28168
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	20,157	-	-	-	-
-	-	-	12,713	-	805
-	-	-	-	-	-
-	-	-	-	-	-
-	20,157	-	12,713	-	805
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
7,238	36,925	-	-	3,348	-
-	-	-	-	-	-
-	-	-	-	-	-
7,238	36,925	-	-	3,348	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(7,238)	(16,768)	-	12,713	(3,348)	805
(7,238)	(16,768)	-	12,713	(3,348)	805
\$ -	\$ 20,157	\$ -	\$ 12,713	\$ -	\$ 805

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2011**

Statement B-1  
(Page 6 of 6)

	Private Direct Grants 29102	McCune Charitable Foundation 29114	School Based Health Clinics 29130	Total
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable				-
Taxes	-	-	-	-
Due from other governments	-	-	25,875	2,106,448
Interfund receivables	79,936	-	-	1,183,279
Other	-	-	-	-
Inventory	-	-	-	213,498
<i>Total assets</i>	<u>79,936</u>	<u>-</u>	<u>25,875</u>	<u>3,503,225</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accounts payable	-	-	25,875	180,420
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	-	-	7,815	2,081,306
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	143,718
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>33,690</u>	<u>2,405,444</u>
<i>Fund Balance:</i>				
Nonspendable	-	-	-	213,498
Restricted for:				
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Assigned	-	-	-	384,163
Unassigned	79,936	-	(7,815)	500,120
<i>Total fund balance</i>	<u>79,936</u>	<u>-</u>	<u>(7,815)</u>	<u>1,097,781</u>
<i>Total liabilities and fund balance</i>	<u>\$ 79,936</u>	<u>\$ -</u>	<u>\$ 25,875</u>	<u>\$ 3,503,225</u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Food Services 21000	Athletics 22000	Non-Instructional Support 23000	Title I 24101
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	44,179	1,304	-	-
Federal grants	1,789,956	-	-	971,491
Miscellaneous	250,067	105,724	30	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>2,084,202</u>	<u>107,028</u>	<u>30</u>	<u>971,491</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	161,549	37,616	851,034
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	12,458
School Administration	-	-	-	104,749
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	3,250
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	2,020,010	-	-	-
Community Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service - Principal	-	-	-	-
Debt Service - Interest	-	-	-	-
<i>Total Expenditures</i>	<u>2,020,010</u>	<u>161,549</u>	<u>37,616</u>	<u>971,491</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>64,192</u>	<u>(54,521)</u>	<u>(37,586)</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>64,192</u>	<u>(54,521)</u>	<u>(37,586)</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>31,637</u>	<u>83,708</u>	<u>238,300</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 95,829</u>	<u>\$ 29,187</u>	<u>\$ 200,714</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

Entitlement IDEA-B 24106	Discretionary IDEA-B 24107	Preschool IDEA-B 24109	IDEA-B Early Intervention Services 24112	Education of Homeless 24113	Enhancing Ed Thru Technology (E2T2-C) 24149
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
1,311,464	17,743	28,474	166,594	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,311,464</u>	<u>17,743</u>	<u>28,474</u>	<u>166,594</u>	<u>-</u>	<u>-</u>
618,685	-	16,004	166,594	-	-
421,020	17,743	-	-	-	-
121,747	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
41,545	-	-	-	-	-
15,597	-	-	-	-	-
92,870	-	12,470	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,311,464</u>	<u>17,743</u>	<u>28,474</u>	<u>166,594</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	English Language Acquisition 24153	Teacher / Principal Training / Recruiting 24154	Safe & Drug Free Schools & Community 24157	Rural and Low Income Schools 24160
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	173,673	499,910	21,081	148,483
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>173,673</u>	<u>499,910</u>	<u>21,081</u>	<u>148,483</u>
<i>Expenditures:</i>				
Current:				
Instruction	170,999	488,931	21,081	5,761
Support Services				
Students	1,174	-	-	135,324
Instruction	-	1,150	-	-
General Administration	1,500	8,710	-	7,398
School Administration	-	1,119	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service - Principal	-	-	-	-
Debt Service - Interest	-	-	-	-
<i>Total Expenditures</i>	<u>173,673</u>	<u>499,910</u>	<u>21,081</u>	<u>148,483</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	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.



Title I School Improvement 24162	Emergency Immigrant Funding 24163	Reading First 24167	Carl D Perkins Secondary Current 24174	Carl D Perkins Secondary Redistribution 24176	ARRA Title I IASA Federal Stimulus 24201
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	63,465	9,621	819,381
-	-	-	-	-	-
-	-	-	63,465	9,621	819,381
-	-	-	63,465	9,621	741,353
-	-	-	-	-	-
-	-	-	-	-	16,500
-	-	-	-	-	61,528
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	63,465	9,621	819,381
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	ARRA IDEA-B Federal Stimulus 24206	ARRA Preschool IDEA-B Fed. Stimulus 24209	IDEA Early Intervention Services Federal Stimulus 24212	Education of Homeless Fed. Stimulus 24213	1
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	
State grants	-	-	-	-	
Federal grants	438,082	10,003	76,092	9,813	
Miscellaneous	-	-	-	-	
Interest	-	-	-	-	
<i>Total Revenues</i>	<u>438,082</u>	<u>10,003</u>	<u>76,092</u>	<u>9,813</u>	
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	438,082	10,003	76,092	-	
Support Services					
Students	-	-	-	9,813	
Instruction	-	-	-	-	
General Administration	-	-	-	-	
School Administration	-	-	-	-	
Central Services	-	-	-	-	
Operation & Maintenance of Plant	-	-	-	-	
Student Transportation	-	-	-	-	
Other Support Services	-	-	-	-	
Food Services Operations	-	-	-	-	
Community Service	-	-	-	-	
Capital Outlay	-	-	-	-	
Debt Service - Principal	-	-	-	-	
Debt Service - Interest	-	-	-	-	
<i>Total Expenditures</i>	<u>438,082</u>	<u>10,003</u>	<u>76,092</u>	<u>9,813</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	-	-	-	-	
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<i>Net changes in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

Enhancing Ed. Through Technology Formula (E2T2-F) 24249	ARRA Title I School Improvement 24262	Alcohol Abuse Reduction 25111	Impact Aid Special Education 25145	Impact Aid Indian Education 25147	Title XIX Medicaid 25153
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
107,642	163,592	329,642	19,336	68,201	753,712
-	-	-	-	-	-
-	-	-	-	-	-
<u>107,642</u>	<u>163,592</u>	<u>329,642</u>	<u>19,336</u>	<u>68,201</u>	<u>753,712</u>
107,642	163,592	-	19,336	4,802	82,003
-	-	315,054	-	63,399	116,392
-	-	-	-	-	-
-	-	14,588	-	-	-
-	-	-	-	-	-
-	-	-	-	-	75,668
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>107,642</u>	<u>163,592</u>	<u>329,642</u>	<u>19,336</u>	<u>68,201</u>	<u>274,063</u>
-	-	-	-	-	479,649
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	479,649
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 479,649</u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Indian Ed. Formula Grant 25184	State Equalization Guarantee ARRA 25250	Education Jobs Fund 25255	LANL Foundation 26113
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	31,674	314,031	846,101	-
Miscellaneous	-	-	-	187,468
Interest	-	-	-	-
<i>Total Revenues</i>	<u>31,674</u>	<u>314,031</u>	<u>846,101</u>	<u>187,468</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	846,101	215,480
Support Services				
Students	-	-	-	-
Instruction	31,674	-	-	100,954
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	62,292
Operation & Maintenance of Plant	-	314,031	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service - Principal	-	-	-	-
Debt Service - Interest	-	-	-	-
<i>Total Expenditures</i>	<u>31,674</u>	<u>314,031</u>	<u>846,101</u>	<u>378,726</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(191,258)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(191,258)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>253,667</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,409</u>

The accompanying notes are an integral part of these financial statements.

PNM Foundation 26123	Teacher Incentive Fund 26182	Dual Credit IM (HB2) 27103	2008 G.O. Bonds Library Fund 27105	Technology For Education 27117	Incentives for School Improvement Act 27138
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	39,965	-	-
-	-	-	-	-	-
-	943,410	-	-	-	-
-	-	-	-	-	-
-	943,410	-	39,965	-	-
-	2,702	-	-	95,039	-
-	-	-	-	-	-
-	-	-	117	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	2,702	-	117	95,039	-
-	940,708	-	39,848	(95,039)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	940,708	-	39,848	(95,039)	-
2,710	(937,641)	(4,255)	(41,922)	250,638	10,101
\$ 2,710	\$ 3,067	\$ (4,255)	\$ (2,074)	\$ 155,599	\$ 10,101

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Truancy CYFD 27139	GO Bonds Initiative PED Laws of 2004 27145	Beg. Teacher Mentoring Program 27154	Breakfast for Elementary Students 27155
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	15,000	-	-	11,318
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total Revenues</i>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>11,318</u>
<i>Expenditures:</i>				
Current:				
Instruction	15,000	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	196	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	22,635
Community Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service - Principal	-	-	-	-
Debt Service - Interest	-	-	-	-
<i>Total Expenditures</i>	<u>15,000</u>	<u>196</u>	<u>-</u>	<u>22,635</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(196)</u>	<u>-</u>	<u>(11,317)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>-</u>	<u>(196)</u>	<u>-</u>	<u>(11,317)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>6,756</u>	<u>11,317</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ (196)</u>	<u>\$ 6,756</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

Rural Ed.-Summer Enrichment Program 27165	Kindergarten Three Plus 27166	Summer Reading, Math & Science 27548	2009 G.O. Library Books 27549	NM Highway Department 28120	AP NM Incentive Funding 28168
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	101,302	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	101,302	-	-	-	-
-	96,293	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	5,009	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	101,302	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(7,238)	(16,768)	-	12,713	(3,348)	805
<u>\$ (7,238)</u>	<u>\$ (16,768)</u>	<u>\$ -</u>	<u>\$ 12,713</u>	<u>\$ (3,348)</u>	<u>\$ 805</u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-2  
 (Page 6 of 6)

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDING JUNE 30, 2011**

	Private Direct Grants 29102	McCune Charitable Foundation 29114	School Based Health Clinics 29130	Total
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	112,459	325,527
Federal grants	-	-	-	9,189,257
Miscellaneous	1,500	-	-	1,488,199
Interest	-	-	-	-
<i>Total Revenues</i>	<u>1,500</u>	<u>-</u>	<u>112,459</u>	<u>11,002,983</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	11,896	-	5,536,756
Support Services				
Students	-	-	-	1,079,919
Instruction	-	-	148,530	404,368
General Administration	-	-	-	61,154
School Administration	-	-	-	172,405
Central Services	-	-	-	179,505
Operation & Maintenance of Plant	-	-	-	332,878
Student Transportation	-	-	-	105,340
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	2,042,645
Community Service	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service - Principal	-	-	-	-
Debt Service - Interest	-	-	-	-
<i>Total Expenditures</i>	<u>-</u>	<u>11,896</u>	<u>148,530</u>	<u>9,914,970</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>1,500</u>	<u>(11,896)</u>	<u>(36,071)</u>	<u>1,088,013</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>1,500</u>	<u>(11,896)</u>	<u>(36,071)</u>	<u>1,088,013</u>
<i>Fund balances - beginning of year</i>	<u>78,436</u>	<u>11,896</u>	<u>28,256</u>	<u>9,768</u>
<i>Fund balances - end of year</i>	<u>\$ 79,936</u>	<u>\$ -</u>	<u>\$ (7,815)</u>	<u>\$ 1,097,781</u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**FOOD SERVICES SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	2,047,936	2,047,936	1,620,127	(427,809)
Miscellaneous	25,000	25,000	75,709	50,709
Interest	-	-	-	-
<i>Total revenues</i>	<u>2,072,936</u>	<u>2,072,936</u>	<u>1,695,836</u>	<u>(377,100)</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	-	-	-	-
Food Services Operations	2,072,936	2,072,936	1,915,296	157,640
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,072,936</u>	<u>2,072,936</u>	<u>1,915,296</u>	<u>157,640</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(219,460)</u>	<u>(219,460)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(219,460)	(219,460)
<i>Fund balances - beginning of year</i>	-	-	(112,217)	(112,217)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (331,677)</u>	<u>\$ (331,677)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			388,366	
Adjustments to expenditures			(104,714)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 64,192</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-4

## ESPANOLA PUBLIC SCHOOLS

## ATHLETICS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	1,304	1,304
Federal grants	-	-	-	-
Miscellaneous	140,000	140,000	105,724	(34,276)
Interest	-	-	-	-
<i>Total revenues</i>	<u>140,000</u>	<u>140,000</u>	<u>107,028</u>	<u>(32,972)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	210,000	210,000	161,549	48,451
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>210,000</u>	<u>210,000</u>	<u>161,549</u>	<u>48,451</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(70,000)</u>	<u>(70,000)</u>	<u>(54,521)</u>	<u>15,479</u>
<i>Other financing sources (uses):</i>				
Designated cash	70,000	70,000	-	(70,000)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>70,000</u>	<u>70,000</u>	<u>-</u>	<u>(70,000)</u>
<i>Net changes in fund balances</i>	-	-	(54,521)	(54,521)
<i>Fund balances - beginning of year</i>	-	-	83,708	83,708
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,187</u>	<u>\$ 29,187</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (54,521)</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-5

NON-INSTRUCTIONAL SUPPORT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	50,000	50,000	30	(49,970)
Interest	-	-	-	-
<i>Total revenues</i>	<u>50,000</u>	<u>50,000</u>	<u>30</u>	<u>(49,970)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	277,108	277,108	37,616	239,492
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>277,108</u>	<u>277,108</u>	<u>37,616</u>	<u>239,492</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(227,108)</u>	<u>(227,108)</u>	<u>(37,586)</u>	<u>189,522</u>
<i>Other financing sources (uses):</i>				
Designated cash	227,108	227,108	-	(227,108)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>227,108</u>	<u>227,108</u>	<u>-</u>	<u>(227,108)</u>
<i>Net changes in fund balances</i>	-	-	(37,586)	(37,586)
<i>Fund balances - beginning of year</i>	-	-	238,300	238,300
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,714</u>	<u>\$ 200,714</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (37,586)</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-6

