

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

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JUNE 30, 2011

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STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

OFFICIAL ROSTER

JUNE 30, 2011

BOARD OF EDUCATION

| | |
|------------------|----------------|
| Randol Riley | President |
| Jesse Sedillo | Vice President |
| Mathew Gutierrez | Secretary |
| Kenneth Lujan | Member |
| Jesus Lucero | Member |

SCHOOL OFFICIALS

| | |
|------------------------|------------------|
| Carolyn Allen-Renteria | Superintendent |
| Carol Gonzales | Business Manager |

Woodard, Cowen & Co.

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas
New Mexico State Auditor
The Board of Education
Estancia Municipal Schools
Estancia, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Estancia Municipal Schools (District) 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 Estancia Municipal School's non-major governmental, and the budgetary comparisons for the major capital project funds, debt service funds and all non-major and fiduciary 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 Estancia Municipal School's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Estancia Municipal Schools, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison statements for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each non-major governmental fund and the fiduciary funds of Estancia Municipal Schools, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons statements for the major capital projects funds, debt service funds and all non-major funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Portales: 305 S. Avenue B or PO Box 445, Portales NM 88130 – Phone 575-356-8564 Fax 575-356-2453
Clovis: 116 E. Grand Avenue or PO Box 1874, Clovis NM 88101 – Phone 575-762-3811 Fax 575-762-3866

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2011 on our consideration of Estancia Municipal School's internal control over financial reporting and 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.

Estancia Municipal Schools have not presented the Management Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was performed for the purpose of forming opinions on the basic financial statements and the combining and individual fund financial statements and budgetary comparisons of Estancia Municipal Schools. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements. The additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Woodard, Cowen & Co.

October 5, 2011

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT A

STATEMENT OF NET ASSETS

JUNE 30, 2011

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| <u>ASSETS</u> | |
| Cash and cash equivalents | \$ 2,557,863 |
| Property taxes receivable | 13,260 |
| Interest receivable | 101 |
| Due from other governments | 286,831 |
| Food Inventory | 3,113 |
| Non-current: | |
| Bond issuance costs, net | 109,709 |
| Capital assets, net | <u>12,729,837</u> |
| Total assets | <u>15,700,714</u> |
| <u>LIABILITIES</u> | |
| Accounts payable | - |
| Deferred revenue | 314,964 |
| Accrued interest payable | 12,137 |
| Accrued compensated absences | 98,243 |
| Noncurrent liabilities: | |
| Due within one year | 50,000 |
| Due in more than one year | <u>2,450,000</u> |
| Total liabilities | <u>2,925,344</u> |
| <u>NET ASSETS</u> | |
| Invested in capital assets, net of related debt | 10,229,837 |
| Restricted: | |
| Debt Service | 12,599 |
| Capital Projects | 807,153 |
| Unrestricted | <u>1,725,781</u> |
| Total net assets | <u>\$ 12,775,370</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT B

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2011

| Functions/Programs | Expenses | Program Revenues | | | Net (Expenses) Revenue & Changes in Net Assets |
|---|----------------------|-------------------------|---|--|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Governmental Activities |
| Primary government: | | | | | |
| Governmental activities: | | | | | |
| Instruction | \$ 5,079,985 | \$ 31,403 | \$ 825,566 | \$ - | \$ (4,223,016) |
| Support Services | - | - | - | - | - |
| Support Services Students | 987,365 | - | 289,005 | - | (698,360) |
| Support Services Instruction | 394,593 | - | 34,820 | - | (359,773) |
| Support Services General Administration | 214,931 | - | 376 | 1,761 | (212,794) |
| Support Services School Administration | 533,290 | - | 66,796 | - | (466,494) |
| Central Services | 210,679 | - | - | - | (210,679) |
| Operation and Maintenance of Plant | 1,680,468 | - | 76,801 | - | (1,603,667) |
| Student Transportation | 605,944 | - | 434,040 | - | (171,904) |
| Other Support Services | 9,957 | - | - | - | (9,957) |
| Food Services Operations | 392,535 | 10,698 | 341,899 | - | (39,938) |
| Bond interest paid | 70,583 | - | - | - | (70,583) |
| Amortization-unallocated | 11,115 | 11,714 | 6,249 | 779,763 | 786,611 |
| Total governmental activities | <u>\$ 10,191,445</u> | <u>\$ 53,815</u> | <u>\$ 2,075,552</u> | <u>\$ 781,524</u> | <u>(7,280,554)</u> |
| General revenues: | | | | | |
| Property Taxes: | | | | | |
| General purpose | | | | | 33,941 |
| Debt service | | | | | 458,726 |
| Capital projects | | | | | 177,480 |
| Grant & contributions not restricted | | | | | 7,290,212 |
| Grants & contributions restricted | | | | | - |
| Unrestricted investment earnings | | | | | 1,254 |
| Miscellaneous income | | | | | 56,884 |
| Total general revenues | | | | | <u>8,018,497</u> |
| Change in net assets | | | | | 737,943 |
| Beginning net assets | | | | | 12,047,341 |
| Restatements | | | | | (9,914) |
| Beginning net assets as restated | | | | | <u>12,037,427</u> |
| Ending net assets | | | | | <u>\$ 12,775,370</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

BALANCE SHEET-- GOVERNMENTAL FUNDS

JUNE 30, 2011

| | <u>GENERAL</u> | <u>TITLE I</u> |
|------------------------------------|---------------------|------------------|
| ASSETS | | |
| Cash on Deposit | \$ 892,734 | \$ - |
| Investments | 243,432 | - |
| Accounts Receivable | | |
| Property Taxes | 743 | - |
| Interest | 47 | - |
| Federal | | 85,228 |
| State | - | - |
| Due from Other Governments | 1,101 | - |
| Inventories | - | - |
| Due from Other Funds | 325,327 | |
| TOTAL ASSETS | <u>\$ 1,463,384</u> | <u>\$ 85,228</u> |
| LIABILITIES AND OTHER CREDITS | | |
| Accounts Payable | \$ - | \$ - |
| Deferred Revenue | - | - |
| Accrued Interest Payable | - | - |
| Due to Other Funds | 1,343 | 85,228 |
| TOTAL LIABILITIES | <u>1,343</u> | <u>85,228</u> |
| FUND BALANCE | | |
| Nonspendable | - | - |
| Restricted | 15,895 | - |
| Committed | - | - |
| Assigned | - | - |
| Unassigned | 1,446,146 | - |
| TOTAL FUND BALANCE | <u>1,462,041</u> | <u>-</u> |
| TOTAL LIABILITIES AND FUND BALANCE | <u>\$ 1,463,384</u> | <u>\$ 85,228</u> |

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

EXHIBIT C

| IDEA-B ENTITLEMENT | WIND FARM PROJECTS | BOND BUILDING | NON MAJOR GOVERNMENTAL FUNDS | TOTAL GOVERNMENTAL FUNDS |
|-----------------------|-----------------------|-------------------|------------------------------------|--------------------------------|
| \$ - | \$ 293,268 | \$ 715,084 | \$ 329,550 | \$ 2,230,636 |
| - | - | - | 83,795 | 327,227 |
| - | - | - | 12,517 | 13,260 |
| - | - | - | 54 | 101 |
| 78,318 | - | - | 107,591 | 271,137 |
| - | - | - | 14,593 | 14,593 |
| - | - | - | - | 1,101 |
| - | - | - | 3,113 | 3,113 |
| | | | 1,343 | 326,670 |
| <u>\$ 78,318</u> | <u>\$ 293,268</u> | <u>\$ 715,084</u> | <u>\$ 552,556</u> | <u>\$ 3,187,838</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - |
| - | 293,268 | - | 21,696 | 314,964 |
| - | - | - | 12,137 | 12,137 |
| 78,318 | - | - | 161,781 | 326,670 |
| <u>78,318</u> | <u>293,268</u> | <u>-</u> | <u>195,614</u> | <u>653,771</u> |
| - | - | - | 3,113 | 3,113 |
| - | - | 715,084 | 353,829 | 1,084,808 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | 1,446,146 |
| <u>-</u> | <u>-</u> | <u>715,084</u> | <u>356,942</u> | <u>2,534,067</u> |
| <u>\$ 78,318</u> | <u>\$ 293,268</u> | <u>\$ 715,084</u> | <u>\$ 552,556</u> | <u>\$ 3,187,838</u> |

RECONCILIATION OF THE BALANCE SHEET
ALL GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET ASSETS

June 30, 2011

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

| | |
|---|----------------------|
| Fund Balances - total governmental funds | \$ 2,534,067 |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds | 12,729,837 |
| Compensated absences are not reported in the funds. | (98,243) |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds | (2,500,000) |
| Bond issuance costs are not due and payable in the current period and therefore are not reported in the funds | <u>109,709</u> |
| Net assets of governmental activities | <u>\$ 12,775,370</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE-- GOVERNMENTAL FUNDS

Year Ended June 30, 2011

| | GENERAL | TITLE I |
|---|---------------------|----------------|
| REVENUE | | |
| Federal Programs | \$ 98,086 | \$ 237,660 |
| State Programs | 471,175 | - |
| Local Programs | 51,600 | - |
| State Equalization | 7,186,394 | - |
| Property Taxes | 33,941 | - |
| Service Revenues | 2,834 | - |
| Interest | 563 | - |
| Other revenue sources | 5,235 | - |
| TOTAL REVENUES | <u>7,849,828</u> | <u>237,660</u> |
| EXPENDITURES | | |
| Current | | |
| Instruction | 4,081,722 | 168,935 |
| Support Services | - | - |
| Support Services Students | 698,360 | 68,725 |
| Support Services Instruction | 359,743 | - |
| Support Services General Administration | 207,811 | - |
| Support Services School Administration | 466,189 | - |
| Central Services | 206,554 | - |
| Operation and Maintenance of Plant | 1,013,211 | - |
| Student Transportation | 502,479 | - |
| Other Support Services | 9,957 | - |
| Food Services Operations | 35,354 | - |
| Capital Outlay | - | - |
| Debt Service | | |
| Principal | - | - |
| Interest and Fiscal Charge | - | - |
| TOTAL EXPENDITURES | <u>7,581,380</u> | <u>237,660</u> |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES | 268,448 | - |
| OTHER FINANCING SOURCES (USES) | | |
| Transfers In/Transfers (Out) | (9,253) | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(9,253)</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | 259,195 | - |
| FUND BALANCE June 30, 2010 | 1,203,507 | - |
| Restatements | (661) | - |
| June 30, 2010 as restated | <u>1,202,846</u> | <u>-</u> |
| FUND BALANCE June 30, 2011 | <u>\$ 1,462,041</u> | <u>\$ -</u> |

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

EXHIBIT E

| IDEA-B ENTITLEMENT | WIND FARM PROJECTS | BOND BUILDING | NON MAJOR GOVERNMENTAL FUNDS | Total GOVERNMENTAL FUNDS |
|-----------------------|-----------------------|-------------------|------------------------------------|--------------------------------|
| \$ 216,145 | \$ - | \$ - | \$ 1,119,540 | \$ 1,671,431 |
| - | - | - | 812,390 | 1,283,565 |
| - | 5,732 | 900,000 | - | 957,332 |
| - | - | - | - | 7,186,394 |
| - | - | - | 636,206 | 670,147 |
| - | - | - | 50,981 | 53,815 |
| - | - | - | 691 | 1,254 |
| - | - | - | 215 | 5,450 |
| <u>216,145</u> | <u>5,732</u> | <u>900,000</u> | <u>2,620,023</u> | <u>11,829,388</u> |
| 117,238 | - | - | 539,483 | 4,907,378 |
| - | - | - | - | - |
| 98,907 | - | - | 121,373 | 987,365 |
| - | - | - | 34,820 | 394,563 |
| - | - | - | 6,691 | 214,502 |
| - | - | - | 66,796 | 532,985 |
| - | - | - | - | 206,554 |
| - | 5,732 | - | 76,801 | 1,095,744 |
| - | - | - | 4,775 | 507,254 |
| - | - | - | - | 9,957 |
| - | - | - | 352,597 | 387,951 |
| - | - | 1,387,335 | 1,038,362 | 2,425,697 |
| - | - | - | 570,000 | 570,000 |
| - | - | - | 70,583 | 70,583 |
| <u>216,145</u> | <u>5,732</u> | <u>1,387,335</u> | <u>2,882,281</u> | <u>12,310,533</u> |
| - | - | (487,335) | (262,258) | (481,145) |
| - | - | - | 9,253 | - |
| - | - | - | 9,253 | - |
| - | - | (487,335) | (253,005) | (481,145) |
| - | - | 1,530,557 | 291,062 | 3,025,126 |
| - | - | (328,138) | 318,885 | (9,914) |
| - | - | 1,202,419 | 609,947 | 3,015,212 |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ 715,084</u> | <u>\$ 356,942</u> | <u>\$ 2,534,067</u> |

RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCE -
 ALL GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Year Ended June 30, 2011

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

| | |
|--|-------------------|
| Net change in fund balance - total governmental funds | \$ (481,145) |
| <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year</p> | |
| Capital Outlay | 2,233,003 |
| Depreciation | (714,483) |
| <p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds</p> | |
| <p>The issuance of long-term debt (e.g., bonds) provides current financial resources to the 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, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items</p> | |
| | (854,095) |
| <p>Expenses in Statement of Activities which do not require use of current financial resources i.e. Compensated Absences</p> | |
| | (4,222) |
| Amortization of bond issuance costs | (11,115) |
| Bond Principal | <u>570,000</u> |
| Change in Net Assets | <u>\$ 737,943</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT G

COMBINED STATEMENT OF REVENUE, EXPENDITURES--BUDGET
(NON-GAAP) AND ACTUAL--GENERAL FUND

Year Ended June 30, 2011

| | Original Budget | Adjusted Budget | Actual | Variance Favorable (Unfavorable) |
|---|---------------------|---------------------|---------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ 19,596 | \$ 19,596 | \$ 97,710 | \$ 78,114 |
| State Programs | 7,847,693 | 7,676,335 | 7,657,945 | (18,390) |
| Local Programs | 36,767 | 36,767 | 94,611 | 57,844 |
| TOTAL REVENUE | <u>7,904,056</u> | <u>7,732,698</u> | <u>\$ 7,850,266</u> | <u>\$ 117,568</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>1,043,082</u> | <u>1,048,061</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ 8,947,138</u> | <u>\$ 8,780,759</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ 4,925,070 | \$ 4,746,450 | \$ 4,081,722 | \$ 664,728 |
| Support Services | - | - | - | - |
| Support Services Students | 906,116 | 829,423 | 698,360 | 131,063 |
| Support Services Instruction | 267,516 | 413,766 | 359,743 | 54,023 |
| Support Services General Administration | 271,760 | 271,760 | 207,811 | 63,949 |
| Support Services School Administration | 526,948 | 526,948 | 466,189 | 60,759 |
| Central Services | 237,950 | 237,950 | 206,554 | 31,396 |
| Operation and Maintenance of Plant | 1,279,913 | 1,230,913 | 1,013,211 | 217,702 |
| Student Transportation | 474,905 | 466,589 | 502,479 | (35,890) |
| Other Support Services | 21,606 | 21,606 | 9,957 | 11,649 |
| Food Services Operations | 35,354 | 35,354 | 35,354 | - |
| Capital Outlay | - | - | - | - |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ 8,947,138</u> | <u>\$ 8,780,759</u> | <u>\$ 7,581,380</u> | <u>\$ 1,199,379</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT H

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TITLE I

Year Ended June 30, 2011

| | Original Budget | Adjusted Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ 262,410 | \$ 304,708 | \$ 282,473 | \$ (22,235) |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>262,410</u> | <u>304,708</u> | <u>\$ 282,473</u> | <u>\$ (22,235)</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>-</u> | <u>-</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ 262,410</u> | <u>\$ 304,708</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ 193,905 | \$ 234,816 | \$ 168,935 | \$ 65,881 |
| Support Services | - | - | - | - |
| Support Services Students | 68,505 | 69,646 | 68,725 | 921 |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | 246 | - | 246 |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ 262,410</u> | <u>\$ 304,708</u> | <u>\$ 237,660</u> | <u>\$ 67,048</u> |

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

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT I

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--IDEA-B ENTITLEMENT

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ 313,878 | \$ 240,002 | \$ (73,876) |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>-</u> | <u>313,878</u> | <u>\$ 240,002</u> | <u>\$ (73,876)</u> |
| | | | | |
| BUDGETED CASH BALANCE | - | - | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ -</u> | <u>\$ 313,878</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ 207,151 | \$ 117,238 | \$ 89,913 |
| Support Services | - | - | - | - |
| Support Services Students | - | 105,727 | 98,907 | 6,820 |
| Support Services Instruction | - | 1,000 | - | 1,000 |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ -</u> | <u>\$ 313,878</u> | <u>\$ 216,145</u> | <u>\$ 97,733</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT J

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--WIND FARM PROJECTS

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | - | - | - | - |
| Local Programs | 149,500 | 149,500 | 149,500 | - |
| TOTAL REVENUE | <u>149,500</u> | <u>149,500</u> | <u>\$ 149,500</u> | <u>\$ -</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>149,500</u> | <u>149,500</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ 299,000</u> | <u>\$ 299,000</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ - | \$ - | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | 30,000 | 5,732 | 24,268 |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | 299,000 | 269,000 | - | 269,000 |
| TOTAL EXPENDITURES | <u>\$ 299,000</u> | <u>\$ 299,000</u> | <u>\$ 5,732</u> | <u>\$ 293,268</u> |

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

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT K

STATEMENT OF FIDUCIARY ASSETS & LIABILITIES

June 30, 2011

| | Employee Retirement Plan | Agency Funds |
|---|-----------------------------|-----------------------------|
| | <u> </u> | <u> </u> |
| ASSETS | | |
| Cash on Deposit | \$ - | \$ 83,596 |
| Investments, at fair value | | |
| Mutual Funds | 4,607 | - |
| TOTAL ASSETS | <u>\$ 4,607</u> | <u>\$ 83,596</u> |
| LIABILITIES | | |
| Due To Student Groups | <u>\$ -</u> | <u>\$ 83,596</u> |
| TOTAL LIABILITIES | <u>-</u> | <u>\$ 83,596</u> |
| NET ASSETS | | |
| Held in trust for pension benefits and other purposes | <u>4,607</u> | |
| TOTAL NET ASSETS | <u>\$ 4,607</u> | |

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

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

For the Year Ended June 30, 2011

| | <u>Employee Retirement Plan</u> |
|--|-------------------------------------|
| ADDITIONS: | |
| Contributions: | |
| Plan Members | \$ - |
| Total contributions | <u>-</u> |
| Investment earnings: | |
| Net increase (decrease) in fair value of investments | 176 |
| Total investment earnings | <u>176</u> |
| Less investment expense | - |
| Net investment earnings | <u>176</u> |
| TOTAL ADDITIONS | <u>176</u> |
| DEDUCTIONS | |
| Benefits | - |
| Refunds of contributions | 171 |
| Administrative expenses | - |
| TOTAL DEDUCTIONS | <u>171</u> |
| CHANGE IN NET ASSETS | 5 |
| Net Assets -- beginning of the year | 4,602 |
| Net Assets -- end of the year | <u>\$ 4,607</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Implementation of New Accounting Policies

During the fiscal year 2004 the Estancia Municipal Schools has implemented GASB Statements No. 33 (GASB 33), Accounting and Financial Reporting for Non-exchange Transactions, GASB Statement No. 34 (GASB 34), Basic Financial Statements – Management’s Discussion and Analysis – for State and Local Governments, GASB Statement No. 37 (GASB 37), Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus and GASB Statement No. 38 (GASB 38), Certain Financial Statements Disclosure. At July 1, 2003, there was no effect on fund balance as a result of implementing GASB 33, GASB 34, GASB 37 and GASB 38.

Under GASB Statement 33, property taxes are impressed non-exchange revenue. Assets from impressed non-exchange transactions are reported when the School District has an enforceable legal claim to the asset. The enforceable legal claim date for property taxes is the assessment date. Taxes are payable in two equal installments on November 10 and April 10 following the levy and become delinquent after thirty (30) days.

GASB – 34 creates new basic financial statements for reporting on the School District’s financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column.

B. Reporting Entity

Estancia Municipal School District is a special purpose government entity governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education in the Town of Estancia and surrounding area. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The 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 Estancia Municipal School District’s management who is responsible for their integrity and objectivity. The financial statements of the District conform to generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government’s accounting policies are described below.

The District does not have any component units required to be disclosed.

C. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the school district. For the most part, the effect of inter-fund activity has been removed from these statements.

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Government-wide and fund financial statements (continued)

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

D. 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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues, net of estimated refunds and estimated un-collectable amounts, in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all the qualifying expenditure is made and eligibility requirements imposed by the provider have been met.

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

Agency funds are reported using the economic resources measurement focus and the accrual basis of accounting.

Property taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Grant revenues and deferrals are recognized in accordance with GASB33.

The government reports the following major governmental funds:

General Funds - The general fund consists of is the government's primary operating fund. It accounts for all financial resources of the general government except those required to be accounted for in another fund.

Title I -- Special Revenue - The Title I project provides remedial instruction in language arts for educationally deprived students in low-income areas. The project is funded by the Federal Government through the New Mexico State Department of Education under the Elementary and Secondary Education Act of 1965, Title I, Chapter I, part A, 20 U.S.C. 2701 et seq.

IDEA-B Entitlement - P.L. 94-142, Individuals with Disabilities Education Act--to account for a federal grant restricted to the operation and maintenance of meeting the special education need of children with disabilities. Authority for the creation of this fund is Individuals with Disabilities Act, Part B, Sec. 611, as amended; Public Laws 91-230,93-380,94-142,98-199,99-457,100-630 and 101-476; 20 U.S.C. 1401-1419, Public Law 105-17.

Wind Farm Projects -- Special Revenue -- To account for revenue collected from wind farms in the district in lieu of taxes. Authority for the creation of this fund is New Mexico PED.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Bond Building – Capital Projects -- To account for the costs of capital improvements, such as erecting, remodeling, making additions to, providing equipment for, and furnishing school buildings, purchasing and improving school grounds funded by bond proceeds.

Fiduciary Agency Fund – To account for assets held by the District in a trustee capacity or as an agent.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The government has elected not to follow subsequent private-sector guidance. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

E. Assets, liabilities, and net assets or equity

1. Deposits and investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments.

State statutes authorize the investment of the District's funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, and money market accounts. The District is also allowed to invest in United States Government obligations. All funds of the District must follow the above investment policies.

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

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

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

Investments for the District are reported at fair value. 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. As of June 30, 2011 the District had \$327,227 invested with the State Treasurer.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, liabilities, and net assets or equity (continued)

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds." This interfund activity is eliminated in the government-wide financial statements.

The School District's property taxes are levied each year on the assessed valuation of property located in the School District as of the preceding January 1st. The assessed valuation for the 2011 fiscal year was \$100,178,300. Mill levy rates are set by the State of New Mexico each year for the General Fund, SB - 9 Capital Improvements Fund and Debt Service Fund. Taxes are payable in two equal installments on November 10th and April 10th following the levy and become delinquent after 30 days.

3. Inventories

The food inventories are valued at cost using the first-in/first-out (FIFO) method. USDA Commodities are recorded at estimated costs. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

4. Capital assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental-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 two years. The District is capitalizing qualifying software, library books, and assets constructed by district personnel as required. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are to be capitalized as projects are constructed.

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

| <u>Assets</u> | <u>Years</u> |
|--------------------------|--------------|
| Buildings & Improvements | 50 |
| Land Improvements | 50 |
| Equipment | 10 |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, liabilities, and net assets or equity (continued)

5. Compensated absences

It is the policy of Estancia Municipal Schools to permit certain employees to accumulate a limited amount of earned but unused sick pay, which will be paid to employees upon separation from the school districts' service. In governmental funds, the cost of sick pay is recognized when payments are made to employees. The accumulated compensated absences balance at June 30, 2011 was \$98,243. Compensated absences are expended in the fund in which the liability is incurred. The general fund has been used to liquidate compensated absences in prior years. The summary in changes in compensated absences is as follows:

| Balance June 30, 2010 | Additions | Deletions | Balance June 30, 2011 | Amounts due in One Year |
|--------------------------|-----------|-------------|--------------------------|----------------------------|
| \$ 94,021 | \$ 33,280 | \$ (29,058) | \$ 98,243 | \$ 98,243 |

6. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net 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 discounts. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

7. Net Assets

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; 2) imposed by law through constitutional provisions or enabling legislation. Total restricted net assets of \$819,752 are comprised of Capital Projects \$807,153 and Debt Service \$12,599.

8. Comparative data/reclassifications

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

9. Indirect Costs

The School District's General Fund receives indirect cost reimbursements from the various federal programs it administers. These reimbursements are for expenses incurred in performing administrative functions on behalf of the Special Revenue Funds. They are shown as expenditures in the Special Revenue Funds, and as other special federal revenue in the General Fund.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, liabilities, and net assets or equity (continued)

10. Salaries and Wages

The School District pays all salaries and wages due teachers on or before June 30th of each year.

11. 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.

12. 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 District received \$7,186,394 in state equalization guarantee distributions during the year ended June 30, 2011.

Transportation Distribution: School districts in the State of New Mexico received student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$435,514 in transportation distributions during the year ended June 30, 2011.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes reconciliation between fund *balance total governmental funds* and *net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of the \$2,500,000 difference is as follows:

| | |
|--|--------------------|
| Bonds Payable | \$2,500,000 |
| Ed Tech Equipment Notes | <u>-0-</u> |
| Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities | <u>\$2,500,000</u> |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets (continued)

Another element of the reconciliation is the amounts provided for compensated absences. The details of the \$98,243 difference is as follows:

| | |
|--|------------------|
| Compensated Absences | \$ <u>98,243</u> |
| Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities | \$ <u>98,243</u> |

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of the \$1,518,520 difference is as follows:

| | |
|---|---------------------|
| Capital Outlay | \$ 2,233,003 |
| Depreciation expense | |
| Disposal of Capital Assets | (<u>714,483</u>) |
| Net adjustment to increase net changes in fund balances – total government funds to arrive at changes in net assets of governmental activities | \$ <u>1,518,520</u> |

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of the \$570,000 difference is as follows:

| | |
|--|-------------------|
| Principal repayments: | |
| General obligation debt | \$ 200,000 |
| Ed Tech Notes | <u>370,000</u> |
| Net adjustment to decrease net changes in fund balances- total governmental funds to arrive at changes in net assets of governmental activities | \$ <u>570,000</u> |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary information

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

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

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

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

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

- In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
- In May or June, the budget is approved by the Board of Education
- The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called for.
- The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.
- The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.
- 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.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary information

- The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. The appropriated budget for the year ended June 30, 2011 was properly amended by the Board through the year. New Mexico state law prohibits a Governmental Agency to exceed an individual line item. These amendments resulted in the following changes:

| | Original Budget | Final Budget |
|------------------------|----------------------|----------------------|
| General Fund | \$ 8,947,138 | \$ 8,780,759 |
| Special Revenue Funds | 1,714,354 | 2,729,894 |
| Capital Projects Funds | 2,827,811 | 3,727,811 |
| Debt Service Funds | 865,238 | 942,624 |
| | <u>\$ 14,354,541</u> | <u>\$ 16,181,088</u> |

B. Deficit fund equity

At June 30, 2011 deficit fund balances consisted of: Ed Tech Debt Service \$(32,705)

The District is evaluating the need to transfer cash from the operational fund to eliminate the deficit balances.

IV. DETAILED NOTES ON ALL FUNDS

A. Cash and temporary investments

At June 30, 2011, the carrying amount of the District's deposits was \$2,314,232 and the bank balance was \$2,851,771. Of this balance \$2,851,771 was covered by federal depository insurance.

Collateral requirements are as follows:

| | | |
|------------------|--|--------------------|
| Wells Fargo Bank | Total Deposits | \$ 2,851,771 |
| | Less: FDIC coverage | <u>(2,851,771)</u> |
| | Uninsured Public Funds | - |
| | Pledged collateral held by pledging bank's agent in the District's name | <u>-</u> |
| | Uninsured and un-collateralized | <u><u>-</u></u> |

NM State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for at least one half of the amount on deposit with the institution. The collateral pledged is listed on page 97 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.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

IV. DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and temporary investments (continued)

According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the schools. Time deposits, savings deposits and interest bearing Now accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the unlimited coverage for public unit demand deposits at the same institution under the FDIC Temporary Liquidity Guarantee Program.

Investments held by the New Mexico State Treasurer are valued at fair value based on quoted market prices as of the valuation date. The State Treasurer Local Government Investment Pool (LGIP) is not SEC registered. Section 6-10-10 I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the direct obligations of the United States government or by its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government 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. Obligations of the United States Government or obligations explicitly guaranteed by the United States Government are not considered to have credit risk. The pool does not have unit shares. Per Section 6-10-10.1 F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts were invested. Participation in the local government investment pool is voluntary. The credit risk rating for the LGIP is disclosed on Schedule 1 at page 96 of this report. The State Treasurer issues a separate, publicly available audited financial report that includes disclosure of the collateral pledged to secure State Treasurer cash and investments.

B. Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 20, 2011, none of the government's bank balance and temporary investments of \$2,851,771 was exposed to custodial credit risk as follows:

Uninsured and un-collateralized \$ -0-

C. Receivables

Receivables as of yearend for the government's individual major funds and non-major funds in the aggregate, include the following:

| | General | Title I | IDEA-B Entitlement | Other Governmental | TOTAL |
|----------------------------|-----------------|------------------|-----------------------|-----------------------|-------------------|
| Taxes: | | | | | |
| Property | \$ 743 | \$ - | \$ - | \$ 12,517 | \$ 13,260 |
| Intergovernmental | | | | | - |
| Grants: | | | | | - |
| Federal | - | 85,228 | 78,318 | 107,591 | 271,137 |
| State | - | - | - | 14,593 | 14,593 |
| Other Governments | 1,101 | - | - | - | 1,101 |
| Other: Interest Receivable | 47 | - | - | 54 | 101 |
| | <u>\$ 1,891</u> | <u>\$ 85,228</u> | <u>\$ 78,318</u> | <u>\$ 134,755</u> | <u>\$ 300,192</u> |

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

IV. DETAILED NOTES ON ALL FUNDS (continued)

C. Receivables (continued)

Governmental funds reported *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Amount due to the District from delinquent property tax due to the County Treasurers were not available. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

| | |
|--|--------------------|
| | <u>Unavailable</u> |
| Grant draw downs prior to meeting all eligibility requirements | \$ 314,964 |
| Total deferred/unearned revenue for government funds | <u>\$ 314,964</u> |

D. Capital Assets

Capital asset activity for the year ended June 30, 2011, was as follows:

| | <u>Beginning Balance 7/1/2010</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance 6/30/2011</u> |
|--|---|---------------------|-------------------|---|
| Governmental Activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 1,602,468 | \$ - | \$ - | \$ 1,602,468 |
| Construction in Progress | 343,138 | - | 343,138 | - |
| Total Capital assets, not being depreciated | <u>1,945,606</u> | <u>-</u> | <u>343,138</u> | <u>1,602,468</u> |
| Capital assets, being depreciated: | | | | |
| Equipment | 1,817,929 | 175,895 | - | 1,993,824 |
| Building & Improvements | 22,229,591 | 2,400,246 | - | 24,629,837 |
| Total Capital assets being depreciated | <u>24,047,520</u> | <u>2,576,141</u> | <u>-</u> | <u>26,623,661</u> |
| Less accumulated depreciation for: | | | | |
| Equipment | 1,082,122 | 140,569 | - | 1,222,691 |
| Building & Improvements | 13,699,687 | 573,914 | - | 14,273,601 |
| Total accumulated depreciation | <u>14,781,809</u> | <u>714,483</u> | <u>-</u> | <u>15,496,292</u> |
| Total Capital assets, being depreciated, net | <u>9,265,711</u> | <u>1,861,658</u> | <u>-</u> | <u>11,127,369</u> |
| Governmental activities capital assets, net | <u>\$ 11,211,317</u> | <u>\$ 1,861,658</u> | <u>\$ 343,138</u> | <u>\$ 12,729,837</u> |

STATE OF NEW MEXICO
 ESTANCIA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

IV. DETAILED NOTES ON ALL FUNDS (continued)

D. Capital Assets (continued)

Depreciation expense was charged to function/programs of the School District as follows:

| | |
|---|-------------------|
| Instruction | \$ 21,596 |
| Support Services | - |
| Support Services Students | - |
| Support Services Instruction | 30 |
| Support Services General Administration | 429 |
| Support Services School Administration | 305 |
| Central Services | 4,125 |
| Operation and Maintenance of Plant | 584,724 |
| Student Transportation | 98,690 |
| Other Support Services | - |
| Food Services Operations | 4,584 |
| Total | <u>\$ 714,483</u> |

Bond issuance costs are capitalized and amortized on straight line. Amortization activity for the year ended June 30, 2011 was as follows:

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|-------------------------------|------------------------------|------------------|------------------|---------------------------|
| Bond issuance costs | \$ 95,847 | \$ 45,905 | \$ - | \$ 141,752 |
| Less accumulated amortization | <u>20,928</u> | <u>11,115</u> | <u>-</u> | <u>32,043</u> |
| Bond issuance costs, net | <u>\$ 74,919</u> | <u>\$ 34,790</u> | <u>\$ -</u> | <u>\$ 109,709</u> |

STATE OF NEW MEXICO
ESTANCIA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

IV. DETAILED NOTES ON ALL FUNDS (continued)

E. Long-Term Debt

Governmental Activities

Bonds Payable

A summary in changes in long-term obligations follows:

| | Balance 7-1-2010 | Bonds Issued | Bonds Redeemed | Balance 6-30-2011 | Amounts due within one year |
|--|---------------------|-------------------|-------------------|----------------------|-----------------------------------|
| \$1,500,000 1999 GO Building Bonds due in annual installments of \$150,000 to \$200,000 through October 2010, interest at 3.85% to 5.75% | \$ 200,000 | \$ - | \$ 200,000 | \$ - | \$ - |
| \$1,200,000 2006 Educational Technology Notes due in \$125,000 to \$370,000 through January 2011, interest at 3.1% to 3.8% | 370,000 | - | 370,000 | - | - |
| \$1,600,000 2010 GO Building Bonds due in annual installments of \$125,000 to \$165,000 from June 2013 through June 2023, interest at 2.00% to 4.00% | 1,600,000 | - | - | 1,600,000 | - |
| \$900,000 2011 GO Building Bonds due in annual Installments of \$50,000 to \$75,000 from February 2012 through February 2026, interest at 3.50% to 4.75% | - | 900,000 | - | 900,000 | 50,000 |
| Total | <u>\$ 2,170,000</u> | <u>\$ 900,000</u> | <u>\$ 570,000</u> | <u>\$ 2,500,000</u> | <u>\$ 50,000</u> |

The annual requirements to amortize all bonded debt outstanding as of June 30, 2011, including interest of \$745,231 are shown below:

| | Governmental Activities | |
|------------|-------------------------|-------------------|
| | G.O. Bonds | |
| | Principal | Interest |
| 6/30/2012 | \$ 50,000 | \$ 87,950 |
| 6/30/2013 | 175,000 | 86,200 |
| 6/30/2014 | 175,000 | 81,950 |
| 6/30/2015 | 185,000 | 77,700 |
| 6/30/2016 | 185,000 | 72,575 |
| Thereafter | 1,730,000 | 338,856 |
| TOTAL | <u>\$ 2,500,000</u> | <u>\$ 745,231</u> |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

V. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injury to employees; and natural disasters. The New Mexico Public Schools Insurance Authority (NMSIA) was formed on April 5, 1985 under the New Mexico Public Schools Insurance Authority Act, Chapter 22, Section 2 of the New Mexico Statutes Annotated (NMSA 1978), as amended, as an insurance fund to provide health, disability and life insurance coverage (benefits coverage), and property, casualty and workers' compensation insurance coverage (risk coverage) to participating public schools, school board members, public school employees, and retirees within the State of New Mexico. The District is one of 91 members that participate in NMPSIA. Participation in NMPSIA is mandatory for all K-12 public schools except those with enrollment exceeding 60,000 students. Participation is voluntary for other public education institutions. The District pays an annual premium to the pool for its general insurance coverage. The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member premiums. NMPSIA establishes self-insured retentions by line of coverage and procures insurance or reinsurance, where indicated, in excess of the self-insured retention on a per occurrence basis. NMPSIA will publish its own financial report for the year ended June 30, 2011.

B. Contingent liabilities

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

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the government's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the government.

C. Pension Plan – Educational Retirement Board

Plan Description – Substantially all of Estancia Municipal School District's full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple employer defined benefit retirement plan. The plan provides for retirement, disability benefits and cost-of-living adjustments to plan members (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. ERB issues a separate, publicly available financial report that includes the financial statements and required supplementary information. That report may be obtained by writing to ERB, P.O. Box 26129, Santa Fe, New Mexico 87502-6129. The report is also available on ERB's website at www.nmerb.org.

Funding Policy – Effective July 1, 2009 through June 30, 2011, plan members were required by statute to contribute 7.90% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually were required to contribute 9.40% of their gross salary. Estancia Municipal School District was required to contribute 12.40% of the gross covered salary for employees earning \$20,000 or less, and 10.90% of the gross covered salary of employees earning more than \$20,000 annually. Effective July 1, 2011 plan members are required by statute to contribute 7.9% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually are required to contribute 11.15% of their gross salary. Estancia Municipal School District is required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, and 9.15% of the gross covered salary of employees earning more than \$20,000 annually. The contribution requirements of plan members and the Estancia Municipal School District are established in State statute under Chapter 22, Article 11,

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

V. OTHER INFORMATION (continued)

C. Pension Plan – Educational Retirement Board (continued)

NMSA 1978. The Requirements may be amended by acts of legislature. The Estancia Municipal School District's contributions to the ERB for the fiscal years ended June 30, 2011, 2010 and 2009 were: \$576,880, \$604,939, and \$650,468, respectively, which equal the amount of the required contributions for the year.

D. Post-Employment Benefits – State Retiree Health Care Plan

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

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

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

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

The 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 to contribute 1.666% of each participating employee's annual salary; each participating employee is required to contribute .8333% of their salary. In the fiscal years ending June 30, 2012 through June 30, 2013 the contribution rates for employees and employers will rise as follows:

For employees who are not members of an enhanced retirement plan the contributions will be:

| <u>Fiscal Year</u> | <u>Employer Contribution Rate</u> | <u>Employee Contribution Rate</u> |
|--------------------|-----------------------------------|-----------------------------------|
| FY12 | 1.834% | .917% |
| FY13 | 2.000% | 1.000% |

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.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

V. OTHER INFORMATION (continued)

D. Post-Employment Benefits – State Retiree Health Care Plan (continued)

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 Estancia Municipal School District's contributions to the RHCA for the years ended June 30, 2011, 2010 and 2009 were \$76,811, \$68,437 and \$72,536 respectively, which equal the required contributions for each year.

E. Restatement of Beginning Net Assets for Governmental Funds

| | Governmental Activities |
|--|----------------------------|
| Net Assets at June 30, 2010 | \$ 12,047,341 |
| Prior Period Adjustments | |
| Correction to Operational Fund Balance | (661) |
| Correction to Fresh Fruit & Vegetables Fund Balance | (4,884) |
| Correction to Enhancing Ed Thru Tech (E2T2-F) Fund Balance | (4,369) |
| Correction to SB-9 Fund Balance | 328,138 |
| Correction to Bond Building Fund Balance | (328,138) |
| Net Assets at June 30, 2010 as Restated | <u>\$ 12,037,427</u> |

F. Transfers

Transfers are used to move revenue from the fund that statute or budget requires them to be collected in, to the fund that statute or budget requires them to be expend in. These transfers are not routine in nature and are not consistent with the activities of the fund making transfer. At June 30, 2011 the permanent transfers consisted of the following:

Transferred From:

| | |
|-----------------|-----------------|
| Operational | \$ 9,253 |
| Total Transfers | <u>\$ 9,253</u> |

Transferred To:

| | |
|---------------------------------|-----------------|
| Fresh Fruits and Vegetables | \$ 4,884 |
| Enhancing Ed Thru Tech (E2T2-F) | 4,369 |
| Total Transfers | <u>\$ 9,253</u> |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

V. OTHER INFORMATION (continued)

G – Restatements of Beginning Fund Balances

Adjustments made to the District's prior year fund balances consisted of the following:

| | |
|---|--------------|
| Operational - to correct prior year interest revenue reported in the wrong fund | \$ (661) |
| Fresh Fruit & Vegetables - to write off uncollectable receivable | \$ (4,884) |
| Enhancing Ed Thru Tech (E2T2-F) - to write off uncollectable receivable | \$ (4,369) |
| SB-9 - to correct prior year accounts payable balance | \$ 328,138 |
| Bond Building - to correct prior year accounts payable balance | \$ (328,138) |

H – Inter-fund Receivables

Cash overdrafts are inter-fund receivables and considered to be short-term borrowings from general funds to cover current year operating expenditures and will be paid back within the next year. At June 30, 2011, they consisted of the following:

| | |
|------------------------------------|-------------------|
| Due to Operational | <u>\$ 325,327</u> |
| Due From | |
| Title I | \$ 85,228 |
| IDEA-B Entitlement | 78,318 |
| IDEA-B Preschool | 4,457 |
| Teacher/Principal Training | 16,808 |
| Title I Stimulus | 27,489 |
| IDEA-B Entitlement Stimulus | 54,832 |
| IDEA-B Preschool Stimulus | 2,873 |
| IDEA Private School Share Stimulus | 1,132 |
| GO Bond Student Library Fund | 14,593 |
| Ed Tech Debt Service | 39,597 |
| | <u>\$ 325,327</u> |
| Due to Ed Tech Equipment Act | <u>\$ 1,343</u> |
| Due From Operational | <u>\$ 1,343</u> |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

V. OTHER INFORMATION (continued)

I – Central Regional Educational Cooperative #5

Certain special revenue (federal) funds of the district were administered by the Central Region Educational Cooperative, in Albuquerque, New Mexico. These funds are audited separately by another IPA. That report may be obtained by writing to: Central Regional Educational Cooperative, 5321-A Menaul Blvd. NE, Albuquerque, New Mexico 87110.

J -- Deferred Compensation Plan

Estancia Municipal School District has adopted deferred compensation plans under code sections 403b and 457. Employees can contribute up to 100% of their salary not to exceed \$16,500 per plan. The plan is managed by Legacy Financial Group as agent for National Plan Administrators. There were no employee contributions to this plan for the fiscal year June 30, 2011.

K. – Fund Balances Classified

Fund Balance is classified as nonspendable, restricted, committed, assigned and unassigned upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are as follows:

| Fund Balances | General Fund | Bond Building | Non-Major Governmental Funds | Total |
|-------------------------|-----------------|------------------|------------------------------------|--------------|
| Nonspendable: | | | | |
| Inventory | \$ - | \$ - | \$ 3,113 | \$ 3,113 |
| Total Nonspendable | - | - | 3,113 | 3,113 |
| Restricted for: | | | | |
| Transportation | 13,323 | - | - | 13,323 |
| Instructional Materials | 2,572 | - | - | 2,572 |
| Athletics | - | - | 4,126 | 4,126 |
| Special Revenue Funds | - | - | 245,035 | 245,035 |
| Debt Service | - | - | 12,599 | 12,599 |
| Capital Projects | - | 715,084 | 92,069 | 807,153 |
| Total Restricted | 15,895 | 715,084 | 353,829 | 1,084,808 |
| Unassigned | 1,446,146 | - | - | 1,446,146 |
| Total Fund Balances | \$ 1,462,041 | \$ 715,084 | \$ 356,942 | \$ 2,534,067 |

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

V. OTHER INFORMATION (continued)

L - Reconciliation of Budgetary and GAAP Basis Amounts

| | <u>Operational</u> | <u>Transportation</u> | <u>Instructional Materials</u> |
|--|---------------------|-----------------------|------------------------------------|
| REVENUES | | | |
| Budgetary Basis | \$ 7,378,882 | \$ 435,514 | \$ 35,870 |
| Add: | | | |
| Current Year Receivables & Other Credits | 790 | - | - |
| Deduct: | | | |
| Prior Year Receivables & Other Debits | <u>1,228</u> | <u>-</u> | <u>-</u> |
| REVENUE --GAAP BASIS | <u>\$ 7,378,444</u> | <u>\$ 435,514</u> | <u>\$ 35,870</u> |
| EXPENDITURES | | | |
| Budgetary Basis | \$ 7,114,083 | \$ 429,265 | \$ 38,032 |
| Add: | | | |
| Current Year Payables & Other Debits | - | - | - |
| Deduct: | | | |
| Prior Year Payables & Other Credits | <u>-</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES --GAAP BASIS | <u>\$ 7,114,083</u> | <u>\$ 429,265</u> | <u>\$ 38,032</u> |

| <u>Cafeteria</u> | <u>Athletics</u> | <u>Title I</u> | <u>Entitlement</u> | <u>Preschool</u> | <u>Private School Share</u> |
|-------------------|------------------|-------------------|--------------------|------------------|---------------------------------|
| \$ 361,477 | \$ 31,452 | \$ 282,473 | \$ 240,002 | \$ 12,707 | \$ - |
| - | - | 85,228 | 78,318 | 4,457 | - |
| - | - | 130,041 | 102,175 | 5,318 | - |
| <u>\$ 361,477</u> | <u>\$ 31,452</u> | <u>\$ 237,660</u> | <u>\$ 216,145</u> | <u>\$ 11,846</u> | <u>\$ -</u> |
| \$ 354,899 | \$ 35,751 | \$ 237,660 | \$ 216,145 | \$ 11,846 | \$ - |
| - | - | - | - | - | - |
| 2,302 | - | - | - | - | - |
| <u>\$ 352,597</u> | <u>\$ 35,751</u> | <u>\$ 237,660</u> | <u>\$ 216,145</u> | <u>\$ 11,846</u> | <u>\$ -</u> |