## ESPANOLA PUBLIC 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 ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	1,657,275	2,014,155	1,159,363	(854,792)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,657,275</u>	<u>2,014,155</u>	<u>1,159,363</u>	<u>(854,792)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	1,503,399	1,841,799	799,784	1,042,015
Support Services				
Students	-	6,240	-	6,240
Instruction	-	-	-	-
General Administration	27,191	39,431	12,458	26,973
School Administration	115,185	115,185	104,749	10,436
Central Services	-	-	-	-
Operation & Maintenance of Plant	11,500	11,500	3,250	8,250
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,657,275</u>	<u>2,014,155</u>	<u>920,241</u>	<u>1,093,914</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>239,122</u>	<u>239,122</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	239,122	239,122
<i>Fund balances - beginning of year</i>	-	-	(586,946)	(586,946)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (347,824)</u>	<u>\$ (347,824)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(187,872)	
Adjustments to expenditures			(51,250)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-7

## ESPANOLA PUBLIC 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 ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	1,386,736	886,788	(499,948)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,386,736</u>	<u>886,788</u>	<u>(499,948)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	585,272	537,748	47,524
Support Services				
Students	-	425,095	421,020	4,075
Instruction	-	135,635	121,747	13,888
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	43,725	41,545	2,180
Operation & Maintenance of Plant	-	15,598	15,597	1
Student Transportation	-	181,411	91,669	89,742
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,386,736</u>	<u>1,229,326</u>	<u>157,410</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(342,538)</u>	<u>(342,538)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(342,538)	(342,538)
<i>Fund balances - beginning of year</i>	-	-	35,796	35,796
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (306,742)</u>	<u>\$ (306,742)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			424,676	
Adjustments to expenditures			(82,138)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-8

## ESPANOLA PUBLIC SCHOOLS

## DISCRETIONARY IDEA-B SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	38,846	5,000	(33,846)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>38,846</u>	<u>5,000</u>	<u>(33,846)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	38,846	17,494	21,352
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>38,846</u>	<u>17,494</u>	<u>21,352</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(12,494)</u>	<u>(12,494)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(12,494)	(12,494)
<i>Fund balances - beginning of year</i>	-	-	(5,249)	(5,249)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (17,743)</u>	<u>\$ (17,743)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			12,743	
Adjustments to expenditures			(249)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**PRESCHOOL IDEA-B SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

Statement B-9

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	20,579	29,700	7,591	(22,109)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	20,579	29,700	7,591	(22,109)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	20,579	29,700	16,004	13,696
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	12,470	(12,470)
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	20,579	29,700	28,474	1,226
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(20,883)	(20,883)
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	(20,883)	(20,883)
<i>Fund balances - beginning of year</i>	-	-	(3,507)	(3,507)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (24,390)	\$ (24,390)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			20,883	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-10

IDEA-B EARLY INTERVENTION SERVICES SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	166,600	166,600	122,622	(43,978)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>166,600</u>	<u>166,600</u>	<u>122,622</u>	<u>(43,978)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	166,600	166,600	166,594	6
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>166,600</u>	<u>166,600</u>	<u>166,594</u>	<u>6</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(43,972)</u>	<u>(43,972)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(43,972)	(43,972)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (43,972)</u>	<u>\$ (43,972)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			43,972	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-11

## ESPANOLA PUBLIC SCHOOLS

## EDUCATION OF THE HOMELESS SPECIAL REVENUE FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	6,000	506	(5,494)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>6,000</u>	<u>506</u>	<u>(5,494)</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>6,000</u>	<u>506</u>	<u>(5,494)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	(6,000)	-	6,000
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(6,000)</u>	<u>-</u>	<u>6,000</u>
<i>Net changes in fund balances</i>	-	-	506	506
<i>Fund balances - beginning of year</i>	-	-	(506)	(506)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(506)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-12

## ESPANOLA PUBLIC SCHOOLS

## ENHANCING EDUCATION THRU TECHNOLOGY (E2T2-C) SPECIAL REVENUE FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	21,097	21,097
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>21,097</u>	<u>21,097</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>21,097</u>	<u>21,097</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	21,097	21,097
<i>Fund balances - beginning of year</i>	-	-	(21,097)	(21,097)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(21,097)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-13

## ESPANOLA PUBLIC 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 ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	99,783	107,466	25,385	(82,081)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>99,783</u>	<u>107,466</u>	<u>25,385</u>	<u>(82,081)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	89,783	97,466	91,082	6,384
Support Services				
Students	8,500	8,500	1,174	7,326
Instruction	-	-	-	-
General Administration	1,500	1,500	1,500	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>99,783</u>	<u>107,466</u>	<u>93,756</u>	<u>13,710</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(68,371)</u>	<u>(68,371)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(68,371)	(68,371)
<i>Fund balances - beginning of year</i>	-	-	(189,416)	(189,416)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (257,787)</u>	<u>\$ (257,787)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			148,288	
Adjustments to expenditures			(79,917)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-14

## ESPANOLA PUBLIC SCHOOLS

TEACHER/PRINCIPAL TRAINING AND RECRUITING SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	451,095	479,994	28,899
Miscellaneous	-	-	-	-
Interest	444,013	444,013	-	(444,013)
<i>Total revenues</i>	<u>444,013</u>	<u>895,108</u>	<u>479,994</u>	<u>(415,114)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	360,303	775,247	488,931	286,316
Support Services				
Students	-	-	-	-
Instruction	75,000	100,301	1,150	99,151
General Administration	8,710	8,710	8,710	-
School Administration	-	10,850	1,119	9,731
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>444,013</u>	<u>895,108</u>	<u>499,910</u>	<u>395,198</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(19,916)</u>	<u>(19,916)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(19,916)	(19,916)
<i>Fund balances - beginning of year</i>	-	-	(65,116)	(65,116)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (85,032)</u>	<u>\$ (85,032)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			19,916	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-15

## ESPANOLA PUBLIC SCHOOLS

SAFE & DRUG FREE SCHOOLS AND COMMUNITIES SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	21,081	15,784	(5,297)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>21,081</u>	<u>15,784</u>	<u>(5,297)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	21,081	21,081	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>21,081</u>	<u>21,081</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(5,297)</u>	<u>(5,297)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(5,297)	(5,297)
<i>Fund balances - beginning of year</i>	-	-	(3,776)	(3,776)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,073)</u>	<u>\$ (9,073)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			5,297	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-16

RURAL AND 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 ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	215,649	-	(215,649)
Federal grants	-	-	410,214	410,214
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	215,649	410,214	194,565
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	63,543	5,761	57,782
Support Services				
Students	-	144,709	135,324	9,385
Instruction	-	-	-	-
General Administration	-	7,397	7,398	(1)
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	215,649	148,483	67,166
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	261,731	261,731
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	261,731	261,731
<i>Fund balances - beginning of year</i>	-	-	(188,414)	(188,414)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 73,317	\$ 73,317
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(261,731)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-17

TITLE I SCHOOL IMPROVEMENT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	43,086	43,086
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>43,086</u>	<u>43,086</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>43,086</u>	<u>43,086</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	43,086	43,086
<i>Fund balances - beginning of year</i>	-	-	(45,482)	(45,482)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,396)</u>	<u>\$ (2,396)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(43,086)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-18

## ESPANOLA PUBLIC SCHOOLS

## EMERGENCY IMMIGRANT FUNDING SPECIAL REVENUE FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	10,907	10,907
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,907</u>	<u>\$ 10,907</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-19

## ESPANOLA PUBLIC SCHOOLS

## READING FIRST SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	647	647
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>647</u>	<u>647</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>647</u>	<u>647</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	647	647
<i>Fund balances - beginning of year</i>	-	-	(20,913)	(20,913)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20,266)</u>	<u>\$ (20,266)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(647)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-20

## ESPANOLA PUBLIC SCHOOLS

## CARL D. PERKINS SECONDARY SPECIAL REVENUE FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	68,088	63,465	64,266	801
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>68,088</u>	<u>63,465</u>	<u>64,266</u>	<u>801</u>
<i>Expenditures:</i>				
Current:				
Instruction	68,088	63,465	63,465	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>68,088</u>	<u>63,465</u>	<u>63,465</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>801</u>	<u>801</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	801	801
<i>Fund balances - beginning of year</i>	-	-	1,820	1,820
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,621</u>	<u>\$ 2,621</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(801)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-21

**CARL D PERKINS SECONDARY REDISTRIBUTION SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	9,622	9,622	9,621	(1)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	9,622	9,622	9,621	(1)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	9,622	9,622	9,621	1
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	9,622	9,622	9,621	1
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-22

## ESPANOLA PUBLIC SCHOOLS

## ARRA TITLE I IASA FEDERAL STIMULUS SPECIAL REVENUE FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	618,377	618,377
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>618,377</u>	<u>618,377</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	791,584	724,502	741,353	(16,851)
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	16,500	16,500	16,500	-
School Administration	-	78,656	61,528	17,128
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	11,850	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>819,934</u>	<u>819,658</u>	<u>819,381</u>	<u>277</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(819,934)</u>	<u>(819,658)</u>	<u>(201,004)</u>	<u>618,654</u>
<i>Other financing sources (uses):</i>				
Designated cash	819,934	819,658	-	(819,658)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>819,934</u>	<u>819,658</u>	<u>-</u>	<u>(819,658)</u>
<i>Net changes in fund balances</i>	-	-	(201,004)	(201,004)
<i>Fund balances - beginning of year</i>	-	-	(4,372)	(4,372)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (205,376)</u>	<u>\$ (205,376)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			201,004	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-23

ARRA IDEA-B FEDERAL STIMULUS SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	400,000	438,093	519,740	81,647
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	400,000	438,093	519,740	81,647
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	400,000	438,093	438,082	11
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	400,000	438,093	438,082	11
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	81,658	81,658
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	81,658	81,658
<i>Fund balances - beginning of year</i>	-	-	(132,057)	(132,057)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (50,399)	\$ (50,399)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(81,658)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-24

ARRA IDEA-B PRESCHOOLS FEDERAL STIMULUS SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	11,940	11,101	14,577	3,476
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	11,940	11,101	14,577	3,476
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	11,940	11,101	10,003	1,098
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	11,940	11,101	10,003	1,098
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	4,574	4,574
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	4,574	4,574
<i>Fund balances - beginning of year</i>	-	-	(434)	(434)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 4,140	\$ 4,140
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(4,574)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-25

IDEA-B EARLY INTERVENTION SERVICES FEDERAL STIMULUS SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	76,097	-	(76,097)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	76,097	-	(76,097)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	76,097	76,092	5
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	76,097	76,092	5
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(76,092)	(76,092)
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	(76,092)	(76,092)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (76,092)	\$ (76,092)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			76,092	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-26

EDUCATION OF HOMELESS FEDERAL STIMULUS SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	9,813	2,277	(7,536)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	9,813	2,277	(7,536)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	9,813	9,813	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	9,813	9,813	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(7,536)	(7,536)
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	(7,536)	(7,536)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (7,536)	\$ (7,536)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			7,536	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-27

## ESPANOLA PUBLIC SCHOOLS

ENHANCING EDUCATION THROUGH TECHNOLOGY FORMULA (E2T2-F) SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	165,249	254,580	89,331
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	165,249	254,580	89,331
<i>Expenditures:</i>				
Current:				
Instruction	-	165,249	107,642	57,607
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	165,249	107,642	57,607
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	146,938	146,938
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	146,938	146,938
<i>Fund balances - beginning of year</i>	-	-	(219,491)	(219,491)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (72,553)	\$ (72,553)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(146,938)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-28

## ESPANOLA PUBLIC SCHOOLS

TITLE I SCHOOL IMPROVEMENT ARRA SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	163,593	30,654	(132,939)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>163,593</u>	<u>30,654</u>	<u>(132,939)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	163,593	163,592	1
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>163,593</u>	<u>163,592</u>	<u>1</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(132,938)</u>	<u>(132,938)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(132,938)	(132,938)
<i>Fund balances - beginning of year</i>	-	-	(27,659)	(27,659)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (160,597)</u>	<u>\$ (160,597)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			132,938	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-29

## ESPANOLA PUBLIC SCHOOLS

## ALCOHOL ABUSE REDUCTION SPECIAL REVENUE FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

## FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	307,284	392,142	84,858
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>307,284</u>	<u>392,142</u>	<u>84,858</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	292,696	292,696	-
Instruction	-	-	-	-
General Administration	-	14,588	14,588	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>307,284</u>	<u>307,284</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>84,858</u>	<u>84,858</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	84,858	84,858
<i>Fund balances - beginning of year</i>	-	-	(84,858)	(84,858)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(62,500)	
Adjustments to expenditures			(22,358)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-30

## ESPANOLA PUBLIC 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 ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	17,100	17,100	2,435	(14,665)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>17,100</u>	<u>17,100</u>	<u>2,435</u>	<u>(14,665)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	25,200	35,757	19,336	16,421
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>25,200</u>	<u>35,757</u>	<u>19,336</u>	<u>16,421</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(8,100)</u>	<u>(18,657)</u>	<u>(16,901)</u>	<u>1,756</u>
<i>Other financing sources (uses):</i>				
Designated cash	8,100	18,657	-	(18,657)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>8,100</u>	<u>18,657</u>	<u>-</u>	<u>(18,657)</u>
<i>Net changes in fund balances</i>	-	-	(16,901)	(16,901)
<i>Fund balances - beginning of year</i>	-	-	33,322	33,322
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,421</u>	<u>\$ 16,421</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			16,901	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-31

IMPACT AID INDIAN EDUCATION SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	22,144	28,936	6,792	(22,144)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	22,144	28,936	6,792	(22,144)
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	22,144	29,899	4,802	25,097
Support Services				
Students	-	69,389	63,399	5,990
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	22,144	99,288	68,201	31,087
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	(70,352)	(61,409)	8,943
<i>Other financing sources (uses):</i>				
Designated cash	-	70,352	-	(70,352)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	70,352	-	(70,352)
<i>Net changes in fund balances</i>	-	-	(61,409)	(61,409)
<i>Fund balances - beginning of year</i>	-	-	92,496	92,496
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 31,087	\$ 31,087
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			61,409	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-32

## ESPANOLA PUBLIC 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 ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	150,700	150,700	399,083	248,383
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>150,700</u>	<u>150,700</u>	<u>399,083</u>	<u>248,383</u>
<i>Expenditures:</i>				
Current:				
Instruction	65,000	135,000	82,003	52,997
Support Services				
Students	240,000	269,229	116,392	152,837
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	90,000	101,100	75,668	25,432
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>395,000</u>	<u>505,329</u>	<u>274,063</u>	<u>231,266</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(244,300)</u>	<u>(354,629)</u>	<u>125,020</u>	<u>479,649</u>
<i>Other financing sources (uses):</i>				
Designated cash	244,300	354,629	-	(354,629)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>244,300</u>	<u>354,629</u>	<u>-</u>	<u>(354,629)</u>
<i>Net changes in fund balances</i>	-	-	125,020	125,020
<i>Fund balances - beginning of year</i>	-	-	354,629	354,629
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 479,649</u>	<u>\$ 479,649</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			354,629	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 479,649</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-33