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

V. OTHER INFORMATION (continued)

L - Reconciliation of Budgetary and GAAP Basis Amounts (Continued)

| | USDA Fresh Fruit & Vegetables | Enhancing Ed thru Tech E2T2 - F | Teacher/ Principal Training |
|--|-------------------------------------|---------------------------------------|-----------------------------------|
| | <u> </u> | <u> </u> | <u> </u> |
| REVENUES | | | |
| Budgetary Basis | \$ - | \$ - | \$ 89,505 |
| Add: | | | |
| Current Year Receivables & Other Credits | 4,884 | - | 16,808 |
| Deduct: | | | |
| Prior Year Receivables & Other Debits | <u>4,884</u> | <u>-</u> | <u>26,368</u> |
| REVENUE --GAAP BASIS | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 79,945</u> |
| EXPENDITURES | | | |
| Budgetary Basis | \$ - | \$ - | \$ 79,945 |
| Add: | | | |
| Current Year Payables & Other Debits | - | - | - |
| Deduct: | | | |
| Prior Year Payables & Other Credits | <u>-</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES --GAAP BASIS | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 79,945</u> |

| Safe & Drug Free Communities | Title I Stimulus | Entitlement Stimulus | Preschool Stimulus | Private School Share Stimulus | Medicaid Title XIX |
|------------------------------------|---------------------|-------------------------|-----------------------|-------------------------------------|-----------------------|
| \$ 10,056 | \$ 96,357 | \$ 155,221 | \$ 2,350 | \$ - | \$ 68,534 |
| - | 27,489 | 54,832 | 2,873 | 1,132 | 23,400 |
| 5,166 | 4,113 | 29,168 | 843 | - | - |
| <u>\$ 4,890</u> | <u>\$ 119,733</u> | <u>\$ 180,885</u> | <u>\$ 4,380</u> | <u>\$ 1,132</u> | <u>\$ 91,934</u> |
| \$ 4,890 | \$ 119,733 | \$ 180,885 | \$ 4,380 | \$ 1,132 | \$ 91,934 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>\$ 4,890</u> | <u>\$ 119,733</u> | <u>\$ 180,885</u> | <u>\$ 4,380</u> | <u>\$ 1,132</u> | <u>\$ 91,934</u> |

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

V. OTHER INFORMATION (continued)

L - Reconciliation of Budgetary and GAAP Basis Amounts (Continued)

| | SEG Stimulus | Education Job Fund | Student Library Fund |
|--|------------------|-----------------------|-------------------------|
| REVENUES | | | |
| Budgetary Basis | \$ 158,173 | \$ 206,320 | \$ 866 |
| Add: | | | |
| Current Year Receivables & Other Credits | - | - | 14,593 |
| Deduct: | | | |
| Prior Year Receivables & Other Debits | <u>81,597</u> | <u>-</u> | <u>866</u> |
| REVENUE --GAAP BASIS | <u>\$ 76,576</u> | <u>\$ 206,320</u> | <u>\$ 14,593</u> |
| EXPENDITURES | | | |
| Budgetary Basis | \$ 76,576 | \$ 206,320 | \$ 14,593 |
| Add: | | | |
| Current Year Payables & Other Debits | - | - | - |
| Deduct: | | | |
| Prior Year Payables & Other Credits | <u>-</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES --GAAP BASIS | <u>\$ 76,576</u> | <u>\$ 206,320</u> | <u>\$ 14,593</u> |

| <u>Tech for Ed</u> | <u>Incentives for School Improvement</u> | <u>Beginning Teacher Mentoring</u> | <u>Wind Farm Projects</u> | <u>SB-9</u> |
|--------------------|--|--|-------------------------------|-------------------|
| \$ - | \$ 166 | \$ - | \$ 149,500 | \$ 311,336 |
| 8,892 | 7,381 | - | - | 3,453 |
| - | - | - | 143,768 | 2,042 |
| <u>\$ 8,892</u> | <u>\$ 7,547</u> | <u>\$ -</u> | <u>\$ 5,732</u> | <u>\$ 312,747</u> |
| \$ 8,892 | \$ 7,547 | \$ - | \$ 5,732 | \$ 305,057 |
| - | - | - | - | - |
| - | - | - | - | 15,000 |
| <u>\$ 8,892</u> | <u>\$ 7,547</u> | <u>\$ -</u> | <u>\$ 5,732</u> | <u>\$ 290,057</u> |

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2011

V. OTHER INFORMATION (continued)

L - Reconciliation of Budgetary and GAAP Basis Amounts (Continued)

| | Bond Building | PSCO |
|--|-----------------------------|-----------------------------|
| | <u> </u> | <u> </u> |
| REVENUES | | |
| Budgetary Basis | \$ 900,000 | \$ 646,257 |
| Add: | | |
| Current Year Receivables & Other Credits | - | - |
| Deduct: | | |
| Prior Year Receivables & Other Debits | <u>-</u> | <u>-</u> |
| REVENUE --GAAP BASIS | <u>\$ 900,000</u> | <u>\$ 646,257</u> |
| EXPENDITURES | | |
| Budgetary Basis | \$ 1,730,473 | \$ 646,257 |
| Add: | | |
| Current Year Payables & Other Debits | - | - |
| Deduct: | | |
| Prior Year Payables & Other Credits | <u>343,138</u> | <u>-</u> |
| EXPENDITURES --GAAP BASIS | <u>\$ 1,387,335</u> | <u>\$ 646,257</u> |

| <u>SCO State</u> | <u>Ed Tech Equipment Act</u> | <u>Debt Service</u> | <u>Ed Tech Debt Service</u> |
|--------------------|----------------------------------|--------------------------|---------------------------------|
| \$ - | \$ - | \$ 93,918 | \$ 361,553 |
| - | 736 | 2,172 | 6,892 |
| <u>-</u> | <u>45</u> | <u>2,415</u> | <u>3,394</u> |
| <u><u>\$ -</u></u> | <u><u>\$ 691</u></u> | <u><u>\$ 93,675</u></u> | <u><u>\$ 365,051</u></u> |
| \$ - | \$ 103,809 | \$ 256,527 | \$ 387,675 |
| - | - | 12,137 | - |
| <u>-</u> | <u>-</u> | <u>4,172</u> | <u>7,030</u> |
| <u><u>\$ -</u></u> | <u><u>\$ 103,809</u></u> | <u><u>\$ 264,492</u></u> | <u><u>\$ 380,645</u></u> |

GENERAL FUND

To account for resources traditionally associated with governments, which are not required to be accounted for in any other fund.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT A-1

COMBINING BALANCE SHEET -- GENERAL FUND

June 30, 2011

| | Operational | Transportation | Instructional Materials | TOTALS |
|---|---------------------|------------------|----------------------------|---------------------|
| ASSETS | | | | |
| Cash on Deposit | \$ 876,839 | \$ 13,323 | \$ 2,572 | \$ 892,734 |
| Investments | 243,432 | - | - | 243,432 |
| Accounts Receivable | | | | |
| Property Taxes | 743 | - | - | 743 |
| Interest | 47 | - | - | 47 |
| Federal | - | - | - | - |
| State | - | - | - | - |
| Due from Other Governments | 1,101 | - | - | 1,101 |
| Inventories | - | - | - | - |
| Due from Other Funds | 325,327 | - | - | 325,327 |
| TOTAL ASSETS | \$ 1,447,489 | \$ 13,323 | \$ 2,572 | \$ 1,463,384 |
| LIABILITIES AND OTHER CREDITS | | | | |
| Accounts Payable | \$ - | \$ - | \$ - | \$ - |
| Deferred Revenue | - | - | - | - |
| Accrued Interest Payable | - | - | - | - |
| Due to Other Funds | 1,343 | - | - | 1,343 |
| TOTAL LIABILITIES | 1,343 | - | - | 1,343 |
| FUND BALANCE | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | 13,323 | 2,572 | 15,895 |
| Committed | - | - | - | - |
| Assigned | - | - | - | - |
| Unassigned | 1,446,146 | - | - | 1,446,146 |
| TOTAL FUND BALANCE | 1,446,146 | 13,323 | 2,572 | 1,462,041 |
| TOTAL LIABILITIES AND FUND BALANCE | \$ 1,447,489 | \$ 13,323 | \$ 2,572 | \$ 1,463,384 |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT A-2

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE -- GENERAL FUND

Year Ended June 30, 2011

| | Operational | Transportation | Instructional Materials | TOTALS |
|---|---------------------|------------------|----------------------------|---------------------|
| REVENUE | | | | |
| Federal Programs | \$ 98,086 | \$ - | \$ - | \$ 98,086 |
| State Programs | - | 435,514 | 35,661 | 471,175 |
| Local Programs | 51,600 | - | - | 51,600 |
| State Equalization | 7,186,394 | - | - | 7,186,394 |
| Property Taxes | 33,941 | - | - | 33,941 |
| Service Revenues | 2,834 | - | - | 2,834 |
| Interest | 563 | - | - | 563 |
| Other revenue sources | 5,026 | - | 209 | 5,235 |
| TOTAL REVENUES | 7,378,444 | 435,514 | 35,870 | 7,849,828 |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | 4,043,690 | - | 38,032 | 4,081,722 |
| Support Services | - | - | - | - |
| Support Services Students | 698,360 | - | - | 698,360 |
| Support Services Instruction | 359,743 | - | - | 359,743 |
| Support Services General Administration | 207,811 | - | - | 207,811 |
| Support Services School Administration | 466,189 | - | - | 466,189 |
| Central Services | 206,554 | - | - | 206,554 |
| Operation and Maintenance of Plant | 1,013,211 | - | - | 1,013,211 |
| Student Transportation | 73,214 | 429,265 | - | 502,479 |
| Other Support Services | 9,957 | - | - | 9,957 |
| Food Services Operations | 35,354 | - | - | 35,354 |
| Capital Outlay | - | - | - | - |
| TOTAL EXPENDITURES | 7,114,083 | 429,265 | 38,032 | 7,581,380 |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES | 264,361 | 6,249 | (2,162) | 268,448 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer In/Transfers (Out) | (9,253) | - | - | (9,253) |
| TOTAL OTHER FINANCING SOURCES (USES) | (9,253) | - | - | (9,253) |
| NET CHANGE IN FUND BALANCE | 255,108 | 6,249 | (2,162) | 259,195 |
| FUND BALANCE June 30, 2010 | 1,191,699 | 7,074 | 4,734 | 1,203,507 |
| Restatements | (661) | - | - | (661) |
| June 30, 2010 as restated | 1,191,038 | 7,074 | 4,734 | 1,202,846 |
| FUND BALANCE June 30, 2011 | \$ 1,446,146 | \$ 13,323 | \$ 2,572 | \$ 1,462,041 |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT A-3

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--GENERAL FUND--OPERATIONAL

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|---------------------|---------------------|---------------------|--|
| REVENUE | | | | |
| Residential/Non-Residential Taxes | \$ 35,767 | \$ 35,767 | \$ 33,709 | \$ (2,058) |
| Fees - Summer School | - | - | 775 | 775 |
| Fees - Activities | - | - | 76 | 76 |
| Fees - Educational | - | - | 865 | 865 |
| Rent and Leases | - | - | - | - |
| Fees-Users | - | - | 1,118 | 1,118 |
| Interest Income | 1,000 | 1,000 | 1,233 | 233 |
| Refunds | - | - | 4,606 | 4,606 |
| State Equalization | 7,334,631 | 7,185,834 | 7,186,394 | 560 |
| Emergency utility costs | - | - | - | - |
| Sale of Personal Property | - | - | - | - |
| Insurance Recoveries | - | - | 420 | 420 |
| Donations | - | - | 51,600 | 51,600 |
| Fees-Govt Agencies | - | - | - | - |
| Forrest Reserve | 19,596 | 19,596 | 19,026 | (570) |
| Access Board (E-Rate) | - | - | 78,684 | 78,684 |
| Indirect Cost | 15,000 | 15,000 | 376 | (14,624) |
| TOTAL REVENUE | <u>7,405,994</u> | <u>7,257,197</u> | <u>\$ 7,378,882</u> | <u>\$ 121,685</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>1,040,412</u> | <u>1,040,412</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ 8,446,406</u> | <u>\$ 8,297,609</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ 4,889,243 | \$ 4,705,889 | \$ 4,043,690 | \$ 662,199 |
| Support Services | - | - | - | - |
| Support Services Students | 906,116 | 829,423 | 698,360 | 131,063 |
| Support Services Instruction | 267,516 | 413,766 | 359,743 | 54,023 |
| Support Services General Administration | 271,760 | 271,760 | 207,811 | 63,949 |
| Support Services School Administration | 526,948 | 526,948 | 466,189 | 60,759 |
| Central Services | 237,950 | 237,950 | 206,554 | 31,396 |
| Operation and Maintenance of Plant | 1,279,913 | 1,230,913 | 1,013,211 | 217,702 |
| Student Transportation | 10,000 | 24,000 | 73,214 | (49,214) |
| Other Support Services | 21,606 | 21,606 | 9,957 | 11,649 |
| Food Services Operations | 35,354 | 35,354 | 35,354 | - |
| Capital Outlay | - | - | - | - |
| TOTAL EXPENDITURES | <u>\$ 8,446,406</u> | <u>\$ 8,297,609</u> | <u>\$ 7,114,083</u> | <u>\$ 1,183,526</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT A-4

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--GENERAL FUND--TRANSPORTATION

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | 464,905 | 442,344 | 435,514 | (6,830) |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>464,905</u> | <u>442,344</u> | <u>\$ 435,514</u> | <u>\$ (6,830)</u> |
| | | | | |
| BUDGETED CASH BALANCE | - | 245 | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ 464,905</u> | <u>\$ 442,589</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ - | \$ - | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | 464,905 | 442,589 | 429,265 | 13,324 |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| TOTAL EXPENDITURES | <u>\$ 464,905</u> | <u>\$ 442,589</u> | <u>\$ 429,265</u> | <u>\$ 13,324</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT A-5

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--GENERAL FUND--INSTRUCTIONAL MATERIALS

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | 33,157 | 33,157 | 35,661 | 2,504 |
| Local Programs | - | - | 209 | 209 |
| TOTAL REVENUE | <u>33,157</u> | <u>33,157</u> | <u>\$ 35,870</u> | <u>\$ 2,713</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>2,670</u> | <u>7,404</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ 35,827</u> | <u>\$ 40,561</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ 35,827 | \$ 40,561 | \$ 38,032 | \$ 2,529 |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| TOTAL EXPENDITURES | <u>\$ 35,827</u> | <u>\$ 40,561</u> | <u>\$ 38,032</u> | <u>\$ 2,529</u> |

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

SPECIAL REVENUE FUNDS

CAFETERIA - to account for financing for school hot lunch program. Funding is provided from fees from patrons and USDA food reimbursements, under the National School Lunch Act of 1946, as amended, New Mexico Statutes Annotated, State Law 22-13-13.

ATHLETICS - to account for revenues received from non-instructional activities for use in the district's athletic and other non-instructional programs. Required by the New Mexico State Department of Education Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund. Authority for this fund is the New Mexico Administrative Code 6.20.2.

IDEA-B PRESCHOOL- P.L. 94-142, Individuals with Disabilities Education Act--to account for a federal grant restricted to the operation and maintenance of meeting the special education need of children with disabilities. Authority for the creation of this fund is Individuals with Disabilities Act, Part B, Sec. 611, as amended; Public Law 105-17.

IDEA-B PRIVATE SCHOOL SHARE – Under 34 CFR Sec. 300.132-300.133, a local educational agency (LEA) must spend a proportionate amount of their IDEA-B Basic Entitlement and, if applicable, Preschool sub-grant funds for special education and related services to students with disabilities who are placed in private elementary and secondary schools located in the school district served by the LEA.

USDA FRUIT & VEGETABLE – to account for the expenditures and revenue for a Fresh Fruit and Vegetable Program as authorized by Public Law 109-97 and Section 120 of the Child Nutrition and WIC Reauthorization Act 2004. The FFVP provides all children in participating schools with a variety of free fresh fruits and vegetables throughout the school day as a means of introducing fresh fruits and vegetables as healthy snack alternatives. CFDA #10.582.

ENHANCING EDUCATION THRU EDUCATION-E2T2-F—to provide grants to State Education Agencies on a formula basis to improve student academic achievement through the use of technology in schools, assist all students in becoming technologically literate by the end of the eighth grade and encourage the effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods. The authority for the creation of this fund is the Elementary and Secondary Education Act of 1965, Title II, Part D, Subparts 1 and 2, as amended.

TEACHER PRINCIPAL TRAINING — to provide grants to State Education Agencies on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in student academic achievement. The authority for the creation of this fund is the Elementary and Secondary Education Act of 1965 as amended, Title II, Part A, Public Law 107-110.

SAFE AND DRUG FREE SCHOOLS AND COMMUNITIES -- to offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the illegal use of alcohol, tobacco and drugs, involve parents, and coordinated with related Federal, State and community efforts and resources. The authority for the creation of this fund is the Elementary and Secondary Education Act, Title IV, Part A, Subpart 1, as amended. 20 U.S.C. 7111-7118.

TITLE I FEDERAL STIMULUS – Fund to supplement State and local funding for low-achieving children, especially in high-poverty schools. The program finances the additional academic support and learning opportunities that are often required to help disadvantaged students progress along with their classmates. Fund and authority provided under the American Recovery and Reinvestment Act.

IDEA-B ENTITLEMENT FEDERAL STIMULUS – fund to supplement state and local funding for students with disabilities. Fund and authority provided under the American Recovery and Reinvestment Act.

IDEA-B PRESCHOOL STIMULUS – To provide grants to States to assist them in providing special education and related services to children with disabilities ages 3 through 5 years, and at a State's discretion, to 2-year-old children with disabilities who will reach age three during the school year. Fund and authority provided under the Individuals with Disabilities Education Act (IDEA), as amended, , Part B, Section 619, 20 U.S.C 1419; American Recovery and Reinvestment Act of 2009 (ARRA), Public Law 111-5.

IDEA-B PRIVATE SCHOOL SHARE STIMULUS – Under the American Recovery and Reinvestment Act of 2009 (ARRA), this grant is subject to the provisions of the IDEA-B Private School Share grant.

Title XIX- Medicaid – The fund is used for reimbursement of health-related services of Medicaid eligible students receiving related services, for administrative time study, and for a statement of service costs study. Authorized by the Social Security Act.

STATE EQUALIZATION GUARANTEE STIMULUS – Authorized by the ARRA of 2009, Division A, Title XIV, Public Law 111-5 the primary objective of this fund is to support and restore funding for elementary, secondary and postsecondary education and, as applicable, early child hood education programs and services in States and local educational agencies.

EDUCATION JOB FUND – To provide funds to States to assist local educational agencies (LEAs) in saving or creating education jobs during the 2010-2011 school year. Authority for the creation of this fund is Title I, Public Law 111-126.

2008 GO BOND STUDENT LIBRARY FUND – to fund all public, charter, and juvenile justice school for public school library improvement or acquisition and to acquire library books, equipment, and library resources for public school and state-supported school libraries statewide. Fund and authority provided by Senate Bill 333, 2008, page 37 lines 15-25 and page 38 lines 1-5.

TECHNOLOGY FOR EDUCATION – to account for distributions received from the Educational Technology fund for the expansion and improvement of technology in education. These funds are restricted to expenditure by New Mexico Statutes and the schools approved long-term technology plan. Authority for the creation of this fund is NMSA 22-15A-1 to 22-15A-10.

INCENTIVES FOR SCHOOL IMPROVEMENT – to account for monies received to be used as determined by the school principal and teachers in cooperation with other school employees and the community. It shall not be used for salaries, salary increases or bonuses. Financing and authority is provided by NMSA 22-13A-5.

BEGINNING TEACHER MENTORING – to assist school districts in the design, implementation, and evaluation of beginning teacher mentoring programs. Funding is provided through the 2000 legislative session, with appropriated funds from the General Appropriations Act.

SB-9 – Special Revenue --To account for 2.0 mill levy restricted by board resolution for erecting, remodeling, making additions to, providing equipment for, and furnishing school buildings, improving school grounds and maintenance of school buildings and grounds, exclusive of salary expense of employees. Authority for the creation of this fund is NMSA 22-25-1 to 22-25-10.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

JUNE 30, 2011

| | CAFETERIA | ATHLETICS | IDEA-B PRESCHOOL | IDEA-B PRIVATE SCHOOL SHARE |
|---|------------------|-----------------|---------------------|--------------------------------|
| ASSETS | | | | |
| Cash on Deposit | \$ 46,977 | \$ 4,126 | \$ - | \$ - |
| Investments | - | - | - | - |
| Accounts Receivable | | | | |
| Property Taxes | - | - | - | - |
| Interest | - | - | - | - |
| Federal | - | - | 4,457 | - |
| State | - | - | - | - |
| Due from Other Governments | - | - | - | - |
| Inventories | 3,113 | - | - | - |
| Due from Other Funds | - | - | - | - |
| TOTAL ASSETS | \$ 50,090 | \$ 4,126 | \$ 4,457 | \$ - |
| LIABILITIES AND OTHER CREDITS | | | | |
| Accounts Payable | \$ - | \$ - | \$ - | \$ - |
| Deferred Revenue | - | - | - | - |
| Accrued Interest | - | - | - | - |
| Due to Other Funds | - | - | 4,457 | - |
| TOTAL LIABILITIES | - | - | 4,457 | - |
| FUND BALANCE | | | | |
| Nonspendable | 3,113 | - | - | - |
| Restricted | 46,977 | 4,126 | - | - |
| Committed | - | - | - | - |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | - |
| TOTAL FUND BALANCE | 50,090 | 4,126 | - | - |
| TOTAL LIABILITIES AND FUND BALANCE | \$ 50,090 | \$ 4,126 | \$ 4,457 | \$ - |

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

| USDA FRESH FRUIT & VEGETABLES | ENHANCING ED THRU TECH (E2T2-F) | TEACHER/ PRINCIPAL TRAINING | DRUG FREE SCHOOLS & COMMUNITIES | TITLE I STIMULUS | IDEA-B ENTITLMENT STIMULUS |
|-------------------------------------|---------------------------------------|-----------------------------------|---------------------------------------|---------------------|----------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | 16,808 | - | 27,489 | 54,832 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ 16,808</u> | <u>\$ -</u> | <u>\$ 27,489</u> | <u>\$ 54,832</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | 16,808 | - | 27,489 | 54,832 |
| <u>-</u> | <u>-</u> | <u>16,808</u> | <u>-</u> | <u>27,489</u> | <u>54,832</u> |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ 16,808</u> | <u>\$ -</u> | <u>\$ 27,489</u> | <u>\$ 54,832</u> |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

JUNE 30, 2011

| | IDEA-B PRESCHOOL STIMULUS | IDEA-B PRIVATE SCHOOL SHARE STIMULUS | TITLE XIX MEDICAID | SEG STIMULUS |
|---|---------------------------------|--|-----------------------|-----------------|
| ASSETS | | | | |
| Cash on Deposit | \$ - | \$ - | \$ 20,466 | \$ - |
| Investments | - | - | - | - |
| Accounts Receivable | | | | |
| Property Taxes | - | - | - | - |
| Interest | - | - | - | - |
| Federal | 2,873 | 1,132 | - | - |
| State | - | - | - | - |
| Due from Other Governments | - | - | - | - |
| Inventories | - | - | - | - |
| Due from Other Funds | - | - | - | - |
| TOTAL ASSETS | <u>\$ 2,873</u> | <u>\$ 1,132</u> | <u>\$ 20,466</u> | <u>\$ -</u> |
| LIABILITIES AND OTHER CREDITS | | | | |
| Accounts Payable | \$ - | \$ - | \$ - | \$ - |
| Deferred Revenue | - | - | 20,466 | - |
| Accrued Interest | - | - | - | - |
| Due to Other Funds | 2,873 | 1,132 | - | - |
| TOTAL LIABILITIES | <u>2,873</u> | <u>1,132</u> | <u>20,466</u> | <u>-</u> |
| FUND BALANCE | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | - | - | - |
| Committed | - | - | - | - |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | - |
| TOTAL FUND BALANCE | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND FUND BALANCE | <u>\$ 2,873</u> | <u>\$ 1,132</u> | <u>\$ 20,466</u> | <u>\$ -</u> |

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

EXHIBIT B-1
CONTINUED

| EDUCATION JOB FUND | GO BOND STUDENT LIBRARY FUND | TECH FOR ED | INCENTIVES FOR SCHOOL IMPROVEMENT | BEGINNING TEACHER MENTORING | SB-9 | TOTAL NONMAJOR SPECIAL REVENUE FUNDS |
|-----------------------|------------------------------------|-------------|---|-----------------------------------|-------------------|--|
| \$ - | \$ - | \$ - | \$ 165 | \$ 1,065 | \$ 194,605 | \$ 267,404 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | 3,453 | 3,453 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 107,591 |
| - | 14,593 | - | - | - | - | 14,593 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 3,113 |
| - | - | - | - | - | - | - |
| <u>\$ -</u> | <u>\$ 14,593</u> | <u>\$ -</u> | <u>\$ 165</u> | <u>\$ 1,065</u> | <u>\$ 198,058</u> | <u>\$ 396,154</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | 165 | 1,065 | - | 21,696 |
| - | - | - | - | - | - | - |
| - | 14,593 | - | - | - | - | 122,184 |
| <u>-</u> | <u>14,593</u> | <u>-</u> | <u>165</u> | <u>1,065</u> | <u>-</u> | <u>143,880</u> |
| - | - | - | - | - | - | 3,113 |
| - | - | - | - | - | 198,058 | 249,161 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>198,058</u> | <u>252,274</u> |
| <u>\$ -</u> | <u>\$ 14,593</u> | <u>\$ -</u> | <u>\$ 165</u> | <u>\$ 1,065</u> | <u>\$ 198,058</u> | <u>\$ 396,154</u> |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

JUNE 30, 2011

| | CAFETERIA | ATHLETICS | IDEA-B PRESCHOOL | IDEA-B PRIVATE SCHOOL SHARE |
|---|------------------|-----------------|---------------------|--------------------------------|
| REVENUE | | | | |
| Federal Programs | \$ 341,899 | \$ - | \$ 11,846 | \$ - |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| State Equalization | - | - | - | - |
| Property Taxes | - | - | - | - |
| Service Revenues | 19,578 | 31,403 | - | - |
| Interest | - | - | - | - |
| Other revenue sources | - | 49 | - | - |
| TOTAL REVENUES | 361,477 | 31,452 | 11,846 | - |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | - | 35,751 | 11,846 | - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | 352,597 | - | - | - |
| Capital Outlay | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charge | - | - | - | - |
| TOTAL EXPENDITURES | 352,597 | 35,751 | 11,846 | - |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES | 8,880 | (4,299) | - | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In/Transfers (Out) | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | - |
| NET CHANGE IN FUND BALANCE | 8,880 | (4,299) | - | - |
| FUND BALANCE June 30, 2010 | 41,210 | 8,425 | - | - |
| Restatements | - | - | - | - |
| June 30, 2010 as restated | 41,210 | 8,425 | - | - |
| FUND BALANCE June 30, 2011 | \$ 50,090 | \$ 4,126 | \$ - | \$ - |

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

EXHIBIT B-2

| USDA FRESH FRUIT & VEGETABLES | ENHANCING ED THRU TECH (E2T2-F) | TEACHER/ PRINCIPAL TRAINING | DRUG FREE SCHOOLS & COMMUNITIES | TITLE I STIMULUS | IDEA-B ENTITLMENT STIMULUS |
|-------------------------------------|---------------------------------------|-----------------------------------|---------------------------------------|---------------------|----------------------------------|
| \$ - | \$ - | \$ 79,945 | \$ 4,890 | \$ 119,733 | \$ 180,885 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | 79,945 | 4,890 | 119,733 | 180,885 |
| - | - | - | - | - | - |
| - | - | 79,945 | 4,890 | 119,032 | 150,444 |
| - | - | - | - | - | - |
| - | - | - | - | 100 | 24,553 |
| - | - | - | - | - | 1,113 |
| - | - | - | - | 376 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | 225 | - |
| - | - | - | - | - | 4,775 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | 79,945 | 4,890 | 119,733 | 180,885 |
| - | - | - | - | - | - |
| 4,884 | 4,369 | - | - | - | - |
| 4,884 | 4,369 | - | - | - | - |
| 4,884 | 4,369 | - | - | - | - |
| - | - | - | - | - | - |
| (4,884) | (4,369) | - | - | - | - |
| (4,884) | (4,369) | - | - | - | - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

JUNE 30, 2011

| | IDEA-B PRESCHOOL STIMULUS | IDEA-B PRIVATE SCHOOL SHARE STIMULUS | TITLE XIX MEDICAID | SEG STIMULUS |
|---|---------------------------------|--|-----------------------|-----------------|
| REVENUE | | | | |
| Federal Programs | \$ 4,380 | \$ 1,132 | \$ 91,934 | \$ 76,576 |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| State Equalization | - | - | - | - |
| Property Taxes | - | - | - | - |
| Service Revenues | - | - | - | - |
| Interest | - | - | - | - |
| Other revenue sources | - | - | - | - |
| TOTAL REVENUES | 4,380 | 1,132 | 91,934 | 76,576 |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | 4,380 | 1,132 | 45,823 | - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | 46,111 | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | 76,576 |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Debt Service | - | - | - | - |
| Principal | - | - | - | - |
| Interest and Fiscal Charge | - | - | - | - |
| TOTAL EXPENDITURES | 4,380 | 1,132 | 91,934 | 76,576 |
| EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES | - | - | - | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In/Transfers (Out) | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | - |
| NET CHANGE IN FUND BALANCE | - | - | - | - |
| FUND BALANCE June 30, 2010 | - | - | - | - |
| Restatements | - | - | - | - |
| June 30, 2010 as restated | - | - | - | - |
| FUND BALANCE June 30, 2011 | \$ - | \$ - | \$ - | \$ - |