## ESPANOLA PUBLIC SCHOOLS

## INDIAN ED FORMULA GRANT SPECIAL REVENUE FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	58,855	42,126	(16,729)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>58,855</u>	<u>42,126</u>	<u>(16,729)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	58,855	31,674	27,181
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>58,855</u>	<u>31,674</u>	<u>27,181</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>10,452</u>	<u>10,452</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	10,452	10,452
<i>Fund balances - beginning of year</i>	-	-	(9,312)	(9,312)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,140</u>	<u>\$ 1,140</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(10,452)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-34

## ESPANOLA PUBLIC SCHOOLS

## SEG STIMULUS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	367	367	-	(367)
Federal grants	312,730	314,032	319,556	5,524
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>313,097</u>	<u>314,399</u>	<u>319,556</u>	<u>5,157</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	313,097	314,399	314,031	368
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>313,097</u>	<u>314,399</u>	<u>314,031</u>	<u>368</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>5,525</u>	<u>5,525</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	5,525	5,525
<i>Fund balances - beginning of year</i>	-	-	(5,525)	(5,525)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(5,525)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-35

## ESPANOLA PUBLIC SCHOOLS

## EDUCATION JOBS FUND SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	846,101	846,101	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	846,101	846,101	-
<i>Expenditures:</i>				
Current:				
Instruction	-	846,101	846,101	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	846,101	846,101	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-36

## ESPANOLA PUBLIC SCHOOLS

## LANL FOUNDATION SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	30,000	202,468	172,468
Interest	-	-	-	-
<i>Total revenues</i>	-	30,000	202,468	172,468
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	292,297	215,480	76,817
Support Services				
Students	-	-	-	-
Instruction	-	101,559	100,954	605
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	77,279	62,292	14,987
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	471,135	378,726	92,409
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	(441,135)	(176,258)	264,877
<i>Other financing sources (uses):</i>				
Designated cash	-	441,135	-	(441,135)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	441,135	-	(441,135)
<i>Net changes in fund balances</i>	-	-	(176,258)	(176,258)
<i>Fund balances - beginning of year</i>	-	-	238,667	238,667
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 62,409	\$ 62,409
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(15,000)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ (191,258)	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-37

## ESPANOLA PUBLIC SCHOOLS

## PNM FOUNDATION SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	2,710	2,710
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,710</u>	<u>\$ 2,710</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-38

TEACHER INCENTIVE FUND SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	1,010,855	943,410	(67,445)
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,010,855</u>	<u>943,410</u>	<u>(67,445)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	981,000	686,629	294,371
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	29,855	10,913	18,942
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,010,855</u>	<u>697,542</u>	<u>313,313</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>245,868</u>	<u>245,868</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	245,868	245,868
<i>Fund balances - beginning of year</i>	-	-	(242,801)	(242,801)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,067</u>	<u>\$ 3,067</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			694,840	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 940,708</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-39

DUAL CREDIT INSTRUCTIONAL MATERIALS FUND SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(4,255)	(4,255)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,255)</u>	<u>\$ (4,255)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-40

## ESPANOLA PUBLIC SCHOOLS

## 2008 G.O. BONDS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	39,965	39,965
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>39,965</u>	<u>39,965</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	117	(117)
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>117</u>	<u>(117)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>39,848</u>	<u>39,848</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	39,848	39,848
<i>Fund balances - beginning of year</i>	-	-	(41,922)	(41,922)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,074)</u>	<u>\$ (2,074)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 39,848</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-41

## ESPANOLA PUBLIC SCHOOLS

## TECHNOLOGY FOR EDUCATION PED SPECIAL REVENUE FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	250,637	-	(250,637)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>250,637</u>	<u>-</u>	<u>(250,637)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	250,637	95,039	155,598
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>250,637</u>	<u>95,039</u>	<u>155,598</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(95,039)</u>	<u>(95,039)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(95,039)	(95,039)
<i>Fund balances - beginning of year</i>	-	-	250,638	250,638
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 155,599</u>	<u>\$ 155,599</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (95,039)</u>	

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-42

## ESPANOLA PUBLIC SCHOOLS

INCENTIVES FOR SCHOOL IMPROVEMENT ACT SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	10,101	10,101
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,101</u>	<u>\$ 10,101</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-43

## ESPANOLA PUBLIC SCHOOLS

## TRUANCY CYFD SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	15,000	15,000	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	15,000	15,000	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>15,000</u>	<u>15,000</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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<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>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-44

## ESPANOLA PUBLIC SCHOOLS

LIBRARIES GO BONDS LAWS OF 2004 SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	196	(196)
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>196</u>	<u>(196)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(196)</u>	<u>(196)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(196)	(196)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (196)</u>	<u>\$ (196)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (196)</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-45

BEGINNING TEACHER MENTORING PROGRAM SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	6,756	6,756
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,756</u>	<u>\$ 6,756</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-46

## ESPANOLA PUBLIC 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 ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	22,635	22,635	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	22,635	22,635	-
<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	-	-	-	-
Food Services Operations	-	22,635	22,635	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	22,635	22,635	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(11,317)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (11,317)	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-47

RURAL ED.-SUMMER ENRICHMENT PROGRAM SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(7,238)	(7,238)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (7,238)	\$ (7,238)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-48

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 ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	89,699	101,305	81,145	(20,160)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>89,699</u>	<u>101,305</u>	<u>81,145</u>	<u>(20,160)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	87,479	96,295	96,293	2
Support Services				
Students	-	-	-	-
Instruction	2,220	-	-	-
General Administration	-	-	-	-
School Administration	-	5,010	5,009	1
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>89,699</u>	<u>101,305</u>	<u>101,302</u>	<u>3</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(20,157)</u>	<u>(20,157)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(20,157)	(20,157)
<i>Fund balances - beginning of year</i>	-	-	(16,768)	(16,768)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (36,925)</u>	<u>\$ (36,925)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			20,157	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-49

## ESPANOLA PUBLIC SCHOOLS

SUMMER READING, MATH & SCIENCE INSTITUTE SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	40,139	40,139
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>40,139</u>	<u>40,139</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>40,139</u>	<u>40,139</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	40,139	40,139
<i>Fund balances - beginning of year</i>	-	-	(40,139)	(40,139)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			(40,139)	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-50

## ESPANOLA PUBLIC SCHOOLS

## 2009 G.O. LIBRARY BOOKS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	12,713	12,713
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,713</u>	<u>\$ 12,713</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-51

## ESPANOLA PUBLIC SCHOOLS

## NM HIGHWAY DEPARTMENT SPECIAL REVENUE FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(3,348)	(3,348)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,348)</u>	<u>\$ (3,348)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement B-52

AP NM INCENTIVE FUNDING SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	805	805
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 805	\$ 805
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-53

## ESPANOLA PUBLIC SCHOOLS

## PRIVATE DIRECT GRANTS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	1,500	1,500
Interest	-	-	-	-
<i>Total revenues</i>	-	-	1,500	1,500
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	1,500	1,500
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	1,500	1,500
<i>Fund balances - beginning of year</i>	-	-	78,436	78,436
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 79,936	\$ 79,936
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ 1,500	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-54

## ESPANOLA PUBLIC SCHOOLS

MCCUNE CHARITABLE FOUNDATION SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current:				
Instruction	-	11,896	11,896	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	11,896	11,896	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	(11,896)	(11,896)	-
<i>Other financing sources (uses):</i>				
Designated cash	-	11,896	-	(11,896)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	11,896	-	(11,896)
<i>Net changes in fund balances</i>	-	-	(11,896)	(11,896)
<i>Fund balances - beginning of year</i>	-	-	11,896	11,896
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ (11,896)	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-55

## ESPANOLA PUBLIC SCHOOLS

## SCHOOL BASED HEALTH CLINICS SPECIAL REVENUE FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	158,256	86,584	(71,672)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>158,256</u>	<u>86,584</u>	<u>(71,672)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	158,256	122,655	35,601
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>158,256</u>	<u>122,655</u>	<u>35,601</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(36,071)</u>	<u>(36,071)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(36,071)	(36,071)
<i>Fund balances - beginning of year</i>	-	-	28,256	28,256
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,815)</u>	<u>\$ (7,815)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			25,875	
Adjustments to expenditures			(25,875)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (36,071)</u>	

The accompanying notes are an integral part of these financial statements

**CAPITAL PROJECT FUNDS**

(This page intentionally left blank.)



## CAPITAL PROJECT FUNDS

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

**Public School Capital Outlay (31200)** – The Fund is used to account for capital projects funded from awards made by the Public School Capital Outlay Council.

**Special Capital Outlay – State (31400)** – To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996.

**Capital Improvement SB-9 (31700)** – 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 as authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

**Educational Technology Equipment Act (31900)** – To account for funding which is to be used by the District to promote the comprehensive integration of advances technologies in education setting, through the conduct of technical assistance, professional development, information and resource dissemination and collaboration activities. Authorization is NMSA 22-15A-1.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**JUNE 30, 2011**

Statement C-1

	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	Capital Improvements SB-9 31700	Education Technology Equipment Act 31900	Total
<b>ASSETS</b>					
<i>Current Assets</i>					
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	16,127	-	16,127
Due from other governments	-	-	-	-	-
Interfund receivables	-	-	268,773	399,853	668,626
Other	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>-</u>	<u>284,900</u>	<u>399,853</u>	<u>684,753</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<i>Current Liabilities:</i>					
Accounts payable	-	-	-	29,552	29,552
Accrued payroll liabilities	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-
Interfund payables	9,323	99,195	-	-	108,518
Deferred revenue - property taxes	-	-	15,217	-	15,217
Deferred revenue - other	-	-	-	-	-
<i>Total liabilities</i>	<u>9,323</u>	<u>99,195</u>	<u>15,217</u>	<u>29,552</u>	<u>153,287</u>
<i>Fund balances</i>					
Fund Balance:					
Reserved:					
Nonspendable	-	-	-	-	-
Restricted for:					
Debt Service	-	-	-	-	-
Capital Projects	-	-	269,683	370,301	639,984
Assigned	-	-	-	-	-
Unassigned	(9,323)	(99,195)	-	-	(108,518)
<i>Total fund balance</i>	<u>(9,323)</u>	<u>(99,195)</u>	<u>269,683</u>	<u>370,301</u>	<u>531,466</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 284,900</u>	<u>\$ 399,853</u>	<u>\$ 684,753</u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	Capital Improvements SB-9 31700	Education Technology Equipment Act 31900	Total
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ 8,021	\$ -	\$ 8,021
State grants	-	20,805	313,216	-	334,021
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>20,805</u>	<u>321,237</u>	<u>-</u>	<u>342,042</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	-	-	-	-
Support Services					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General Administration	-	-	86	-	86
School Administration	-	-	-	-	-
Central Services	-	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-	-
Student Transportation	-	-	-	-	-
Other Support Services	-	-	-	-	-
Food Services Operations	-	-	-	-	-
Community Service	-	-	-	-	-
Capital outlay	-	-	6,369	438,176	444,545
Debt service - Principal	-	-	-	-	-
Debt service - Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>6,455</u>	<u>438,176</u>	<u>444,631</u>
<i>Excess (deficiency) of revenues</i>					
<i>over (under) expenditures</i>	<u>-</u>	<u>20,805</u>	<u>314,782</u>	<u>(438,176)</u>	<u>(102,589)</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	20,805	314,782	(438,176)	(102,589)
<i>Fund balances - beginning of year</i>	<u>(9,323)</u>	<u>(120,000)</u>	<u>(45,099)</u>	<u>808,477</u>	<u>634,055</u>
<i>Fund balances - end of year</i>	<u>\$ (9,323)</u>	<u>\$ (99,195)</u>	<u>\$ 269,683</u>	<u>\$ 370,301</u>	<u>\$ 531,466</u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**BOND BUILDING CAPITAL PROJECT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

Statement C-3

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	3,082,060	3,503,470	1,274,653	2,228,817
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	3,082,060	3,503,470	1,274,653	2,228,817
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(3,082,060)	(3,503,470)	(1,274,653)	2,228,817
<i>Other financing sources (uses):</i>				
Designated cash	3,082,060	3,503,470	-	(3,503,470)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	3,082,060	3,503,470	-	(3,503,470)
<i>Net changes in fund balances</i>	-	-	(1,274,653)	(1,274,653)
<i>Fund balances - beginning of year</i>	-	-	3,503,470	3,503,470
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 2,228,817	\$ 2,228,817
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			(92,512)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (1,367,165)	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(9,323)	(9,323)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (9,323)	\$ (9,323)
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			\$ -	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement C-5

## ESPANOLA PUBLIC SCHOOLS

## SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECT FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	9,151	9,151	20,805	11,654
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>9,151</u>	<u>9,151</u>	<u>20,805</u>	<u>11,654</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	9,151	9,151	-	9,151
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>9,151</u>	<u>9,151</u>	<u>-</u>	<u>9,151</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>20,805</u>	<u>20,805</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	20,805	20,805
<i>Fund balances - beginning of year</i>	-	-	(120,000)	(120,000)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (99,195)</u>	<u>\$ (99,195)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 20,805</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement C-6

## ESPANOLA PUBLIC SCHOOLS

## CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ 8,744	\$ 8,744
State grants	-	290,485	242,757	(47,728)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>290,485</u>	<u>251,501</u>	<u>(38,984)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	240	86	154
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	290,245	6,369	283,876
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>290,485</u>	<u>6,455</u>	<u>284,030</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>245,046</u>	<u>245,046</u>
<i>Other financing sources (uses):</i>				
Designated cash			-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	245,046	245,046
<i>Fund balances - beginning of year</i>	-	-	23,727	23,727
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 268,773</u>	<u>\$ 268,773</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			69,736	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 314,782</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**

Statement C-7

EDUCATION TECHNOLOGY EQUIPMENT ACT CAPITAL PROJECT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	14,007	14,007	-	(14,007)
<i>Total revenues</i>	<u>14,007</u>	<u>14,007</u>	<u>-</u>	<u>(14,007)</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	857,128	822,483	408,624	413,859
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>857,128</u>	<u>822,483</u>	<u>408,624</u>	<u>413,859</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(843,121)</u>	<u>(808,476)</u>	<u>(408,624)</u>	<u>399,852</u>
<i>Other financing sources (uses):</i>				
Designated cash	843,121	808,476	-	(808,476)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>843,121</u>	<u>808,476</u>	<u>-</u>	<u>(808,476)</u>
<i>Net changes in fund balances</i>	-	-	(408,624)	(408,624)
<i>Fund balances - beginning of year</i>	-	-	808,477	808,477
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 399,853</u>	<u>\$ 399,853</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			(29,552)	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (438,176)</u>	

The accompanying notes are an integral part of these financial statements



**DEBT SERVICE FUNDS**

(This page intentionally left blank.)

## **DEBT SERVICE FUNDS**

**Deferred Sick Leave (42000)** – To accumulate funds to reimburse employees who do not use all of their accumulated sick leave. Funding Authority is the State of New Mexico Public Education Department.

**Educational Technology (43000)** – To accumulate resources for payment of principle and interest due on educational technology bonds. Financing is provided by a special tax levy approved by the voters of the Schools and assessed by the County Assessor and collected and remitted to the Schools by the County Treasurer.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR DEBT SERVICE FUNDS**  
**JUNE 30, 2011**

Statement D-1

	Deferred Sick Leave Debt Service 42000	Educational Technology Debt Service 43000	Total
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash and temporary investments	\$ -	\$ -	\$ -
Accounts receivable			
Taxes	-	358,930	358,930
Due from other governments	-	-	-
Interfund receivables	67,910	421,573	489,483
Other	-	-	-
Inventory	-	-	-
	<u>67,910</u>	<u>780,503</u>	<u>848,413</u>
<i>Total assets</i>	<u>67,910</u>	<u>780,503</u>	<u>848,413</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current Liabilities:</i>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Accrued compensated absences	-	-	-
Interfund payables	-	-	-
Deferred revenue - property taxes	-	348,893	348,893
Deferred revenue - other	-	-	-
	<u>-</u>	<u>348,893</u>	<u>348,893</u>
<i>Total liabilities</i>	<u>-</u>	<u>348,893</u>	<u>348,893</u>
<i>Fund balances</i>			
Fund Balance:			
Nonspendable	-	-	-
Restricted for:			
Debt Service	67,910	431,610	499,520
Capital Projects	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	<u>67,910</u>	<u>431,610</u>	<u>499,520</u>
<i>Total fund balance</i>	<u>67,910</u>	<u>431,610</u>	<u>499,520</u>
<i>Total liabilities and fund balance</i>	<u>\$ 67,910</u>	<u>\$ 780,503</u>	<u>\$ 848,413</u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR DEBT SERVICE FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Deferred Sick Leave Debt Service 42000	Educational Technology Debt Service 43000	Total
<i>Revenues:</i>			
Property taxes	\$ -	\$ 406,547	\$ 406,547
State grants	-	-	-
Federal grants	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>406,547</u>	<u>406,547</u>
<i>Expenditures:</i>			
Current:			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	3,919	3,919
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital outlay	-	-	-
Debt service - Principal	-	375,000	375,000
Debt service - Interest	-	34,963	34,963
<i>Total expenditures</i>	<u>-</u>	<u>413,882</u>	<u>413,882</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(7,335)</u>	<u>(7,335)</u>
<i>Other financing sources (uses):</i>			
Operating transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	(7,335)	(7,335)
<i>Fund balances - beginning of year</i>	67,910	438,945	506,855
<i>Fund balances - end of year</i>	<u>\$ 67,910</u>	<u>\$ 431,610</u>	<u>\$ 499,520</u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**DEBT SERVICE FUND**

Statement D-3

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ 2,276,685	\$ 2,276,685	\$ 2,445,442	\$ 168,757
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	23,493	23,493	-	(23,493)
<i>Total revenues</i>	2,300,178	2,300,178	2,445,442	145,264
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	22,767	22,767	23,693	(926)
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Reserve	2,412,377	2,412,377	-	2,412,377
Principal	1,825,000	1,825,000	1,825,000	-
Interest	451,685	451,685	454,685	(3,000)
<i>Total expenditures</i>	4,711,829	4,711,829	2,303,378	2,408,451
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(2,411,651)	(2,411,651)	142,064	2,553,715
<i>Other financing sources (uses):</i>				
Designated cash	2,411,651	2,411,651	-	(2,411,651)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	2,411,651	2,411,651	-	(2,411,651)
<i>Net changes in fund balances</i>	-	-	142,064	142,064
<i>Fund balances - beginning of year</i>	-	-	2,512,057	2,512,057
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 2,654,121	\$ 2,654,121
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			9,641	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 151,705	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**DEFERRED SICK LEAVE**

Statement D-4

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	67,910	67,910	-	67,910
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Reserve	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	67,910	67,910	-	67,910
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(67,910)	(67,910)	-	67,910
<i>Other financing sources (uses):</i>				
Designated cash	67,910	67,910	-	(67,910)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	67,910	67,910	-	(67,910)
<i>Net changes in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	67,910	67,910
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 67,910	\$ 67,910
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**EDUCATIONAL TECHNOLOGY DEBT SERVICE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

Statement D-5

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ 409,963	\$ 409,963	\$ 404,409	\$ (5,554)
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	1,838	1,838	-	(1,838)
<i>Total revenues</i>	<u>411,801</u>	<u>411,801</u>	<u>404,409</u>	<u>(7,392)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	4,100	4,100	3,919	181
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Reserve	402,391	402,391	-	402,391
Principal	375,000	375,000	375,000	-
Interest	34,963	34,963	34,963	-
<i>Total expenditures</i>	<u>816,454</u>	<u>816,454</u>	<u>413,882</u>	<u>402,572</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(404,653)</u>	<u>(404,653)</u>	<u>(9,473)</u>	<u>395,180</u>
<i>Other financing sources (uses):</i>				
Designated cash	404,653	404,653	-	(404,653)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>404,653</u>	<u>404,653</u>	<u>-</u>	<u>(404,653)</u>
<i>Net changes in fund balances</i>	-	-	(9,473)	(9,473)
<i>Fund balances - beginning of year</i>	-	-	431,046	431,046
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 421,573</u>	<u>\$ 421,573</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			2,138	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (7,335)</u>	

The accompanying notes are an integral part of these financial statements



**COMPONENT UNIT**

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**COMBINING BALANCE SHEET**  
June 30, 2011

	General Fund			
	Operational 11000	Instructional Materials 14000	Athletics 22000	Non- Instructional 23000
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and cash equivalents	\$ 108,985	\$ 1,690	\$ 1,590	\$ 34,596
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	702	-	-	-
Interfund receivables	183,591	-	-	-
Inventory	53,440	-	-	-
	<u>346,718</u>	<u>1,690</u>	<u>1,590</u>	<u>34,596</u>
<i>Total assets</i>	<u>346,718</u>	<u>1,690</u>	<u>1,590</u>	<u>34,596</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accrued liabilities	24,356	-	-	-
Accounts payable	13,963			
Interfund payables	-	-	-	-
Deferred revenue - other	-	-	-	-
	<u>38,319</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities</i>	<u>38,319</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Fund Balance:				
Nonspendable	53,440	-	-	-
Restricted for:				
Special Revenue	-	-	1,590	34,596
Capital Projects	-	-	-	-
Assigned	-	-	-	-
Unassigned	254,959	1,690	-	-
	<u>308,399</u>	<u>1,690</u>	<u>1,590</u>	<u>34,596</u>
<i>Total fund balance</i>	<u>308,399</u>	<u>1,690</u>	<u>1,590</u>	<u>34,596</u>
<i>Total liabilities and fund balance</i>	<u>\$ 346,718</u>	<u>\$ 1,690</u>	<u>\$ 1,590</u>	<u>\$ 34,596</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Titel XIX Medicaid 25153	State Equalization Guarantee - Fed Stimulus 25250	Education Jobs Fund - Federal Stimulus 25255
\$ -	\$ -	\$ 985	\$ -
-	-	-	-
48,020	-	27,820	15,180
-	-	-	-
-	-	-	-
<u>48,020</u>	<u>-</u>	<u>28,805</u>	<u>15,180</u>
-	-	-	996
4,200	-	-	-
34,632	839	28,805	14,184
9,188	-	-	-
<u>48,020</u>	<u>839</u>	<u>28,805</u>	<u>15,180</u>
-	-	-	-
-	(839)	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>(839)</u>	<u>-</u>	<u>-</u>
<u>\$ 48,020</u>	<u>\$ -</u>	<u>\$ 28,805</u>	<u>\$ 15,180</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**COMBINING BALANCE SHEET**  
June 30, 2011

	Libraries - SB301 GO Bonds Laws of 2006 27170	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	Total
<b>ASSETS</b>				
<i>Current Assets</i>				
Cash and cash equivalents	\$ 328	\$ -	\$ -	\$ 148,174
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	-	91,722
Interfund receivables	-	-	-	183,591
Inventory	-	-	-	53,440
<i>Total assets</i>	<u>328</u>	<u>-</u>	<u>-</u>	<u>476,927</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<i>Current Liabilities:</i>				
Accrued liabilities	-	-	-	25,352
Accounts payable				18,163
Interfund payables	-	51,047	54,084	183,591
Deferred revenue - other	-	-	-	9,188
<i>Total liabilities</i>	<u>-</u>	<u>51,047</u>	<u>54,084</u>	<u>236,294</u>
<i>Fund balances</i>				
Fund Balance:				
Nonspendable	-	-	-	53,440
Restricted for:				
Special Revenue	328	-	-	35,675
Capital Projects	-	(51,047)	(54,084)	(105,131)
Assigned	-			-
Unassigned	-	-	-	256,649
<i>Total fund balance</i>	<u>328</u>	<u>(51,047)</u>	<u>(54,084)</u>	<u>240,633</u>
<i>Total liabilities and fund balance</i>	<u>\$ 328</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 476,927</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
CARINOS CHARTER SCHOOL  
GOVERNMENTAL FUNDS

Statement F-1  
(Page 2 of 2)

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2011

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the statement of net assets are different because:	
Fund balances - total governmental funds	\$ 240,633
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	6,712
	<hr/>
Net Assets-total Governmental Activities	<u>\$ 247,345</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	<u>General Fund</u>			
	Operational	Instructional	Athletics	Non-
	11000	Materials 14000	22000	Instructional 23000
<i>Revenues:</i>				
Charges for services	\$ 7,147	\$ -	\$ 1,590	\$ 7,828
Property taxes	-	-	-	-
State grants	1,542,253	7,890	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	27,737
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,549,400</u>	<u>7,890</u>	<u>1,590</u>	<u>35,565</u>
<i>Expenditures:</i>				
Current:				
Instruction	933,651	6,200	-	30,131
Support Services				
Students	114,090	-	-	-
Instruction	25,460	-	-	-
General Administration	11,749	-	-	-
School Administration	172,751	-	-	-
Central Services	104,640	-	-	-
Operation & Maintenance of Plant	66,546	-	-	-
Student Transportation	-	-	-	-
Other Support Services	2,006	-	-	-
Food Services Operations	28,468	-	-	-
Community Service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,459,361</u>	<u>6,200</u>	<u>-</u>	<u>30,131</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>90,039</u>	<u>1,690</u>	<u>1,590</u>	<u>5,434</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	90,039	1,690	1,590	5,434
<i>Fund balances - beginning of year</i>	218,360	-	-	29,162
<i>Fund balances - end of year</i>	<u>\$ 308,399</u>	<u>\$ 1,690</u>	<u>\$ 1,590</u>	<u>\$ 34,596</u>

The accompanying notes are an integral part of these financial statements

Entitlement IDEA-B 24106	Title XIX Medicaid 25153	State Equalization Guarantee - Fed Stimulus 25250	Education Jobs Fund - Federal Stimulus 25255
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
45,745	10,960	17,397	43,128
-	-	-	-
-	-	-	-
<u>45,745</u>	<u>10,960</u>	<u>17,397</u>	<u>43,128</u>
-	-	419	43,128
45,745	13,408	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	16,978	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>45,745</u>	<u>13,408</u>	<u>17,397</u>	<u>43,128</u>
-	(2,448)	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	(2,448)	-	-
-	1,609	-	-
<u>\$ -</u>	<u>\$ (839)</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDING JUNE 30, 2011**

	Libraries - SB301			
	GO Bonds Laws of 2006 27170	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	Total
<i>Revenues:</i>				
Charges for services	\$ -	\$ -	\$ -	\$ 16,565
Property taxes	-	-	-	-
State grants	-	128,341	-	1,678,484
Federal grants	-	-	-	117,230
Miscellaneous	-	-	-	27,737
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>128,341</u>	<u>-</u>	<u>1,840,016</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	1,013,529
Support Services				
Students	-	-	-	173,243
Instruction	-	-	-	25,460
General Administration	-	-	-	11,749
School Administration	-	-	-	172,751
Central Services	-	-	-	104,640
Operation & Maintenance of Plant	-	-	-	83,524
Student Transportation	-	-	-	-
Other Support Services	-	-	-	2,006
Food Services Operations	-	-	-	28,468
Community Service	-	-	-	-
Capital outlay	-	128,341	-	128,341
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>128,341</u>	<u>-</u>	<u>1,743,711</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,305</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-	96,305
<i>Fund balances - beginning of year</i>	<u>328</u>	<u>(51,047)</u>	<u>(54,084)</u>	<u>144,328</u>
<i>Fund balances - end of year</i>	<u>\$ 328</u>	<u>\$ (51,047)</u>	<u>\$ (54,084)</u>	<u>\$ 240,633</u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**

Statement F-2  
 (Page 2 of 2)

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	\$ 96,305
Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.	
Depreciation expense	(2,640)
The issuance of long-term debt (e.g. accrued compensated absences) provides current financial resources to governmental funds. The transaction, however, has no effect on net assets:	
Increase in the reserve for compensated absences	<u>3,856</u>
Change in Net Assets-total Governmental Activities	<u><u>\$ 97,521</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**OPERATIONAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