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

EXHIBIT B-2
CONTINUED

| EDUCATION JOB FUND | GO BOND STUDENT LIBRARY FUND | TECH FOR ED | INCENTIVES FOR SCHOOL IMPROVEMENT | BEGINNING TEACHER MENTORING | SB-9 | TOTAL NONMAJOR SPECIAL REVENUE FUNDS |
|-----------------------|------------------------------------|--------------|---|-----------------------------------|-------------------|--|
| \$ 206,320 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,119,540 |
| - | 14,593 | 8,892 | 7,381 | - | 135,267 | 166,133 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | 177,480 | 177,480 |
| - | - | - | - | - | - | 22,597 |
| - | - | - | - | - | - | - |
| - | - | - | 166 | - | - | 215 |
| <u>206,320</u> | <u>14,593</u> | <u>8,892</u> | <u>7,547</u> | <u>-</u> | <u>312,747</u> | <u>1,514,349</u> |
| 69,801 | - | 8,892 | 7,547 | - | - | 539,483 |
| - | - | - | - | - | - | - |
| 50,609 | - | - | - | - | - | 121,373 |
| 19,114 | 14,593 | - | - | - | - | 34,820 |
| - | - | - | - | - | 1,761 | 2,137 |
| 66,796 | - | - | - | - | - | 66,796 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 76,801 |
| - | - | - | - | - | - | 4,775 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 352,597 |
| - | - | - | - | - | 288,296 | 288,296 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>206,320</u> | <u>14,593</u> | <u>8,892</u> | <u>7,547</u> | <u>-</u> | <u>290,057</u> | <u>1,487,078</u> |
| - | - | - | - | - | 22,690 | 27,271 |
| - | - | - | - | - | - | 9,253 |
| # | - | - | - | - | - | 9,253 |
| # | - | - | - | - | 22,690 | 36,524 |
| - | - | - | - | - | (152,770) | (103,135) |
| - | - | - | - | - | 328,138 | 318,885 |
| # | - | - | - | - | 175,368 | 215,750 |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 198,058</u> | <u>\$ 252,274</u> |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT B-3

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--CAFETERIA

Year Ended June 30, 2011

| | Original Budget | Adjusted Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ 310,000 | \$ 310,000 | \$ 341,899 | \$ 31,899 |
| State Programs | - | - | - | - |
| Local Programs | 15,000 | 15,000 | 19,578 | 4,578 |
| TOTAL REVENUE | <u>325,000</u> | <u>325,000</u> | <u>\$ 361,477</u> | <u>\$ 36,477</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>53,758</u> | <u>53,758</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ 378,758</u> | <u>\$ 378,758</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ - | \$ - | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | 378,758 | 378,758 | 354,899 | 23,859 |
| Capital Outlay | - | - | - | - |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ 378,758</u> | <u>\$ 378,758</u> | <u>\$ 354,899</u> | <u>\$ 23,859</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT B-4

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--ATHLETICS

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | - | \$ - | \$ - |
| State Programs | - | - | - | - |
| Local Programs | 30,000 | 30,000 | 31,452 | 1,452 |
| TOTAL REVENUE | <u>30,000</u> | <u>30,000</u> | <u>\$ 31,452</u> | <u>\$ 1,452</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>9,535</u> | <u>9,535</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ 39,535</u> | <u>\$ 39,535</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ 39,535 | \$ 39,535 | \$ 35,751 | \$ 3,784 |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| TOTAL EXPENDITURES | <u>\$ 39,535</u> | <u>\$ 39,535</u> | <u>\$ 35,751</u> | <u>\$ 3,784</u> |

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--IDEA-B PRESCHOOL

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ 17,143 | \$ 12,707 | \$ (4,436) |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>-</u> | <u>17,143</u> | <u>\$ 12,707</u> | <u>\$ (4,436)</u> |
| | | | | |
| BUDGETED CASH BALANCE | - | - | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ -</u> | <u>\$ 17,143</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ 17,143 | \$ 11,846 | \$ 5,297 |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ -</u> | <u>\$ 17,143</u> | <u>\$ 11,846</u> | <u>\$ 5,297</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT B-6

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--IDEA-B PRIVATE SCHOOL SHARE

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|--------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ 1,324 | \$ - | \$ (1,324) |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | - | 1,324 | \$ - | \$ (1,324) |
| BUDGETED CASH BALANCE | | | | |
| | - | - | | |
| TOTAL REVENUE & CASH | \$ - | \$ 1,324 | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ - | \$ - | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | 1,324 | - | 1,324 |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| TOTAL EXPENDITURES | \$ - | \$ 1,324 | \$ - | \$ 1,324 |

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--USDA FRUIT & VEGETABLE PROGRAM

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>-</u> | <u>-</u> | <u>\$ -</u> | <u>\$ -</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>-</u> | <u>-</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ -</u> | <u>\$ -</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ - | \$ - | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP) AND ACTUAL
 --SPECIAL REVENUE FUND--ENHANCING ED THRU TECHNOLOGY - E2T2-F

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>-</u> | <u>-</u> | <u>\$ -</u> | <u>\$ -</u> |
| BUDGETED CASH BALANCE | <u>-</u> | <u>-</u> | | |
| TOTAL REVENUE & CASH | <u>\$ -</u> | <u>\$ -</u> | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ - | \$ - | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| TOTAL EXPENDITURES | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT B-9

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TEACHER\PRINCIPAL TRAINING

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ 65,446 | \$ 93,481 | \$ 89,505 | \$ (3,976) |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>65,446</u> | <u>93,481</u> | <u>\$ 89,505</u> | <u>\$ (3,976)</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>-</u> | <u>-</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ 65,446</u> | <u>\$ 93,481</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ 65,446 | \$ 93,481 | \$ 79,945 | \$ 13,536 |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ 65,446</u> | <u>\$ 93,481</u> | <u>\$ 79,945</u> | <u>\$ 13,536</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT B-10

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--SAFE & DRUG FREE SCHOOLS

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ 4,890 | \$ 10,056 | \$ 5,166 |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>-</u> | <u>4,890</u> | <u>\$ 10,056</u> | <u>\$ 5,166</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>-</u> | <u>-</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ -</u> | <u>\$ 4,890</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ 4,890 | \$ 4,890 | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ -</u> | <u>\$ 4,890</u> | <u>\$ 4,890</u> | <u>\$ -</u> |

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TITLE I STIMULUS

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ 98,354 | \$ 119,733 | \$ 96,357 | \$ (23,376) |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>98,354</u> | <u>119,733</u> | <u>\$ 96,357</u> | <u>\$ (23,376)</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>-</u> | <u>-</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ 98,354</u> | <u>\$ 119,733</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ 98,354 | \$ 119,032 | \$ 119,032 | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | 100 | 100 | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | 376 | 376 | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | 225 | 225 | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ 98,354</u> | <u>\$ 119,733</u> | <u>\$ 119,733</u> | <u>\$ -</u> |

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--IDEA-B ENTITLEMENT STIMULUS

Year Ended June 30, 2011

| | Original Budget | Adjusted Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ 180,885 | \$ 155,221 | \$ (25,664) |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>-</u> | <u>180,885</u> | <u>\$ 155,221</u> | <u>\$ (25,664)</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>-</u> | <u>-</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ -</u> | <u>\$ 180,885</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ 150,444 | \$ 150,444 | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | 24,553 | 24,553 | - |
| Support Services Instruction | - | 1,113 | 1,113 | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | 4,775 | 4,775 | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ -</u> | <u>\$ 180,885</u> | <u>\$ 180,885</u> | <u>\$ -</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT B-13

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--IDEA-B PRESCHOOL STIMULUS

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|-----------------|--|
| REVENUE | | | | |
| Federal Programs | \$ 4,379 | \$ 4,380 | \$ 2,350 | \$ (2,030) |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>4,379</u> | <u>4,380</u> | <u>\$ 2,350</u> | <u>\$ (2,030)</u> |
| | | | | |
| BUDGETED CASH BALANCE | - | - | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ 4,379</u> | <u>\$ 4,380</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ 4,379 | \$ 4,380 | \$ 4,380 | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ 4,379</u> | <u>\$ 4,380</u> | <u>\$ 4,380</u> | <u>\$ -</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT B-14

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--IDEA-B PRIVATE SCHOOL SHARE STIMULUS

Year Ended June 30, 2011

| | ORIGINAL ACTUAL | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|-----------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ 1,132 | \$ - | \$ (1,132) |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>-</u> | <u>1,132</u> | <u>\$ -</u> | <u>\$ (1,132)</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>-</u> | <u>-</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ -</u> | <u>\$ 1,132</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ 1,132 | \$ 1,132 | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ -</u> | <u>\$ 1,132</u> | <u>\$ 1,132</u> | <u>\$ -</u> |

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--MEDICAID TITLE XIX

Year Ended June 30, 2011

| | Original Budget | Adjusted Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------------|--------------------|------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ 49,450 | \$ 106,396 | \$ 68,534 | \$ (37,862) |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>49,450</u> | <u>106,396</u> | <u>\$ 68,534</u> | <u>\$ (37,862)</u> |
| BUDGETED CASH BALANCE | <u>6,005</u> | <u>6,005</u> | | |
| TOTAL REVENUE & CASH | <u>\$ 55,455</u> | <u>\$ 112,401</u> | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ 46,184 | \$ 65,370 | \$ 45,823 | \$ 19,547 |
| Support Services | - | - | - | - |
| Support Services Students | 9,271 | 47,031 | 46,111 | 920 |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| TOTAL EXPENDITURES | <u>\$ 55,455</u> | <u>\$ 112,401</u> | <u>\$ 91,934</u> | <u>\$ 20,467</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT B-16

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--STATE EQUALIZATION GUARANTEE STIMULUS

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ 75,674 | \$ 76,577 | \$ 158,173 | \$ 81,596 |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>75,674</u> | <u>76,577</u> | <u>\$ 158,173</u> | <u>\$ 81,596</u> |
| | | | | |
| BUDGETED CASH BALANCE | - | - | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ 75,674</u> | <u>\$ 76,577</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ - | \$ - | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | 75,674 | 76,577 | 76,576 | 1 |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ 75,674</u> | <u>\$ 76,577</u> | <u>\$ 76,576</u> | <u>\$ 1</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT B-17

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--EDUCATION JOB FUND

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ 206,321 | \$ 206,320 | \$ (1) |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>-</u> | <u>206,321</u> | <u>\$ 206,320</u> | <u>\$ (1)</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>-</u> | <u>-</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ -</u> | <u>\$ 206,321</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ 69,802 | \$ 69,801 | \$ 1 |
| Support Services | - | - | - | - |
| Support Services Students | - | 50,609 | 50,609 | - |
| Support Services Instruction | - | 19,117 | 19,114 | 3 |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | 66,793 | 66,796 | (3) |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| TOTAL EXPENDITURES | <u>\$ -</u> | <u>\$ 206,321</u> | <u>\$ 206,320</u> | <u>\$ 1</u> |

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--2008 GO BOND STUDENT LIBRARY FUND (SB333)

Year Ended June 30, 2011

| | Original Budget | Adjusted Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------------|--------------------|------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | - | 18,586 | 866 | (17,720) |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>-</u> | <u>18,586</u> | <u>\$ 866</u> | <u>\$ (17,720)</u> |
| BUDGETED CASH BALANCE | | | | |
| | <u>-</u> | <u>-</u> | | |
| TOTAL REVENUE & CASH | <u>\$ -</u> | <u>\$ 18,586</u> | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ - | \$ - | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | 18,586 | 14,593 | 3,993 |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| TOTAL EXPENDITURES | <u>\$ -</u> | <u>\$ 18,586</u> | <u>\$ 14,593</u> | <u>\$ 3,993</u> |

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TECHNOLOGY FOR EDUCATION

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|-----------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>-</u> | <u>-</u> | <u>\$ -</u> | <u>\$ -</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>-</u> | <u>8,893</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ -</u> | <u>\$ 8,893</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ 8,893 | \$ 8,892 | \$ 1 |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| TOTAL EXPENDITURES | <u>\$ -</u> | <u>\$ 8,893</u> | <u>\$ 8,892</u> | <u>\$ 1</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT B-20

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--INCENTIVES FOR SCHOOL IMPROVEMENT

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|-----------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | - | - | - | - |
| Local Programs | - | - | 166 | 166 |
| TOTAL REVENUE | - | - | <u>\$ 166</u> | <u>\$ 166</u> |
| | | | | |
| BUDGETED CASH BALANCE | - | 7,547 | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ -</u> | <u>\$ 7,547</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ 7,547 | \$ 7,547 | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ -</u> | <u>\$ 7,547</u> | <u>\$ 7,547</u> | <u>\$ -</u> |

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--BEGINNING TEACHER MENTORING

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>-</u> | <u>-</u> | <u>\$ -</u> | <u>\$ -</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>-</u> | <u>-</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ -</u> | <u>\$ -</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ - | \$ - | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | - | - | - | - |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | - | - | - | - |
| TOTAL EXPENDITURES | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT B-22

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--SB-9

Year Ended June 30, 2011

| | Original Budget | Adjusted Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | 135,267 | 240,646 | 135,267 | (105,379) |
| Local Programs | 143,037 | 143,037 | 176,069 | 33,032 |
| TOTAL REVENUE | 278,304 | 383,683 | \$ 311,336 | \$ (72,347) |
| BUDGETED CASH BALANCE | | | | |
| | 157,039 | 157,039 | | |
| TOTAL REVENUE & CASH | \$ 435,343 | \$ 540,722 | | |
| EXPENDITURES | | | | |
| Current | | | | |
| Instruction | \$ - | \$ - | \$ - | \$ - |
| Support Services | - | - | - | - |
| Support Services Students | - | - | - | - |
| Support Services Instruction | - | - | - | - |
| Support Services General Administration | 1,640 | 2,440 | 1,761 | 679 |
| Support Services School Administration | - | - | - | - |
| Central Services | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - |
| Student Transportation | - | - | - | - |
| Other Support Services | - | - | - | - |
| Food Services Operations | - | - | - | - |
| Capital Outlay | 433,703 | 538,282 | 303,296 | 234,986 |
| TOTAL EXPENDITURES | \$ 435,343 | \$ 540,722 | \$ 305,057 | \$ 235,665 |

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

DEBT SERVICE FUND

DEBT SERVICE FUND - The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

EDUCATIONAL TECHNOLOGY DEBT SERVICE – to receive revenue for the payment of interest and principal on debt incurred in the expansion of technology in the District.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT C-1

COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUND

June 30, 2011

| | DEBT SERVICE | ED TECH DEBT SERVICE | TOTAL NONMAJOR DEBT SERVICE |
|---|------------------|-------------------------|-----------------------------------|
| ASSETS | | | |
| Cash on Deposit | \$ 55,269 | \$ - | \$ 55,269 |
| Investments | - | - | - |
| Accounts Receivable | | | |
| Property Taxes | 2,172 | 6,892 | 9,064 |
| Interest | - | - | - |
| Federal | - | - | - |
| State | - | - | - |
| Inventories | - | - | - |
| Due from Other Funds | - | - | - |
| TOTAL ASSETS | \$ 57,441 | \$ 6,892 | \$ 64,333 |
| LIABILITIES AND OTHER CREDITS | | | |
| Accounts Payable | \$ - | \$ - | \$ - |
| Deferred Credits | - | - | - |
| Accrued Interest | 12,137 | - | 12,137 |
| Due to Other Funds | - | 39,597 | 39,597 |
| TOTAL LIABILITIES | 12,137 | 39,597 | 51,734 |
| FUND BALANCE | | | |
| Nonspendable | - | - | - |
| Restricted | 45,304 | (32,705) | 12,599 |
| Committed | - | - | - |
| Assigned | - | - | - |
| Unassigned | - | - | - |
| TOTAL FUND BALANCE | 45,304 | (32,705) | 12,599 |
| TOTAL LIABILITIES AND FUND BALANCE | \$ 57,441 | \$ 6,892 | \$ 64,333 |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT C-2

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE -- NON-MAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUND

Year Ended June 30, 2011

| | DEBT SERVICE | ED TECH DEBT SERVICE | TOTAL NONMAJOR DEBT SERVICE |
|---|------------------|-------------------------|-----------------------------------|
| REVENUE | | | |
| Federal Programs | \$ - | \$ - | \$ - |
| State Programs | - | - | - |
| Local Programs | - | - | - |
| State Equalization | - | - | - |
| Property Taxes | 93,675 | 365,051 | 458,726 |
| Service Revenues | - | - | - |
| Interest | - | - | - |
| Other revenue sources | - | - | - |
| TOTAL REVENUES | <u>93,675</u> | <u>365,051</u> | <u>458,726</u> |
| EXPENDITURES | | | |
| Current | | | |
| Support Services General | 939 | 3,615 | 4,554 |
| Debt Service | | | |
| Principal | 200,000 | 370,000 | 570,000 |
| Interest and Fiscal Charge | 63,553 | 7,030 | 70,583 |
| TOTAL EXPENDITURES | <u>264,492</u> | <u>380,645</u> | <u>645,137</u> |
| EXCESS (DEFICIENCY) OF | | | |
| REVENUE OVER EXPENDITURES | (170,817) | (15,594) | (186,411) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In/Transfers (Out) | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | (170,817) | (15,594) | (186,411) |
| FUND BALANCE June 30, 2010 | 216,121 | (17,111) | 199,010 |
| Restatements | - | - | - |
| June 30, 2010 as restated | <u>216,121</u> | <u>(17,111)</u> | <u>199,010</u> |
| FUND BALANCE June 30, 2011 | <u>\$ 45,304</u> | <u>\$ (32,705)</u> | <u>\$ 12,599</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT C-3

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--DEBT SERVICE FUND

Year Ended June 30, 2011

| | Original Budget | Adjusted Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | - | - | 93,918 | 93,918 |
| Local Programs | 268,050 | 268,050 | - | (268,050) |
| TOTAL REVENUE | <u>268,050</u> | <u>268,050</u> | <u>\$ 93,918</u> | <u>\$ (174,132)</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>209,248</u> | <u>209,248</u> | | |
| | | | | |
| 'TOTAL REVENUE & CASH | <u>\$ 477,298</u> | <u>\$ 477,298</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Support Services General Administration | \$ 2,700 | \$ 2,700 | \$ 939 | \$ 1,761 |
| Debt Service - Principal | 406,548 | 406,548 | 200,000 | 206,548 |
| Debt Service - Interest | 68,050 | 68,050 | 55,588 | 12,462 |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ 477,298</u> | <u>\$ 477,298</u> | <u>\$ 256,527</u> | <u>\$ 220,771</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT C-4

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--ED TECH DEBT SERVICE FUND

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---|--------------------|--------------------|-------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | - | - | - | - |
| Local Programs | 387,940 | 465,326 | 361,553 | (103,773) |
| TOTAL REVENUE | <u>387,940</u> | <u>465,326</u> | <u>\$ 361,553</u> | <u>\$ (103,773)</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>-</u> | <u>-</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ 387,940</u> | <u>\$ 465,326</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Support Services General Administration | \$ 3,880 | \$ 5,380 | \$ 3,615 | \$ 1,765 |
| Debt Service - Principal | 370,000 | 445,886 | 370,000 | 75,886 |
| Debt Service - Interest | 14,060 | 14,060 | 14,060 | - |
| TOTAL EXPENDITURES | <u>\$ 387,940</u> | <u>\$ 465,326</u> | <u>\$ 387,675</u> | <u>\$ 77,651</u> |

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

CAPITAL PROJECTS FUND

PUBLIC SCHOOL CAPITAL OUTLAY – To account for financing and construction of school improvements funded from appropriations from the State of New Mexico.

SPECIAL CAPITAL OUTLAY STATE--To account for financing and construction of school improvements funded from a special legislative appropriation from the State of New Mexico.

ED TECH EQUIPMENT ACT – To ensure that American children have skills they need to succeed in the information-intensive 21st century, the Federal Government is committed to working with the private sector to promote four major developments in American education: making modern computer technology an integral part of every classroom; providing teachers with the professional development they need to use new technologies effectively; connecting classrooms to the National Information Infrastructure; and encouraging the creation of excellent educational software. The authority for the creation of this fund is the Federal Property and Administrative Services Act of 1996, Public Law 104-106.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS

JUNE 30, 2011

| | PUBLIC SCHOOL CAPITAL OUTLAY | SPECIAL CAPITAL OUTLAY STATE | ED TECH EQUIPMENT ACT |
|---|---------------------------------|---------------------------------|--------------------------|
| ASSETS | | | |
| Cash on Deposit | \$ - | \$ - | \$ 6,877 |
| Investments | - | - | 83,795 |
| Accounts Receivable | | | |
| Property Taxes | - | - | - |
| Interest | - | - | 54 |
| Federal | - | - | - |
| State | - | - | - |
| Due from Other Governments | - | - | - |
| Inventories | - | - | - |
| Due from Other Funds | - | - | 1,343 |
| TOTAL ASSETS | \$ - | \$ - | \$ 92,069 |
| LIABILITIES AND OTHER CREDITS | | | |
| Accounts Payable | \$ - | \$ - | \$ - |
| Deferred Revenue | - | - | - |
| Accrued Interest | - | - | - |
| Due to Other Funds | - | - | - |
| TOTAL LIABILITIES | - | - | - |
| FUND BALANCE | | | |
| Nonspendable | - | - | - |
| Restricted | - | - | 92,069 |
| Committed | - | - | - |
| Assigned | - | - | - |
| Unassigned | - | - | - |
| TOTAL FUND BALANCE | - | - | 92,069 |
| TOTAL LIABILITIES AND FUND BALANCE | \$ - | \$ - | \$ 92,069 |

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

EXHIBIT D-1

| TOTAL NONMAJOR CAPITAL PROJECTS | TOTAL NONMAJOR SPECIAL REVENUE | TOTAL NONMAJOR DEBT SERVICE | TOTAL NONMAJOR GOVERNMENTAL FUNDS |
|---------------------------------------|-----------------------------------|--------------------------------|---|
| \$ 6,877 | \$ 267,404 | \$ 55,269 | \$ 329,550 |
| 83,795 | - | - | 83,795 |
| - | 3,453 | 9,064 | 12,517 |
| 54 | - | - | 54 |
| - | 107,591 | - | 107,591 |
| - | 14,593 | - | 14,593 |
| - | - | - | - |
| - | 3,113 | - | 3,113 |
| 1,343 | - | - | 1,343 |
| <u>\$ 92,069</u> | <u>\$ 396,154</u> | <u>\$ 64,333</u> | <u>\$ 552,556</u> |
| \$ - | \$ - | \$ - | \$ - |
| - | 21,696 | - | 21,696 |
| - | - | 12,137 | 12,137 |
| - | 122,184 | 39,597 | 161,781 |
| <u>-</u> | <u>143,880</u> | <u>51,734</u> | <u>195,614</u> |
| - | 3,113 | - | 3,113 |
| 92,069 | 249,161 | 12,599 | 353,829 |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| <u>92,069</u> | <u>252,274</u> | <u>12,599</u> | <u>356,942</u> |
| <u>\$ 92,069</u> | <u>\$ 396,154</u> | <u>\$ 64,333</u> | <u>\$ 552,556</u> |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE --NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS

JUNE 30, 2011

| | PUBLIC SCHOOL CAPITAL OUTLAY | SPECIAL CAPITAL OUTLAY STATE | ED TECH EQUIPMENT ACT |
|--|---------------------------------|---------------------------------|--------------------------|
| REVENUE | | | |
| Federal Programs | \$ - | \$ - | \$ - |
| State Programs | 646,257 | - | - |
| Local Programs | - | - | - |
| Property Taxes | - | - | - |
| Service Revenues | - | - | - |
| Interest | - | - | 691 |
| Other revenue sources | - | - | - |
| TOTAL REVENUES | <u>646,257</u> | <u>-</u> | <u>691</u> |
| EXPENDITURES | | | |
| Current | | | |
| Instruction | - | - | - |
| Support Services | - | - | - |
| Support Services Students | - | - | - |
| Support Services Instruction | - | - | - |
| Support Services General Administration | - | - | - |
| Support Services School Administration | - | - | - |
| Central Services | - | - | - |
| Operation and Maintenance of Plant | - | - | - |
| Student Transportation | - | - | - |
| Other Support Services | - | - | - |
| Food Services Operations | - | - | - |
| Capital Outlay | 646,257 | - | 103,809 |
| Debt Service | | | |
| Principal | - | - | - |
| Interest and Fiscal Charge | - | - | - |
| TOTAL EXPENDITURES | <u>646,257</u> | <u>-</u> | <u>103,809</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | - | - | (103,118) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In/Transfers (Out) | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | - | - | (103,118) |
| FUND BALANCE June 30, 2010 | - | - | 195,187 |
| Restatements | - | - | - |
| June 30, 2010 as restated | <u>-</u> | <u>-</u> | <u>195,187</u> |
| FUND BALANCE June 30, 2011 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 92,069</u> |

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

| TOTAL NONMAJOR CAPITAL PROJECTS | TOTAL NONMAJOR SPECIAL REVENUE | TOTAL NONMAJOR DEBT SERVICE | TOTAL NONMAJOR GOVERNMENTAL FUNDS |
|---------------------------------------|-----------------------------------|--------------------------------|---|
| \$ - | \$ 1,119,540 | \$ - | \$ 1,119,540 |
| 646,257 | 166,133 | - | 812,390 |
| - | - | - | - |
| - | 177,480 | 458,726 | 636,206 |
| - | 50,981 | - | 50,981 |
| 691 | - | - | 691 |
| - | 215 | - | 215 |
| <u>646,948</u> | <u>1,514,349</u> | <u>458,726</u> | <u>2,620,023</u> |
| - | 539,483 | - | 539,483 |
| - | - | - | - |
| - | 121,373 | - | 121,373 |
| - | 34,820 | - | 34,820 |
| - | 2,137 | 4,554 | 6,691 |
| - | 66,796 | - | 66,796 |
| - | - | - | - |
| - | 76,801 | - | 76,801 |
| - | 4,775 | - | 4,775 |
| - | - | - | - |
| - | 352,597 | - | 352,597 |
| 750,066 | 288,296 | - | 1,038,362 |
| - | - | 570,000 | 570,000 |
| - | - | 70,583 | 70,583 |
| <u>750,066</u> | <u>1,487,078</u> | <u>645,137</u> | <u>2,882,281</u> |
| (103,118) | 27,271 | (186,411) | (262,258) |
| - | 9,253 | - | 9,253 |
| - | 9,253 | - | 9,253 |
| (103,118) | 36,524 | (186,411) | (253,005) |
| 195,187 | (103,135) | 199,010 | 291,062 |
| - | 318,885 | - | 318,885 |
| <u>195,187</u> | <u>215,750</u> | <u>199,010</u> | <u>609,947</u> |
| <u>\$ 92,069</u> | <u>\$ 252,274</u> | <u>\$ 12,599</u> | <u>\$ 356,942</u> |

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--PUBLIC SCHOOL CAPITAL OUTLAY--CAPITAL PROJECTS FUND

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---------------------------------|---------------------|---------------------|-------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | 1,013,133 | 1,013,133 | 646,257 | (366,876) |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>1,013,133</u> | <u>1,013,133</u> | <u>\$ 646,257</u> | <u>\$ (366,876)</u> |
| BUDGETED CASH BALANCE | | | | |
| | <u>-</u> | <u>-</u> | | |
| TOTAL REVENUE & CASH | <u>\$ 1,013,133</u> | <u>\$ 1,013,133</u> | | |
| EXPENDITURES | | | | |
| Capital Outlay | \$ 1,013,133 | \$ 1,013,133 | \$ 646,257 | \$ 366,876 |
| TOTAL EXPENDITURES | <u>\$ 1,013,133</u> | <u>\$ 1,013,133</u> | <u>\$ 646,257</u> | <u>\$ 366,876</u> |

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

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL CAPITAL OUTLAY STATE--CAPITAL PROJECTS FUND

Year Ended June 30, 2011

| | Original Budget | Adjusted Budget | Actual | Variance Favorable (Unfavorable) |
|---------------------------------|--------------------|--------------------|-------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>-</u> | <u>-</u> | <u>\$ -</u> | <u>\$ -</u> |
| BUDGETED CASH BALANCE | | | | |
| | <u>-</u> | <u>-</u> | | |
| TOTAL CASH & REVENUE | <u>\$ -</u> | <u>\$ -</u> | | |
| EXPENDITURES | | | | |
| Capital Outlay | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| TOTAL EXPENDITURES | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

EXHIBIT D-5

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL-- ED TECH EQUIPMENT ACT--CAPITAL PROJECTS FUND

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|---------------------------------|--------------------|--------------------|-------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | - | - | - | - |
| Local Programs | - | - | - | - |
| TOTAL REVENUE | <u>-</u> | <u>-</u> | <u>\$ -</u> | <u>\$ -</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>214,678</u> | <u>214,678</u> | | |
| | | | | |
| TOTAL REVENUE & CASH | <u>\$ 214,678</u> | <u>\$ 214,678</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Capital Outlay | \$ 214,678 | \$ 214,678 | \$ 103,809 | \$ 110,869 |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ 214,678</u> | <u>\$ 214,678</u> | <u>\$ 103,809</u> | <u>\$ 110,869</u> |

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

OTHER MAJOR FUND INFORMATION

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--BOND BUILDING--CAPITAL PROJECTS FUND

Year Ended June 30, 2011

| | ORIGINAL BUDGET | ADJUSTED BUDGET | ACTUAL | VARIANCE Favorable (Unfavorable) |
|----------------------------------|---------------------|---------------------|---------------------|--|
| REVENUE | | | | |
| Federal Programs | \$ - | \$ - | \$ - | \$ - |
| State Programs | - | - | - | |
| Local Programs | - | 900,000 | 900,000 | - |
| TOTAL REVENUE | <u>-</u> | <u>900,000</u> | <u>\$ 900,000</u> | <u>\$ -</u> |
| | | | | |
| BUDGETED CASH BALANCE | <u>1,600,000</u> | <u>1,600,000</u> | | |
| | | | | |
| TOTAL REVENUES & CASH | <u>\$ 1,600,000</u> | <u>\$ 2,500,000</u> | | |
| | | | | |
| EXPENDITURES | | | | |
| Capital Outlay | <u>\$ 1,600,000</u> | <u>\$ 2,500,000</u> | <u>\$ 1,730,473</u> | <u>\$ 769,527</u> |
| | | | | |
| TOTAL EXPENDITURES | <u>\$ 1,600,000</u> | <u>\$ 2,500,000</u> | <u>\$ 1,730,473</u> | <u>\$ 769,527</u> |