Statement F-3

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
State grants	1,755,507	1,542,255	1,542,253	(2)
Federal grants	-	-	-	-
Miscellaneous	-	-	234	234
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,755,507</u>	<u>1,542,255</u>	<u>1,542,487</u>	<u>232</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	1,210,832	1,024,735	968,083	56,652
Support Services				
Students	159,451	205,565	102,425	103,140
Instruction	17,588	28,441	26,177	2,264
General Administration	26,000	35,300	11,749	23,551
School Administration	156,144	183,661	176,454	7,207
Central Services	102,102	114,694	106,745	7,949
Operation & Maintenance of Plant	53,330	75,957	66,015	9,942
Student Transportation	-	-	-	-
Other Support Services	-	2,317	2,006	311
Food Services Operations	30,060	31,692	29,323	2,369
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,755,507</u>	<u>1,702,362</u>	<u>1,488,977</u>	<u>213,385</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(160,107)</u>	<u>53,510</u>	<u>213,617</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	160,107	-	(160,107)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>160,107</u>	<u>-</u>	<u>(160,107)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>53,510</u>	<u>53,510</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>239,066</u>	<u>239,066</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 292,576</u>	<u>\$ 292,576</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			6,913	
Expenditure accruals			29,616	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 90,039</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**INSTRUCTIONAL MATERIALS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

Statement F-4

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
State grants	6,412	7,890	7,890	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>6,412</u>	<u>7,890</u>	<u>7,890</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	6,412	7,890	6,200	1,690
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>6,412</u>	<u>7,890</u>	<u>6,200</u>	<u>1,690</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>1,690</u>	<u>1,690</u>
<i>Other financing sources (uses):</i>				
Designated cash			-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,690</u>	<u>1,690</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,690</u>	<u>\$ 1,690</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 1,690</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**ATHLETICS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

Statement F-5

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	1,590	1,590
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1,590</u>	<u>1,590</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	1,590	-	1,590
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,590</u>	<u>-</u>	<u>1,590</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(1,590)</u>	<u>1,590</u>	<u>3,180</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	1,590	-	(1,590)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1,590</u>	<u>-</u>	<u>(1,590)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,590</u>	<u>1,590</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,590</u>	<u>\$ 1,590</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 1,590</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**NON-INSTRUCTIONAL SUPPORT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

Statement F-6

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	26,680	35,565	8,885
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>26,680</u>	<u>35,565</u>	<u>8,885</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	62,354	30,131	32,223
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>62,354</u>	<u>30,131</u>	<u>32,223</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(35,674)</u>	<u>5,434</u>	<u>41,108</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	35,674	-	(35,674)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>35,674</u>	<u>-</u>	<u>(35,674)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>5,434</u>	<u>5,434</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>29,162</u>	<u>29,162</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,596</u>	<u>\$ 34,596</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ 5,434</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**ENTITLEMENT IDEA-B SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

Statement F-7

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
State grants	-	-	-	-
Federal grants	-	43,725	6,913	(36,812)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>43,725</u>	<u>6,913</u>	<u>(36,812)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	43,725	41,545	2,180
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>43,725</u>	<u>41,545</u>	<u>2,180</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(34,632)</u>	<u>(34,632)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(34,632)</u>	<u>(34,632)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (34,632)</u>	<u>\$ (34,632)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			38,832	
Expenditure accruals			(4,200)	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**TITLE XIX MEDICAID 3/21 YEARS SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

Statement F-8

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
State grants	-	-	-	-
Federal grants	-	11,799	11,800	1
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>11,799</u>	<u>11,800</u>	<u>1</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	13,408	13,408	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>13,408</u>	<u>13,408</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(1,609)</u>	<u>(1,608)</u>	<u>1</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	1,609	-	(1,609)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1,609</u>	<u>-</u>	<u>(1,609)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,608)</u>	<u>(1,608)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>769</u>	<u>769</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (839)</u>	<u>\$ (839)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(840)	
Expenditure accruals			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (2,448)</u>	

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement F-9

## ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT

## CARINOS CHARTER SCHOOL

## STATE EQUALIZATION GUARANTEE - FEDERAL STIMULUS SPECIAL REVENUE FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2011

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
State grants	-	-	-	-
Federal grants	18,010	16,674	23,579	6,905
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>18,010</u>	<u>16,674</u>	<u>23,579</u>	<u>6,905</u>
<i>Expenditures:</i>				
Current:				
Instruction	2,576	5,616	5,616	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	15,434	15,527	16,978	(1,451)
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>18,010</u>	<u>21,143</u>	<u>22,594</u>	<u>(1,451)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(4,469)</u>	<u>985</u>	<u>5,454</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	4,469	-	(4,469)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>4,469</u>	<u>-</u>	<u>(4,469)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>985</u>	<u>985</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(28,805)</u>	<u>(28,805)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (27,820)</u>	<u>\$ (27,820)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(6,182)	
Expenditure accruals			5,197	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**EDUCATION JOBS FUND - FEDERAL STIMULUS SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

Statement F-10

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
State grants	-	-	-	-
Federal grants	-	44,925	27,948	(16,977)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>44,925</u>	<u>27,948</u>	<u>(16,977)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	44,925	42,132	2,793
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>44,925</u>	<u>42,132</u>	<u>2,793</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(14,184)</u>	<u>(14,184)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(14,184)</u>	<u>(14,184)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,184)</u>	<u>\$ (14,184)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			15,180	
Expenditure accruals			(996)	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**LIBRARIES - SB 301 GO BONDS - LAWS OF 2006 SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

Statement F-11

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>328</u>	<u>328</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 328</u>	<u>\$ 328</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

Statement F-12

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
State grants	-	128,341	128,341	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>128,341</u>	<u>128,341</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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	128,341	128,341	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>128,341</u>	<u>128,341</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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(51,047)</u>	<u>(51,047)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (51,047)</u>	<u>\$ (51,047)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL**  
**FOR THE YEAR ENDING JUNE 30, 2011**

Statement F-13

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
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	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
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>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(54,084)</u>	<u>(54,084)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (54,084)</u>	<u>\$ (54,084)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT  
 CARINOS CHARTER SCHOOL  
 SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS  
 JUNE 30, 2011

Schedule F-I

<u>Bank Account Type/Name</u>	<u>Valley National Bank</u>
Checking	<u>\$ 293,406</u>
Total On Deposit	293,406
Reconciling Items	<u>(145,232)</u>
Reconciled Balance June 30, 2011	<u><u>\$ 148,174</u></u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOL DISTRICT - COMPONENT UNIT**  
**CARINOS CHARTER SCHOOL**  
**CASH RECONCILIATION**  
**JUNE 30, 2011**

	Operational Account 11000	Instructional Materials Account 14000	Athletics Fund 22000	Non- Instructional Support 23000	Federal Flowthrough 24000
Cash, June 30, 2010	105,130	-	-	29,162	-
Add:					
2010-11 revenues	1,542,487	7,890	1,590	35,565	6,913
Repayment of interfund loans	89,802	-	-	-	-
Dur to other funds	-	-	-	-	34,632
Total cash available	1,737,419	7,890	1,590	64,727	41,545
Less:					
2010-11 expenditures	(1,444,843)	(6,200)	-	(30,131)	(41,545)
Repayment of interfund loans	-	-	-	-	-
Due from other funds	(183,591)	-	-	-	-
Cash, June 30, 2011	<u>108,985</u>	<u>1,690</u>	<u>1,590</u>	<u>34,596</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Federal Direct 25000	State Flowthrough 27000	Public School Capital Outlay 31200	Spec. Capital Outlay-Local 31400	Total
769	328	-	-	135,389
63,327	-	128,341	-	1,786,113
-	-	-	-	89,802
43,828	-	51,047	54,084	183,591
107,924	328	179,388	54,084	2,194,895
(78,134)	-	(128,341)	-	(1,729,194)
(28,805)	-	(51,047)	(54,084)	(133,936)
-	-	-	-	(183,591)
985	328	-	-	148,174

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)



**SUPPORTING SCHEDULES**

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**AGENCY FUNDS**  
**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2011**

Schedule I

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
Abiquiu Elementary	\$ 12,379	\$ 9,936	\$ 10,544	\$ 11,771
Alcalde Elementary	18,659	5,849	10,655	13,853
Chimayo Elementary	6,648	15,974	15,400	7,222
Dixon Elementary	1,835	1,820	2,297	1,358
Espanola Elementary	18,808	18,173	19,126	17,855
Fairview Elementary	35,415	51,648	48,078	38,985
Hernandez Elementary	3,435	6,807	7,725	2,517
Los Ninos Elementary	15,383	22,406	21,506	16,283
Mountain View Elementary	2,091	14,995	13,921	3,165
San Juan Elementary	12,713	130,193	125,658	17,248
Sombrillo Elementary	14,335	22,639	19,192	17,782
Velarde Elementary	2,277	8,050	12,719	(2,392)
Espanola Middle School	43,147	18,253	20,184	41,216
Espanola Valley High School	200,356	106,656	119,333	187,679
Clearing Account - Agency Funds	<u>194,449</u>	<u>145,349</u>	<u>180,140</u>	<u>159,658</u>
Total All Schools	<u>\$ 581,930</u>	<u>\$ 578,748</u>	<u>\$ 626,478</u>	<u>\$ 534,200</u>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY**  
**FOR PUBLIC FUNDS**  
**JUNE 30, 2011**

Schedule II

Name of Depository	Description of Pledged Collateral	Fair Market Value / Par Value June 30, 2011	Name and Location of Safekeeper
Bank of America	FNCL Pool-995023 5.5%, Due August 1, 2037	2,276,836	Bank of America
Valley National Bank	Las Cruces, NM Gas Tax Revenue June 1, 2016; 51748PAP9	250,790	Valley National Bank Española, NM
Valley National Bank	Torrance County, NM August 1, 2013; 891398AX7	300,630	Valley National Bank Española, NM
Valley National Bank	FNMA Pool #665403 September 1, 2017; 31391FGL6	553,245	Valley National Bank Española, NM
Valley National Bank	FNMA #256808 July 1, 2037; 31371NGR0	1,198,071	Valley National Bank Española, NM
Valley National Bank	FHLB December 31, 2011; 313372C28	1,553,507	Valley National Bank Española, NM
Valley National Bank	FNMA Pool #254908 September 1, 2023; 31371LDM8	395,814	Valley National Bank Española, NM
Valley National Bank	FNMA Pool #785823 July 1, 2019; 31405DAY3	370,435	Valley National Bank Española, NM
Valley National Bank	Belen, NM Gross Receipts Tax Revenue; June 1, 2019; 077571CK1	290,570	Valley National Bank Española, NM
Valley National Bank	FHLMC Pool #P50483 May 1, 2035; 31288LRC7	1,295,468	Valley National Bank Española, NM
Valley National Bank	Gadsden, NM Independent School District; August 15, 2017; 362550KQ7	273,045	Valley National Bank Española, NM
Valley National Bank	Questa, NM Independent School District; September 1, 2024; 748352CS7	311,050	Valley National Bank Española, NM
Valley National Bank	Questa, NM Independent School District; September 1, 2028; 748352DB4	365,210	Valley National Bank Española, NM
Valley National Bank	University of New Mexico Valencia Country BR CMTY August 1, 2017; 914696DA4	259,738	Valley National Bank Española, NM
Valley National Bank	Las Cruces, NM School District August 1, 2022; 517534QA4	269,708	Valley National Bank Española, NM
Valley National Bank	FNMA Pool 0625 January 1, 2031; 31417YD95	978,722	Valley National Bank Española, NM
Valley National Bank	FNMA Pool #735893 October 1, 2035; 31402RRN1	1,154,247	Valley National Bank Española, NM
Valley National Bank	FNMA #MA0213 October 1, 2038; 31417YGX9	972,133	Valley National Bank Española, NM
<b>Total District</b>		<u>\$ 13,069,219</u>	

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS**  
**JUNE 30, 2011**

Schedule III

Bank Account Type/Name	Valley National Bank	Bank of America	State of New Mexico	Totals
<b>Valley National Bank</b>				
Checking - Operational Old	\$ 291	\$ -	\$ -	\$ 291
Checking - Operational New	93,785	-	-	93,785
Checking - Athletics	577			
Checking - Federal	49,619	-	-	49,619
MMA Investment II 88607506	7,171,336	-	-	7,171,336
<b>Bank of America</b>				
Checking - Payroll	-	2,144,780	-	2,144,780
<b>State of New Mexico</b>				
LGIP Fund (Pool-4102)	-	-	11,353	11,353
LGIP Fund (Pool-4101)	-	-	577,416	577,416
<b>Total On Deposit</b>	<b>7,315,608</b>	<b>2,144,780</b>	<b>588,769</b>	<b>10,049,157</b>
<b>Reconciling Items - District</b>	<b>(751,129)</b>	<b>(862,297)</b>	<b>-</b>	<b>(1,613,426)</b>
<b>Reconciled Balance June 30, 2011</b>	<b>\$ 6,564,479</b>	<b>\$ 1,282,483</b>	<b>\$ 588,769</b>	<b>\$ 8,435,731</b>

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**CASH RECONCILIATION**  
**JUNE 30, 2011**

	Operational Account 11000	Transportation Account 13000	Instructional Materials 14000	Food Services Account 21000	Athletics Account 22000
Cash, June 30, 2010	953,108	-	121	-	83,708
Add:					
2010-11 revenues	30,394,989	1,467,369	173,548	1,695,836	107,028
Loans from other funds	5,578,414	16,975	(26,687)	331,677	-
Total cash available	36,926,511	1,484,344	146,982	2,027,513	190,736
Less:					
2010-11 expenditures	(30,211,636)	(1,470,176)	(146,982)	(1,915,296)	(161,549)
Loans to other funds	-	-	-	-	(29,187)
Other Adjustments	673,422	(14,168)	-	(112,217)	-
Held Checks	1,047,434	-	-	-	-
Cash, June 30, 2011	<u>8,435,731</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Non-Instruction Account 23000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000	State Direct 28000
238,300	48,523	480,447	241,377	280,208	805
30	4,692,169	2,008,235	1,145,878	198,884	-
-	1,596,793	-	-	-	2,543
238,330	6,337,485	2,488,682	1,387,255	479,092	3,348
(37,616)	(4,823,050)	(1,860,690)	(1,076,268)	(234,289)	-
(200,714)	-	(528,297)	(68,186)	(134,481)	-
-	(1,514,435)	(99,695)	(242,801)	(110,322)	(3,348)
-	-	-	-	-	-
-	-	-	-	-	-

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**CASH RECONCILIATION**  
**JUNE 30, 2011**

	Local / State 29000	Bond Building Account 31100	Public School Capital Outlay 31200	Spec. Capital Outlay-Local 31300	Spec. Capital Outlay-State 31400
Cash, June 30, 2010	118,588	3,503,470	-	-	-
Add:					
2010-11 revenues	88,084	-	-	-	20,805
Loans from other funds	-	-	9,323	-	99,195
Total cash available	206,672	3,503,470	9,323	-	120,000
Less:					
2010-11 expenditures	(134,551)	(1,274,653)	-	-	-
Loans to other funds	(72,121)	(2,228,817)	-	-	-
Permanent Cash Transfer	-	-	(9,323)	-	(120,000)
Other Adjustments	-	-	-	-	-
Cash, June 30, 2011	-	-	-	-	-

The accompanying notes are an integral part of these financial statements



Cap. Improv. SB 9 31700	Ed Tech Equipment 31900	Debt Service Fund 41000	Deferred Sick Leave 42000	Ed Tech Debt Service 43000	Total
23,727	808,477	2,512,057	67,910	431,046	9,791,872
251,501	-	2,445,442	-	404,409	45,094,207
-	-	-	-	-	7,608,233
275,228	808,477	4,957,499	67,910	835,455	62,494,312
(6,455)	(408,624)	(2,303,378)	-	(413,882)	(46,479,095)
(268,773)	(399,853)	(2,654,121)	(67,910)	(421,573)	(7,074,033)
-	-	-	-	-	(1,552,887)
-	-	-	-	-	1,047,434
-	-	-	-	-	8,435,731

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)

**COMPLIANCE SECTION**

(This page intentionally left blank.)



# Griego Professional Services, LLC

Certified Public Accountants

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

Hector Balderas  
New Mexico State Auditor  
The Office of Management and Budget  
To the Board of Education  
Española Public School District  
Española, New Mexico

We have audited the financial statements of the governmental activities, each major fund, the discretely presented component unit, the aggregate remaining fund information, the budgetary comparisons of the general funds, and the combining and individual funds and related budgetary comparisons presented as supplemental information of Espanola Public School District, New Mexico (“District”), as of and for the year ended June 30, 2011, and have issued our report thereon dated February 29, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

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

Our consideration of 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, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be 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 functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District’s financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses identified as FS 10-05, FS 10-06, FS 11-01, FS 11-02, FS 11-03, FS 11-04, and FS 11-06.

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 questioned costs to be significant deficiencies identified as FS 04-03, CS 06-04, FS 07-06, FS 07-07, FS 10-01, FS 10-08, FS 10-10, CS 10-15, CS 10-20, CS 10-21, CS 10-24, FS 11-05, FS 11-07, FS 11-08, CS 11-09, CS 11-10 and CS 11-11.

P.O. Box 37379 • Albuquerque, NM 87176-7379  
8500 Menaul Blvd. NE, Ste. B295 • Albuquerque, NM 87112  
Phone (505) 856-2741 - Fax (505) 856-7510

(This page intentionally left blank.)

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Espanola Public School District, New Mexico's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, which is described in the accompanying schedule of findings and questioned costs as item FS 04-03, CS 06-04, FS 07-02, FS 07-06, FS 10-01, FS 10-05, FS 10-06, FS 10-08, FS 10-11, CS 10-15, CS 10-20, CS 10-21, FS 11-01, FS 11-02, FS 11-03, FS 11-04, FS 11-06, FS 11-07, FS 11-08, CS 11-09, CS 11-10 and CS 11-11.

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the agency's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Education, others within the organization, the audit committee, the Office of the State Auditor, New Mexico State Legislature, New Mexico Public Education Department, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*Grigo Professional Services, LLC*

Albuquerque, New Mexico  
February 29, 2012

(This page intentionally left blank.)



**FEDERAL FINANCIAL ASSISTANCE**

(This page intentionally left blank.)



# Griego Professional Services, LLC

Certified Public Accountants

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

Hector Balderas  
New Mexico State Auditor  
The Office of Management and Budget  
To the Board of Education  
Espanola Public School District  
Espanola, New Mexico

### Compliance

We have audited Espanola Public School District, New Mexico's 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 Espanola Public School District, New Mexico's major federal programs for the year ended June 30, 2011. Espanola Public School District, New Mexico's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Espanola Public School District, New Mexico's management. Our responsibility is to express an opinion on Espanola Public School District, New Mexico's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 Espanola Public School District, New Mexico's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Espanola Public School District, New Mexico's compliance with those requirements.

As described in item FA 10-03 in the accompanying schedule of findings and questioned costs, Espanola Public School District, New Mexico did not comply with requirements regarding cash management and capital assets that are applicable to its major programs, specifically, Title I. Compliance with such requirements is necessary, in our opinion, for Espanola Public School District, New Mexico to comply with the requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, Espanola Public School District, New Mexico complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

P.O. Box 37379 • Albuquerque, NM 87176-7379  
8500 Menaul Blvd. NE, Ste. B295 • Albuquerque, NM 87112  
Phone (505) 856-2741 - Fax (505) 856-7510

(This page intentionally left blank.)

## Internal Control Over Compliance

Management of Espanola Public School District, New Mexico is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Espanola Public School District, New Mexico's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items FA 10-03 and FA 11-12 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the agency's response and, accordingly, we express no opinion on it. This report is intended solely for the information and use of the audit committee, management, the Board of Education, others within the organization, the Office of the State Auditor, New Mexico State Legislature, New Mexico Public Education Department, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Albuquerque, New Mexico  
February 29, 2012

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2011**

Schedule V  
(Page 1 of 2)

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA	Federal Expenditures
<b>U.S. Department of Education</b>			
<i>Passthrough State of New Mexico Department of Education</i>			
Title I (1)	24101	84.010	971,491
Title I School Improvement - ARRA(1)	24262	84.010	163,592
Title I - IASA Federal Stimulus (1)	24201	84.010	819,381
IDEA B Entitlement (1)	24106	84.027	1,311,464
IDEA B Entitlement (1) - Charter School	24106	84.027	45,745
IDEA-B Discretionary	24107	84.027	17,743
IDEA B Pre-School (1)	24109	84.173	28,474
IDEA-B-Federal Stimulus (1)	24206	84.027	438,082
Preschool IDEA-B - Federal Stimulus (1)	24209	84.173	10,003
IDEA Early Intervention Services Federal Stimulus	24212	84.393	76,092
Education of Homeless Fed. Stimulus	24213	84.387	9,813
IDEA-B Early Intervention Services	24112	84.027	166,594
EETTT Partnership-Federal Stimulus	24249	84.318X	107,642
Title III	24153	84.365	173,673
Improving Teacher Quality -Title II (1)	24154	84.367A	499,910
Safe and Drug Free Schools (1)	24157	84.186	21,081
Rural & Low Income Schools	24160	84.358B	148,483
Carl Perkins	24174	84.048	63,465
Carl D Perkins Secondary Redistribution	24176	84.048	9,621
Alcohol Abuse Reduction	25111	84.184A	329,642
Impact Aid-Special Education	25145	84.041	19,336
Impact Aid Indian Education	25147	84.041	68,201
Impact Aid-Public Law	11000	84.041	27,168
Indian Education Formula Grant	25184	84.060A	31,674
SEG-ARRA (1)	25250	84.039	314,031
SEG-ARRA (1) - Charter School	25250	84.039	17,397
Education Jobs Fund (1)	25255	84.410	846,101
Education Jobs Fund - Charter School (1)	25255	84.410	43,128
<i>Subtotal - U.S. Department of Education</i>			<u>6,779,027</u>
<i>Total - Department of Education</i>			<u>6,779,027</u>

(1) Denotes Major Federal Financial Assistance Program

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO**  
**ESPANOLA PUBLIC SCHOOLS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2011**

Schedule V  
(Page 2 of 2)

Federal Grantor or Pass-Through Grantor / Program Title	Federal CFDA	Federal CFDA	Federal Expenditures
<b>U.S. Department of Agriculture</b>			
<i>Passthrough State of New Mexico Department of Education</i>			
National School Lunch Program (1)	21000	10.555	1,789,956
USDA Commodities	21000	10.550	174,358
<i>Direct U.S. Department of Agriculture</i>			
Forest Reserve	11000	10.670	771,094
<i>Subtotal -U.S. Department of Agriculture</i>			<u>2,735,408</u>
<b>Total Federal Financial Assistance</b>			<u><u>\$ 9,514,435</u></u>

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Espanola Public 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, 2011 was \$174,358 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA number 10.550. Commodities are recorded as revenues and expenditures in the food service fund.

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

Total Federal Financial Assistance	\$ 9,514,435
Total Charter School Federal Assistance	106,270
Total Federal Financial Assistance - Espanola Public Schools	<u>9,408,165</u>
Total expenditures funded by other sources	<u>36,686,983</u>
Total expenditures	<u><u>46,095,148</u></u>

The accompanying notes are an integral part of these financial statements.



**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**Section I – Summary of Audit Results**

*Financial Statements:*

- |  |           |
|--|-----------|
| 1. Type of auditors’ report issued   | Qualified |
| 2. Internal control over financial reporting:                                    |           |
| a. Material weakness identified?   | Yes       |
| b. Significant deficiency identified not considered to be a material weaknesses? | Yes       |
| c. Control deficiency identified not considered to be a significant deficiency?  | Yes       |
| d. Noncompliance material to financial statements noted?                         | Yes       |

*Federal Awards:*

- |   |           |
|---|-----------|
| 1. Internal control over major programs:  |           |
| a. Material weaknesses identified?  | Yes       |
| b. Significant deficiency identified not considered to be material weaknesses?  | No        |
| c. Control deficiency identified not considered to be a significant deficiency?                                       | Yes       |
| 2. Type of auditors’ report issued on compliance for major programs   | Qualified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | Yes       |
| 4. Identification of major programs:  |           |

CFDA Number	Federal Program
84.010	Title I
84.027/84.173	IDEA-B Entitlement
84.186	Safe & Drug Free Schools & Communities
84.367	Improving Teacher Quality State Grants
84.039	SEG ARRA
84.410	Education Jobs Fund

- |   |           |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| 6. Auditee qualified as low-risk auditee?                                   | No        |

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**Section II – Financial Statement Findings**

**FS 04-03 Significant Deficiency - Late Submission of Audit Report – Revised and Repeated**

*Condition:* The District's audit report for the year ended June 30, 2011 was not submitted to the State Auditor by the required due date, November 15, 2011.

*Criteria:* Audit reports not received on or before the due date, November 15, are considered to be in non-compliance with requirements of Section 2.2.2.9.A of the State Audit Rule.

*Effect:* The result was the late submission of the District's audit report for the year ended June 30, 2010. The users of the audited financial statements and the District management do not have time information. In addition, untimely financial audits may affect federal and state funding.

*Cause:* The District's the experienced turnover in the Finance department in March 2010 and the financial records required the correction errors of the previous employees. This caused the 2010 and 2011 audit reports to be submitted late. In addition, new policies and procedures were required to be put in place to ensure future compliance.

*Auditors' Recommendations:* The District must prepare all necessary information and schedules to the auditor's timely. In addition, the District must ensure audit procedures are scheduled in a manner which allows for a timely submission of the financial statements to the State Auditor's Office.

*Management's Response:* District Business Office staff has stabilized and will work closely with our Auditor to insure that the subsequent audit will be submitted on time.

**FS 07-02 Significant Deficiency - Capital Assets Accounting – Revised and Repeated**

*Condition:* The capital asset inventory listing is not maintained.

*Criteria:* Per NMAC 2.20.1.16 Annual Inventory, at the end of the fiscal year, each agency shall conduct a physical inventory of its fixed assets consisting of those with a historical cost of one thousand dollars (\$5,000) or more, under the control of the governing authority. In addition, all fixed assets shall be marked with tags. Each tag shall identify the agency owning the asset followed by a unique sequential fixed asset number so that each item may be positively identified. An agency may establish blocks of numbers for its sub-units to improve controls and avoid duplication of numbers.

*Effect:* The District is noncompliant with NMAC 2.20.1.16 and does not have internal controls implemented for safeguarding them and establishing accountability for their custody and use. The capital asset inventory listing was not complete and account balances may potentially be misstated as of June 30, 2011.

*Cause:* The District has experienced high turnover in key management positions during the past few years. As a result, there is a lack of proper training for capital assets and the District had not dedicated adequate resources to the Capital Assets function.

*Auditors' Recommendations:* The District must implement and formalize a policy relating to capital assets. The policy must be in compliance State Statute, which required tagging of capital assets and requires an annual inventory be performed as well as ensuring capital asset listing, including additions agree to the general ledger. The District is in the process of implementing a Fixed Assets System that should be operational during FY 11-12.

*Management's Response:* District is in the process of importing an updated assets listing into our Inventory Module. The District has contracted a very experienced individual to work on all aspects of the Inventory Module and provide training.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**FS 07-06 Control Deficiency - Bank Deposits – Revised and Repeated**

*Condition:* During our test work of internal controls for receipts we noted that one out of twenty-five deposits were not deposited within 24 hours and one instance out of twenty-five where no receipt was prepared and no check number was provided as back up.

*Criteria:* NMAC 6.20.2.14c states that money received shall be deposited in the bank within twenty-four (24) hours or one banking days. NMAC 6.20.2.14b states that school districts shall issue a factory pre-numbered receipt for all money received. Pre-numbered receipts are to be controlled and secured. If a receipt is voided, all copies shall be marked "VOID" and retained in the receipt book.

*Effect:* Non-adherence to state statutes places the School in noncompliance and lack of timeliness of deposits or failure to receipt all cash received could subject the District to a possible occurrence of fraud.

*Cause:* Lack of following internal controls.

*Auditors' Recommendation:* The District should familiarize responsible employees with the New Mexico Administrative Code relating to Public Schools in order to ensure compliance with regulations and implement pre-numbered receipts into their receipting process. We recommend that the District emphasize the importance of timely deposits of receipts and monitor receipts more closely in order to be compliant with state statutes.

*Management's Response:* Prior to the beginning of the fiscal year the District will meet with School Site Office Managers regarding timely deposits and accurate receipting of deposits and documentation requirements.

**FS 07-07 Significant Deficiency - Disaster Recovery Plan – Revised and Repeated**

*Condition:* The District has not formalized and implemented a disaster recovery plan to insure vital data is not compromised in the event of a disaster.

*Criteria:* The District should design and implement policies and procedures relating to a disaster recovery plan.

*Effect:* The formalized and implementation of a disaster recovery plan is essential to insure the safeguard of the Districts assets. In addition poor accounting practices, the lack of a proper disaster recovery plan may result in the District's inability to regenerate financial and school records, create difficulties in attempts with regards to insurance recoveries or create liabilities due to a lack of information with regards to payments to vendors and/or employees.

*Cause:* The District has implemented many policies and procedures within it's operations, however, a disaster recovery plan has not been given a high priority.

*Auditors' Recommendation:* A formal disaster recovery plan should be formalized and implemented by the District. The plan must include an accurate listing of District assets and incorporate the District's financial records.

*Management's Response:* The District will work on contracting a specialized contractor to assist the District in this area.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**FS 10-01 Significant Deficiency - Budgetary Conditions**

*Condition:* The School has expenditure functions in which actual expenditures exceeded budgetary authority in several funds. Actual expenditures exceeded budgetary authority by a total of \$237,251. See footnote for more detailed information.

*Criteria:* Sound financial management and state regulation 6.20.2.9 (A), NMAC and state statutes 22-8-5 through 22-8-12.2, NMSA 1978, require that budgets not be exceeded at the legal level of control. School districts legal level of control is determined by expenditure function.

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

*Cause:* The School did not make the appropriate budgetary adjustment requests and transfers to alleviate possible over-expenditure within functions prior to the year-end.

*Auditors' Recommendation:* The School must establish a policy of budgetary review at year-end and make the necessary budget adjustment requests (BAR's). All BAR's and or adjusting journal entries should be requested through the proper process at the Public Education Department and be approved prior to year end.

*Management's Response:* The District has addressed this area to be monitored at the very least on a quarterly basis.

**FS 10-05 Control Deficiency - Depreciation – Revised and Repeated**

*Condition:* The District has not maintained an accurate and up-to-date depreciation system; as a result assets were not being depreciated correctly.

*Criteria:* Per NM Statute 2.20.1.8 Fixed Asset Accounting System: Agencies should implement systematic and well-documented methods for accounting for their fixed assets. A computerized system is recommended, with appropriate controls on access and authorization of transactions. The system must be capable of generating lists of fixed assets in sequences useful for managing them. It must track all transactions including acquisitions, depreciation, betterments and dispositions.

*Effect:* Inaccurate depreciation calculation may misstate financial statements and could potentially affect bond issuances as depreciation calculation affects the Districts net asset presentation.

*Cause:* The Districts' depreciation system is incorrectly depreciating its capital assets and corrections are not being processed. The District has not dedicated sufficient resources to the Capital Asset Function to ensure depreciation is properly maintained.

*Auditors' Recommendation:* The District must correct the depreciation calculation to ensure it depreciates all assets using appropriate methods of depreciation. The system should utilize historical cost and calculate accurate beginning accumulated depreciation and depreciation expense amounts annually. A review process must be implemented to ensure depreciation is processed accurately. The District is in the process of implement a Fixed Assets Systems that should be operational during FY 11-12.

*Management's Response:* The District has contracted a very experienced individual to address this area.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**FS 10-06 Significant Deficiency - Deficiencies in Internal Control Structure Design – Repeated**

*Condition:* The District does not have a current comprehensive documented internal control structure. We noted the District has not updated procedural manuals on a timely basis, including key internal control procedures entity wide or for daily operating activities.

*Criteria:* NMAC 6.20.2.11 states:

- Every District shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.

*Effect:* The District has not maintained a formal policy and procedure manual. The lack of formally written policies and procedures may result in grant noncompliance and/or potential errors and misstatements in times of personnel turnover and personnel reductions.

*Cause:* The District has not formally written all internal control policies and procedures in accordance with NMAC 6.20.2. The District has written some policies and procedures within departments, but has relied on the PED supplement manual for other areas. The PED supplement manual has not been updated in some areas of internal control compliance.

*Auditors' Recommendation:* The District should update and complete its documented comprehensive internal control structure and ensure that it is followed.

*Management's Response:* The District will operate using the PED Supplement manual and tailor specific needs, if necessary.

**FS 10-08 Significant Deficiency - Cash Disbursements – Cash Controls – Revised and Repeated**

*Condition:* During our testwork of purchase card disbursements, GPS noted the following instances of noncompliance:

- Four out of five instances in which the purchase order was issued after the purchase. The amount of these purchases total \$5,443.64

*Criteria:* It is the District's policy and procedure to obtain approved purchase orders before the purchase of goods or services are made. According to NMSA 1978 Section 6-6-3, the school is expected to conform to the rules and regulations that they have adopted relating to internal controls.

*Cause:* Policies and Procedures that the school has adopted for cash disbursements, specifically maintaining front and back copies of cancelled checks, are not being enforced.

*Effect:* The lack of enforcing NMAC 6.20.2.14 policies and procedures may result in the non-authorized purchase of goods and/or services, or fraudulent endorsements of disbursement checks.

*Auditors' Recommendation:* The District must enforce policies and procedures that are set in place for the maintenance of disbursement checks related to purchase card usage.

*Management's Response:* At the beginning of the fiscal year the staff will be trained on the procedures for proper purchasing procedures.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**FS 10-10 Significant Deficiency - Bank Reconciliations – Repeated**

*Condition:* The District is not completing accurate bank reconciliations in a timely manner. During the audit when the auditors tested cash balances, the District was unable to provide the auditors with correct bank reconciliations until after more than a month of fieldwork and several attempted reconciliations. The final reconciliations were not reconciled to the general ledger in the amount of \$2,182.

*Criteria:* Good accounting practice requires that bank reconciliations be performed monthly. PSAB Supplement 7 requires that Districts perform bank reconciliations timely.

*Effect:* Without performing bank reconciliations timely, incorrect posting to the general ledger will not be recognized. It is often difficult to detect fraudulent activity if bank reconciliations are not performed timely. Fraudulent transactions can take place and not be detected.

*Cause:* The District staff fell behind in reconciling the bank statements due to their heavy work load and due to turnover issues within the finance department. The outstanding reconciling items have not been correctly posted to the general ledger because the previous District staff did not understand the need to post these items and how they should be posted.

*Auditors' Recommendation:* We recommend that the District perform bank reconciliations on a monthly basis and be reviewed by the Superintendent. If the inter-fund reconciling items were recorded in the general ledger as inter-fund payables and receivables and balanced monthly, we believe it would be easier for the District to achieve the objective of completing correct bank reconciliations timely.

*Management's Response:* The District will perform monthly reconciliations to be reviewed by Superintendent or designee.

**FS 10-11 Other Mater - PED Cash Report – Repeated**

*Condition:* The District's cash report to the PED was not submitted in final form by the July 31, 2011 deadline. The report did not agree to the District's general ledger. The report did not encompass all necessary information to reconcile the PED report to the District's general ledger.

*Criteria:* According to State regulation 6.20.2.11 (b) (6), NMAC and Regulation SBE-6, the reports sent to the New Mexico Public Education Department (PED) must agree to the general ledger and must be finalized by July 31 following year end.

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

*Cause:* The District was unable to gather information to complete the final PED report submission due to lack of information provided by the prior auditor and due to mistakes made by the previous finance department personnel.

*Auditors' Recommendation:* All reports sent to PED must agree to the general ledger and must be finalized prior to the PED's stipulated deadlines. We recommend that all reports are reviewed before being submitted to PED.

*Management's Response:* Procedures and changes in final payroll to employees will be simplified to allow clearly tracking of payroll expenditures and mandatory deduction reporting. This will assist with the bank /cash reconciliation process and insure accurate PED Cash reporting.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**FS 11-01 Control Deficiency - Personnel Education Certificate**

*Criteria:* NMAC 6.63.10.7 Unless otherwise stated in this rule, any person seeking to perform services as a substitute teacher must hold a certificate authorizing that person to perform the duties of a substitute teacher. Substitute teacher certificates shall be issued by the PED to persons who at a minimum meet the requirements of this section. Such certificates authorize the substitute teacher to work as a substitute teacher in any public school district or charter school in New Mexico.

*Condition:* During the payroll testwork, we noted one instance out of twenty-five tested where a substitute teacher had an expired substitute education certificate:

*Cause:* The expired license was mistakenly overlooked by personnel.

*Effect:* The District is not in compliance with NMAC 6.63.10.7. Some teachers may be teaching without the proper credentials.

*Auditors' Recommendation:* We recommend that the District review all personnel files and ensure that all education certificates for all certified employees are current.

*Management's Response:* The Human Resource Department will conduct a review of all personnel files to insure all education certificates are up to date.

**FS 11-02 Control Deficiency – Cash Disbursements**

*Condition:* It is the District's policy and procedure to obtain approved purchase orders before the purchase of goods or services are made and all invoices received from vendors need to be reviewed and recalculated to ensure accuracy before cutting a check for the amount. During our cash disbursements test work, GPS noted one out of twenty-five instances in which the vendor invoice predated the purchase order. During our individually significant test work, GPS noted one of fourteen instances in which the vendor invoice predated the purchase order. During our credit card testwork, GPS noted four out of five instances in which the credit card billing invoice predated the purchase order.

*Criteria:* According to NMSA 1978 Section 6-6-3, the school is expected to conform to the rules and regulations that they have adopted relating to internal controls.

*Effect:* The lack of enforcing the District's policies and procedures may result in the non-authorized or incorrect calculations of invoices.

*Cause:* Policies and procedures that the school has adopted for cash disbursement transactions are not being enforced.

*Auditors' Recommendation:* The District must enforce policies and procedures that are set in place for the purchase of goods and/or services and ensure the vendor invoices are being checked for accuracy prior to payment.

*Management's Response:* The District will meet with staff regarding policy and procedures as it relates to this area on non-compliance.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**FS 11-03 Control Deficiency – Procurement Code**

*Condition:* During our testwork we noted that the district did not have proof that the bids were received in sealed packages.

*Criteria:* NMAC 1.4.1.15 requires all procurement to be achieved by competitive sealed bids.

*Effect:* Not having internal controls over the procurement process, increases the possibility of fraudulent activity and impedes the District from obtaining the best possible price for purchases.

*Cause:* One of the bid packets was apparently too large to maintain the sealed envelope in the bid folder maintained by the purchasing agent. Internal control policies and procedures should ensure evidence of proper bid procedures were followed.

*Auditor's Recommendation:* We recommend that the District develop a system of internal controls to ensure that all goods or services that require sealed bids are bid in accordance with the State Procurement Code. The procedures should ensure documentation to evidence procedures were followed must be maintained on file at the District.

*Management's Response:* The District met with the individual responsible for this and will insure that all necessary documents are kept with the entire bid package as evidence of proper procurement procedures.

**FS 11-04 Control Deficiency – RHC Reports and Contributions**

*Condition:* During our testwork, we noted that four reports submitted to the Retiree Health Care Authority were not made in a timely manner.

*Criteria:* NMAC 2.82.9.8 (C) requires that monthly contributions from employees and local administrative units be postmarked no later than the 15<sup>th</sup> day of the month following the month for which the contributions are withheld. Those contributions must be accurately reported and agree to District financial records.

*Effect:* It appears RHC reports have not been filed timely. Lack of proper internal control and reconciliation over RHC reporting may result in fines and penalties.

*Cause:* It appears that the District did not timely submit four RHC reports.

*Auditors' Recommendations:* The District should implement policies and procedures to ensure that reports are reconciled with the general ledger and submitted in a timely manner. It is essential that reports be verified for accuracy before submission. Also, all employee files should be reviewed to ensure that correct contribution rates are applied.

*Management's Response:* During the 2010/2011 fiscal year, the employee responsible was not totally familiar with the reporting process. The District has hired an individual who is familiar with the RHC reconciliation process and reporting requirements and the District should now be in compliance.



**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**FS 11-05: Significant Deficiency - Preparation of Financial Statements**

*Condition:* The individuals responsible for the accounting functions for the District did not prepare the District's financial statements. The Financial statements were prepared by the auditor.

*Criteria:* Statement of Accounting Standards (SAS) 115, Communication of Internal Control Related Matters Identified in an Audit, requires that management clearly accept responsibility for preparing all financial information and District's financial statements.

*Effect:* Individuals, without the aid of its auditors, are unable to accurately prepare the District's financial statements in accordance with the accounting standards with the regard to apply generally accepted accounting principles.

*Cause:* Individuals responsible for the accounting and reporting functions for the District have not received training relating to the preparation of the District's financial statements in accordance with GASB (Governmental Accounting Standards Board) Statement No 34 and subsequent pronouncements.

*Auditor's Recommendation:* We recommend the District's accounting management receive training relating to the preparation for the District's financial statements in accordance with generally accepted accounting principles. This would give the accounting management responsible for the accounting and reporting functions the skills and knowledge to apply generally accepted accounting principles to the financial statements.

*Management's Response:* The appropriate District personnel will attend training on the preparation of Financial Statements.

**FS 11-06 Control Deficiency - Internal Controls over Journal Entries**

*Criteria:* Sound business practices require the posting of audit adjusting journal entries.

*Condition:* The District did not post the adjusting journal entries determined necessary in the previous audit.

*Cause:* The District does not follow proper procedures regarding journal entries.

*Effect:* Without the posting of necessary adjusting journal entries, adjustments were not made to make the District's records accurate. This could go undetected and cause financial statements to be misstated.

*Auditors' Recommendation:* We recommend the School update their policies and procedures manual regarding the posting of audit adjusting journal entries.

*Management's Response:* Because of the turnover in the Finance department audit adjustments were not recorded. The district will ensure audit adjustments are recorded in the future.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**FS 11-07: Significant Deficiency – Negative Cash in Student Activity Funds**

*Condition:* During the performance of audit procedures relating to activity fund cash it was noted that a interfund payable existed in the amount of \$534,200

*Criteria:* Per PSAB Supplement 18, no activity fund account shall ever be permitted to incur a deficit. Adequate internal control structure shall be established and maintained, as well as audit trails, in the same manner as the school district’s regular funds.

*Effect:* The School District is in violation of PSAB Supplement 18, which could mean operational funds covering activity funds for their over expenditure which causes a cash management issue because it could result in operational funds also going into a negative cash balance.

*Cause:* The cause is that the District is not maintaining proper controls over deficit spending in activity accounts.

*Auditor’s Recommendation:* We recommend that the District review the activity funds on a monthly basis to ensure that there is no deficit spending.

*Management’s Response:* The District has made the necessary changes on the General Ledger from an Inter-fund Payable System to a Cash Payable Basis System. Activity accounts are monitored monthly to insure that revenue generated is budget available to eliminate deficit spending.

**FS 11-08 — Significant Deficiency – Cash Appropriations in Excess of Available Cash Balances**

*Criteria:* All District funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the Public Education Department for approval. Cash balances re-budgeted to make up for deficit budgeted revenues that do not cover the budgeted expenditures, cannot exceed the actual cash balance available at the end of the prior year.

*Condition:* The District re-budgeted “cash balance” in excess of available cash balances in the following funds:

	<u>Designated Cash</u>	<u>Available Cash</u>	<u>Cash Appropriation In Excess of Cash</u>
Title I Federal Stimulus	\$ 819,658	\$ (4,372)	\$ (824,390)
LANL Foundation	441,135	238,667	(202,468)

*Cause:* Inadequate monitoring of ending cash balances and budgeting are the cause of this problem.

*Effect:* The District has budgeted cash balance that does not exist. If the District expends all budgeted expenditures it could incur debt if the budgeted designated cash does not exist.

*Auditor’s Recommendation:* Budget for future years should be reviewed to insure all funds have adequate budget authority for budgeted expenditures. Greater attention should be given to the budget monitoring process end-of the year cash balance estimates.

*Management’s Response:* The District will provide additional time and resources to address this area in the future to prevent this issue from occurring again.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**Component Unit Findings:**

**CS 10-15 Significant Deficiency - Bank Reconciliations – Revised and Repeated**

*Condition:* During our testwork of cash, GPS noted the following:

- One out of twelve bank reconciliations had stale dated checks (checks outstanding longer than one year). sooner).

*Criteria:* According to 6.20.2.14 K, all bank accounts shall be reconciled on a monthly basis. Part of this process should include review of reconciling items such as outstanding checks, deposits in transit and other reconciling items. Items older than three months should be investigated and items older than one year should be removed from the reconciliation. The Charter School may be required to turn these funds over to the State's Unclaimed Property Division.

*Cause:* The Charter School had not been reconciling their bank accounts timely, had not been taking appropriate action with regards to items older than one year.

*Effect:* The Charter School's bank reconciliations are more time consuming to prepare as there are so many stale dated items. Also, the reconciliations are not as accurate as they would be if the stale dated items were removed. The Charter School did not have an accurate picture of their cash balances on a monthly basis. The Charter School is at a greater risk for fraud to occur because the bank reconciliations are not being approved by someone other than the person performing them.

*Auditors' Recommendation:* The Charter School should review bank reconciliations more closely and investigate items outstanding for more than three months. Items included on bank reconciliations that are older than one year should be removed and, as mentioned above, the funds may be required to be turned over to the State's Unclaimed Property Division.

*Management's Response:* Bank reconciliations are done on a monthly basis. The review of aged checks will be added to this task.

**CS 10-20 Significant Deficiency - Payroll Violations – Revised and Repeated**

*Condition:* During the payroll testwork, we noted the following:

- One out of fifteen employees tested had an I-9 missing from their personnel file
- One out of fifteen employees did not have an insurance authorization or exemption form in their personnel file
- One out of fifteen employees tested did not have an education certificate on file

*Criteria:* NMAC 6.20.2.18 states that School districts shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

*Effect:* The Charter School is not in compliance with NMAC 6.20.2.18.

*Cause:* The Charter School did not accurately maintain payroll records or employee deductions.

*Auditors' Recommendation:* We recommend that the Charter School review all personnel files and ensure that all required documentation is filed.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

*Management's Response:* Business manager will review the employee files to verify that the administration is obtaining proper documentation for employees.

**CS 10-21 Significant Deficiency - Payroll Deductions – Revised and Repeated**

*Condition:* During our testwork of payroll, we noted four instances out of fifteen tested where the employees' annual salary does not recalculate to gross salary over twenty-six pay periods.

*Criteria:* The local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. NMAC 6.20.2.18.

*Cause:* High turnover rates increased the number of errors in the payroll process.

*Effect:* The incorrect rates were paid to the respective employees. If not corrected this may cause other employees to be over/under paid.

*Auditors' Recommendation:* We recommend that the School emphasize the importance of properly calculating payroll.

*Management's Response:* Although all employees are paid on an accrual basis, actual checks may be issued in subsequent fiscal years due to the schedule in pay. Management will review the payroll for employees on a regular basis to verify that there is no discrepancy in pay for the employees.

**CS 06-04 Significant Deficiency - Budgetary Conditions - Repeated**

*Condition:* The Charter Schools has expenditure functions in which actual expenditures exceeded budgetary authority in Instructional Materials Funds – Instruction, Non-Instructional Support Funds – Instruction, Public School Capital Outlay Capital Project Fund – Capital Outlay and Special Capital Outlay State Capital Project Fund – Capital Outlay. Actual expenditures exceeded budgetary authority by a total of \$1,451. See footnote for more detailed information.

*Criteria:* Sound financial management and state regulation 6.20.2.9 (A), NMAC and state statutes 22-8-5 through 22-8-12.2, NMSA 1978, require that budgets not be exceeded at the legal level of control. Schools legal level of control is determined by expenditure function.

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

*Cause:* The School did not make the appropriate budgetary adjustment requests and transfers to alleviate possible over-expenditure within functions prior to the year-end.

*Auditors' Recommendation:* The School must establish a policy of budgetary review at year-end and make the necessary budget adjustment requests (BAR's). All BAR's and or adjusting journal entries should be requested through the proper process at the Public Education Department and be approved prior to year end.

*Management's Response:* The governing board will review the budget on a monthly basis to verify that the expenditures do not exceed budgetary authority. Budgetary adjustments will be issued accordingly.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**CS 10-24 Significant Deficiency - 941 Reconciliations – Revised and Repeated**

*Condition:* The Charter School's general ledger balance was \$51,351 higher than reported on the 941 reports.

*Criteria:* Quarterly 941 reports were not being correctly completed by the employee responsible for preparing the reports.

*Cause:* FICA and Medicare withholdings were not reported correctly on the General Ledger leading to a material difference.

*Effect:* 941s are being incorrectly reported.

*Auditors' Recommendation:* The School must ensure that 941 reports are calculated correctly. Amounts must be recorded properly in the general ledger.

*Management's Response:* Clarification of the discrepancy was provided to the auditor. The 941 spreadsheet had incorrect calculations of percentages.

**CS 11-09 Significant Deficiency - Lack of Supporting Documentation – Cash Disbursements**

*Condition:* During our testwork we noted the following:

- Six out of fifteen disbursements tested had a purchase order missing
- Two out of fifteen disbursements tested where there was no supporting documentation provided

*Criteria:* NMAC 6.2.2.24 (c ) Other Administrative Standards states that school district records shall be in accordance with the Public Records Act, Section 14-3-1, NMSA 1978 and should be available for review by auditors.

*Cause:* The Charter School was unable to provide any supporting documentation for the listed cash disbursement transactions.

*Effect:* The lack of enforcing the School's policies and procedures regarding supporting documentation of disbursements may result in cash being fraudulently taken.

*Auditors' Recommendation:* The School must enforce policies and procedures that are set in place for maintaining supporting documentation for cash disbursements.

*Management's Response:* All purchases made by the school are reviewed by the school administration. Business manager will verify that all purchases follow procurement process.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**CS 11-10 – Significant Deficiency - Cash Disbursements**

*Condition:* It is the Charter School’s policy and procedure to obtain approved purchase orders before the purchase of goods or services are made and all invoices received from vendors need to be reviewed and recalculated to ensure accuracy before cutting a check for the amount. During our cash disbursements test work, GPS noted one out of fifteen instances in which the vendor invoice predated the purchase order.

*Criteria:* According to NMSA 1978 Section 6-6-3, the school is expected to conform to the rules and regulations that they have adopted relating to internal controls.

*Effect:* The lack of enforcing the School’s policies and procedures may result in the non-authorized or incorrect calculations of invoices.

*Cause:* Policies and procedures that the school has adopted for cash disbursement transactions are not being enforced.

*Auditors’ Recommendation:* The School must enforce policies and procedures that are set in place for the purchase of goods and/or services and ensure the vendor invoices are being checked for accuracy prior to payment.

*Management’s Response:* Business manager will review the purchasing process and potential means of violation and ensure that all expenditures follow the process.

**CS 11-11 — Significant Deficiency – Cash Appropriations in Excess of Available Cash Balances**

*Criteria:* All Charter funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the Public Education Department for approval. Cash balances re-budgeted to make up for deficit budgeted revenues that do not cover the budgeted expenditures, cannot exceed the actual cash balance available at the end of the prior year.

*Condition:* The School re-budgeted “cash balance” in excess of available cash balances in the following funds:

	<u>Designated Cash</u>		<u>Available Cash</u>		<u>Cash Appropriation In Excess of Cash</u>
Non-Instructional Support	\$ 35,674		\$ 29,162		\$ (6,512)
Title XIX Medicaid	1,609		769		(840)
SEG Federal Stimulus	4,469		(28,805)		(33,274)

*Cause:* Inadequate monitoring of ending cash balances and budgeting are the cause of this problem.

*Effect:* The School has budgeted cash balance that does not exist. If the School expends all budgeted expenditures it could incur debt if the budgeted designated cash does not exist.

*Auditor’s Recommendation:* Budget for future years should be reviewed to insure all funds have adequate budget authority for budgeted expenditures. Greater attention should be given to the budget monitoring process end-of the year cash balance estimates.

*Management’s Response:* Business manager will review budgeted cash balances to ensure that it does not exceed available cash balance.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**Section III – Federal Award Findings and Questioned Costs**

**FA 10-03 Capital Assets – Material Weakness – Repeated**

Federal program information:

Funding agency:	U.S. Department of Education
Title:	Title I
CFDA number:	84.010
Award Year:	2009
Award Number:	5010A090031A

*Condition:* The capital asset inventory listing has not been updated to reflect information found on the physical assets in regards to tag numbers, location or category.

*Criteria:* The District is required to maintain records and have an appropriate control system to safeguard equipment.

*Questioned Costs:* Unable to determine.

*Effect:* The District's capital asset inventory listing was not complete and account balances are inaccurate.

*Cause:* The District incurred significant turnover in its accounting department and key position have not been filled.

*Auditors' Recommendation:* The District should make every effort to hire an employee to fill the capital assets position, and ensure personnel are properly trained. In addition, the capital assets database should provide complete information for each asset as to its asset type, cost, useful life, accumulated depreciation as well as tag number assigned and current location.

*Management's Response:* The District has contracted a very experienced individual to set up necessary components and properly train staff in this area of non-compliance.

**FA 11-12: Audit Report Submission of Data Collection Form and Reporting Package – Material Weakness**

Federal program information:

Funding agency:	All
Title:	All
CFDA number:	All

*Criteria:* OMB Circular A-133 requires that the audit shall be completed and the data collection form and reporting package shall be submitted to the Federal Audit Clearinghouse within the earlier of 30 days after receipt of the auditor's report(s), or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audit.

*Condition:* The June 30, 2011 data collection form and reporting package were not submitted to the Federal Audit Clearinghouse by the required date.

*Questioned Costs:* None.

*Cause:* The District's the experienced turnover in the Finance department in March 2010 and the financial records required the correction errors of the previous employees. This caused the 2010 and 2011 audit reports to be submitted late, which in turn caused the Data Collection Form to not be submitted timely. In addition, new policies and procedures were required to be put in place to ensure future compliance.

**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

*Effect:* The result was the late submission of the District's audit report for the year ended June 30, 2011, and the District is not in compliance with Federal and State requirements.

*Auditors' Recommendations:* The District must prepare all necessary information and schedules to the auditor's timely. In addition, the District must ensure audit procedures are scheduled in a manner which allows for a timely submission of the financial statements to the State Auditor's Office.

*Management's Response:* District Business Office staff has stabilized and will work closely with our Auditor to insure that the subsequent audit and Data Collection Form will be submitted on time.

**Section IV – Prior Year Audit Findings**

**Section II – Financial Statement Findings:**

FS 04-03 Late Submission of Audit Report – Revised and Repeated  
FS 07-02 Capital Assets Accounting – Revised and Repeated  
FS 07-05 Personnel Files and Payroll – Resolved  
FS 07-06 Bank Deposits – Revised and Repeated  
FS 07-07 Disaster Recovery Plan – Revised and Repeated  
FS 10-01 Budgetary Conditions – Revised and Repeated  
FS 10-02 Lack of Supporting Documentation – Resolved  
FS 10-03 Lack of Supporting Documentation – Travel & Per Diem – Resolved  
FS 10-04 Grants Receivable – Resolved  
FS 10-05 Depreciation – Revised and Repeated  
FS 10-06 Deficiencies in Internal Control Structure Design – Revised and Repeated  
FS 10-07 ERB Reports and Contributions – Resolved  
FS 10-08 Cash Disbursements – Cash Controls – Revised and Repeated  
FS 10-09 Personal Use of Public Vehicle – Resolved  
FS 10-10 Bank Reconciliations – Revised and Repeated  
FS 10-11 PED Cash Report – Repeated  
FS 10-12 Segregation of Duties – Resolved

**Component Unit Findings:**

FS 10-13 Segregation of Duties – Resolved  
FS 10-14 Internal Control Structure Standards – Resolved  
FS 10-15 Bank Reconciliations – Revised and Repeated  
FS 10-16 Internal Controls Over Journal Entries – Resolved  
FS 10-17 Lack of Supporting Documentation – Receipts – Resolved  
FS 10-18 Lack of Internal Controls – Receipts – Resolved  
FS 10-19 Lack of Supporting Documentation – Travel & Per Diem – Resolved  
FS 10-20 Payroll Violations – Revised and Repeated  
FS 10-21 Payroll Deductions – Revised and Repeated  
FS 10-22 Lack of Supporting Documentation – Payroll – Resolved  
FS 10-23 ERA Reconciliations – Resolved  
CS 06-04 Budgetary Conditions – Revised and Repeated  
CS 10-24 941 Reconciliations – Revised and Repeated



**STATE OF NEW MEXICO**  
**ESPAÑOLA PUBLIC SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**Section III – Federal Award Findings and Questioned Costs**

FA 10-01 Cash Management – *Resolved*

FA 10-02 Time and Effort – *Resolved*

FA 10-03 Capital Assets – *Revised and Repeated*

**Section V – Other Disclosures**

Auditor Prepared Financials

Griego Professional Services, LLC assisted in the preparation of the financial statements presented in this report. The District's management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements.

Exit Conference

The contents of this report were discussed on February 12, 2012. The following individuals were in attendance.

Española Public School District

Evelyn Maruska, Superintendent  
Jeanette Trujillo, Director of Finance  
Jose Archuleta, President  
Pablo Lujan, Vice President  
Ralph Medina, Secretary  
Floyd Archuleta, Member  
Andrew Chavez, Member  
Jeanette Trujillo, Director of Finance  
Herman Martinez, Business Manager – Cariños Charter School

Griego Professional Services, LLC

J.J. Griego, Partner