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

AGENCY FUNDS

AGENCY FUND--To account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -- AGENCY FUNDS

Year Ended June 30, 2011

| | Balance 6/30/2010 | ADDITIONS | DEDUCTIONS | Balance 6/30/2011 |
|-----------------------------------|----------------------|-------------------|-------------------|----------------------|
| ASSETS | | | | |
| Cash | | | | |
| District Board Scholarship | \$ 1,582 | \$ 93 | \$ - | \$ 1,675 |
| District Savings/Interest Account | 1,197 | - | - | 1,197 |
| Dist-Library Funds | 487 | 40 | - | 527 |
| Dist-Exceptional Programs | 448 | 2,395 | 2,393 | 450 |
| Buckland's Gang | - | 500 | 159 | 341 |
| EVLC-Book Deposits | 884 | - | 50 | 834 |
| EVLC-Grants | 992 | - | - | 992 |
| Estancia High School | 48,945 | 107,458 | 110,234 | 46,169 |
| Estancia Middle School | 17,314 | 26,633 | 30,285 | 13,662 |
| Estancia Elementary School | 13,864 | 28,227 | 24,342 | 17,749 |
| Total Cash | <u>85,713</u> | <u>165,346</u> | <u>167,463</u> | <u>83,596</u> |
| TOTAL ASSETS | <u>\$ 85,713</u> | <u>\$ 165,346</u> | <u>\$ 167,463</u> | <u>\$ 83,596</u> |
| LIABILITIES | | | | |
| Due to Student groups | <u>\$ 85,713</u> | <u>\$ 165,346</u> | <u>\$ 167,463</u> | <u>\$ 83,596</u> |
| TOTAL LIABILITIES | <u>\$ 85,713</u> | <u>\$ 165,346</u> | <u>\$ 167,463</u> | <u>\$ 83,596</u> |

OTHER SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

SCHEDULE 1

BANK SUMMARY

JUNE 30, 2011

| Bank | ACCT TYPE | FUND | BANK BALANCE | OUTSTANDING (CHECKS) DEPOSITS | NET CASH BALANCE |
|----------------------------|--------------|-----------------------|---------------------|-------------------------------------|------------------------|
| Wells Fargo Bank | Checking | Multi Fund | \$ 2,312,842 | \$ (86,332) | \$ 2,226,510 |
| | Checking | Athletics | 4,288 | (162) | 4,126 |
| | Checking | Activity | 85,641 | (2,045) | 83,596 |
| | Checking | Payroll Clearing | 449,000 | (449,000) | - |
| Total Wells Fargo Bank | | | <u>2,851,771</u> | <u>(537,539)</u> | <u>2,314,232</u> |
| New Mexico State Treasurer | LGIP | Operational * | 242,721 | - | 242,721 |
| New Mexico State Treasurer | LGIP | Operational * | 711 | - | 711 |
| New Mexico State Treasurer | LGIP | Ed Tech. Equip. Act * | 82,917 | - | 82,917 |
| New Mexico State Treasurer | LGIP | Ed Tech. Equip. Act * | 878 | - | 878 |
| | | | <u>327,227</u> | <u>-</u> | <u>327,227</u> |
| Total All Accounts | | | <u>\$ 3,178,998</u> | <u>\$ (537,539)</u> | <u>\$ 2,641,459</u> |

* Interest Bearing

The credit rating of the investment pool at the New Mexico State Treasurer is as follows:

| | | | |
|-------------------|------------|-------------------|------------|
| New MexiGrow LGIP | AAAm rated | <u>\$ 327,227</u> | 50-day WAM |
|-------------------|------------|-------------------|------------|

SCHEDULE OF PLEDGED COLLATERAL

JUNE 30, 2011

| | Total Deposits | FDIC Insurance | Uninsured Deposits | Collateral Required | Collateral Pledged | Uninsured & Uncollateralized Deposits |
|------------------|---------------------|---------------------|-----------------------|------------------------|-----------------------|---|
| Wells Fargo Bank | <u>\$ 2,851,771</u> | <u>\$ 2,851,771</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

BANK RECONCILIATION

JUNE 30, 2011

| | <u>Operational</u> | <u>Transportation</u> | <u>Food Services</u> | <u>Athletics</u> |
|-----------------------------|---------------------|-----------------------|--------------------------|------------------|
| Audited Net Cash | | | | |
| JUNE 30, 2010 | \$ 687,407 | \$ 7,074 | \$ 40,399 | \$ 8,425 |
| Investments on hand/Loans | - | - | - | - |
| TOTAL CASH BALANCE | | | | |
| JUNE 30, 2010 | 687,407 | 7,074 | 40,399 | 8,425 |
| Add: Prior year void checks | - | - | - | - |
| 2010-2011 Revenue | 7,378,882 | 435,514 | 361,477 | 31,452 |
| Transfers In & Due From | 502,645 | - | - | - |
| TOTAL AVAILABLE CASH | 8,568,934 | 442,588 | 401,876 | 39,877 |
| Net Change | | | | |
| 2010-2011 Expenditures | 7,114,083 | 429,265 | 354,899 | 35,751 |
| Transfers Out & Due To | 334,580 | - | - | - |
| | <u>7,448,663</u> | <u>429,265</u> | <u>354,899</u> | <u>35,751</u> |
| NET CASH, JUNE 30, 2011 | 1,120,271 | 13,323 | 46,977 | 4,126 |
| Cash On hand | - | - | - | - |
| TOTAL CASH, JUNE 30, 2011 | <u>\$ 1,120,271</u> | <u>\$ 13,323</u> | <u>\$ 46,977</u> | <u>\$ 4,126</u> |

SCHEDULE 3

| Federal Projects | Local/State Account | SB-9 | Ed Tech Equip Act | Debt Service | Activities |
|---------------------|------------------------|------------|----------------------|-----------------|------------|
| \$ 43,867 | \$ 167,003 | \$ 188,326 | \$ 300,778 | \$ 217,878 | \$ 85,713 |
| - | - | - | - | - | - |
| 43,867 | 167,003 | 188,326 | 300,778 | 217,878 | 85,713 |
| - | - | - | - | - | - |
| 1,321,698 | 150,532 | 311,336 | - | 93,918 | 165,346 |
| 280,390 | 14,593 | - | - | - | - |
| 1,645,955 | 332,128 | 499,662 | 300,778 | 311,796 | 251,059 |
| 1,231,446 | 36,764 | 305,057 | 103,809 | 256,527 | 167,463 |
| 394,043 | 866 | - | 106,297 | - | - |
| 1,625,489 | 37,630 | 305,057 | 210,106 | 256,527 | 167,463 |
| 20,466 | 294,498 | 194,605 | 90,672 | 55,269 | 83,596 |
| \$ 20,466 | \$ 294,498 | \$ 194,605 | \$ 90,672 | \$ 55,269 | \$ 83,596 |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

SCHEDULE 3
continued

BANK RECONCILIATION

JUNE 30, 2011

| | Instructional Materials | Bond Building | Public School Capital Outlay | Ed Tech Debt Service |
|-----------------------------|----------------------------|------------------|---------------------------------|-------------------------|
| Audited Net Cash | | | | |
| JUNE 30, 2010 | \$ 4,734 | \$ 1,545,557 | \$ - | \$ - |
| Investments on hand/Loans | - | - | - | - |
| TOTAL CASH BALANCE | | | | |
| JUNE 30, 2010 | 4,734 | 1,545,557 | - | - |
| Add: Prior year void checks | - | - | - | - |
| 2010-2011 Revenue | 35,870 | 900,000 | 646,257 | 361,553 |
| Transfers In & Due From | - | - | - | 39,597 |
| TOTAL AVAILABLE CASH | 40,604 | 2,445,557 | 646,257 | 401,150 |
| Net Change | | | | |
| 2010-2011 Expenditures | 38,032 | 1,730,473 | 646,257 | 387,675 |
| Transfers Out & Due To | - | - | - | 13,475 |
| | 38,032 | 1,730,473 | 646,257 | 401,150 |
| NET CASH, JUNE 30, 2011 | 2,572 | 715,084 | - | - |
| Cash On hand | | | | |
| TOTAL CASH, JUNE 30, 2011 | \$ 2,572 | \$ 715,084 | \$ - | \$ - |



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 H. Balderas
New Mexico State Auditor
The Board of Education
Estancia Municipal Schools
Corona, New Mexico

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds, and the combining and individual funds and related budgetary comparisons presented as supplemental information of the Estancia Municipal School District, as of and for the year ended June 30, 2011, and have issued our report thereon dated October 5, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Estancia Municipal School District's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Estancia Municipal School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that are required to be reported under *Government Auditing Standards* paragraph 5.14 and 5.16, and Section 12-6-5 NMSA 1978, which are described in the accompanying Schedule of Findings and Recommendations as item 2010-1 and 2011-1.

The Estancia Municipal School District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. We did not audit the Estancia Municipal School District's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Estancia Municipal School Board, others within the District, the New Mexico Public Education Department, the Office of the State Auditor, the New Mexico Legislature, and applicable federal grantors and is not intended to be and should not be used by anyone other than these specified parties.

Woodward, Cowen & Co.

October 5, 2011

Woodard, Cowen & Co.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Mr. Hector H. Balderas, State Auditor
The Board of Education
Estancia Municipal Schools
Estancia, New Mexico

Compliance

We have audited Estancia Municipal Schools compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Estancia Municipal School's major federal programs for the year ended June 30, 2011. Estancia Municipal School'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 requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of Estancia Municipal School's management. Our responsibility is to express an opinion on Estancia Municipal School'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 Estancia Municipal School'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 Estancia Municipal School's compliance with those requirements.

In our opinion Estancia Municipal Schools complied, in all material respects, with the 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.

Portales: 305 S. Avenue B or PO Box 445, Portales NM 88130 – Phone 575-356-8564 Fax 575-356-2453
Clovis: 116 E. Grand Avenue or PO Box 1874, Clovis NM 88101 – Phone 575-762-3811 Fax 575-762-3866

Internal Control over Compliance

The management of Estancia Municipal Schools is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Estancia Municipal School's internal control over compliance with 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 Estancia Municipal School's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of management, the Estancia Municipal School Board, others within the District, the New Mexico Public Education Department, the Office of the State Auditor, the New Mexico Legislature, and applicable federal grantors and is not intended to be and should not be used by anyone other than these specified parties.

Woodard, Cowen & Co.

October 5, 2011

SINGLE AUDIT SECTION

STATE OF NEW MEXICO
 ESTANCIA MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2011

I. SUMMARY OF AUDITORS RESULTS:

| | |
|--|--|
| Report on Financial Statements | Unqualified |
| Significant Deficiencies on GAGAS | None |
| Other matters required to be reported | 2011-1 and 2011-2 |
| Material Noncompliance | None |
| Questioned Cost | None |
| Type A & Type B dollar threshold | \$300,000 |
| Entity Risk | Low Risk |
| Major Federal Programs | SPECIAL EDUCATION CLUSTER IDEA –B Entitlement 84.0270 Entitlement Stimulus 84.391A Private School Share Stimulus 84.173 Preschool 84.173 Preschool Stimulus 84.392A EDUCATION JOBS FUND 84.410 |
| Significant Deficiencies on Internal Control over Major Programs | None |
| Material weaknesses identified | None |
| Report on Compliance with Major Programs | Unqualified |
| Findings reportable under 510(a) of Circular A-133 | None |

II. FINANCIAL STATEMENT FINDINGS

Control

2010-1 Disbursements (Other)

| | |
|------------|--|
| Condition: | The District could not locate the backup documentation for an activity fund disbursement in the amount of \$138. The total amount of activity fund disbursements tested was \$8,407. |
| Criteria: | District policies and procedures require that all disbursements have properly approved requisitions and purchase orders, and that all documentation related to the expenditure be attached and properly filed. |
| Cause: | District policies and procedures were, ignored, circumvented or erroneously missed with respect to the disbursements. |
| Effect: | Override of controls can cause erroneous reporting and/or put District assets at risk. |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

JUNE 30, 2011

II. FINANCIAL STATEMENT FINDINGS (continued)

Recommendation: The District should evaluate procedures and develop controls which include a process for review of documentation for completeness and controls that cannot be overridden.

Response: The District will evaluate the policies and procedures and make appropriate changes.

2011-1 ERB Reporting (Other)

Condition: ERB reports filed during the fiscal year were not calculated or reported accurately. Corrections were not identified by controls on a timely basis.

Criteria: Good internal control procedures should ensure reports are reviewed timely for accuracy and allow for corrections prior to filing.

Cause: Reports being filed were not being reviewed by someone who did not prepare the reports. Corrections were not being made at the time they were discovered. The errors were caused by lack of understanding of the payroll program changes by the person in charge of preparing the reports.

Effect: ERB accounts were underpaid during the year, therefore, employees accounts were not accurate until the corrections were made and the correct balances paid into the ERB system.

Recommendation: The District should evaluate controls over all reporting and implement procedures that include a supervisory review of reports before filing.

Response: The District will evaluate the policies and procedures and make appropriate changes.

Compliance

None

III. FEDERAL PROGRAM FINDINGS

None

IV. PRIOR YEAR AUDIT FINDINGS

| | | |
|--------|-------------------|----------|
| 2010-1 | Disbursements | Repeated |
| 2011-1 | Late Audit Report | Resolved |

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2011

| | FEDERAL CFDA NUMBER | PASS-THROUGH ENTITY IDENTIFYING NUMBER | PROGRAM EXPENDITURES |
|---|---------------------------|--|-------------------------|
| <u>US DEPARTMENT OF EDUCATION</u> | | | |
| Passed Through the State Department of Education | | | |
| Title I | 84.010 | 24101 | \$ 237,660 |
| Title I Stimulus (ARRA) | 84.389 | 24201 | 119,733 |
| <1>IDEA-B - Entitlement | 84.0270 | 24106 | 216,145 |
| <1>IDEA-B - Entitlement Stimulus (ARRA) | 84.391A | 24206 | 180,885 |
| <1>IDEA-B - Private School Share Stimulus | 84.173 | 24107 | 1,132 |
| <1>IDEA-B - Preschool | 84.173 | 24109 | 11,846 |
| <1>IDEA-B - Preschool Stimulus (ARRA) | 84.392A | 24209 | 4,380 |
| Title II - A Teacher/Principal Training | 84.367A | 24154 | 79,945 |
| Safe and Drug Free Schools | 84.186 | 24157 | 4,890 |
| State Fiscal Stabilization Fund Stimulus (ARRA) | 84.394 | 25250 | 76,576 |
| <1>Education Jobs Fund | 84.410 | 25255 | 206,320 |
| TOTAL PASSTHROUGH GRANTS | | | <u>1,139,512</u> |
| TOTAL DEPARTMENT OF EDUCATION | | | <u>\$ 1,139,512</u> |
| <u>US DEPARTMENT OF AGRICULTURE</u> | | | |
| Passed Through the State Department of Education | | | |
| National School Lunch Program | 10.555 | 21000-8602 | \$ 324,329 |
| Forrest Reserve | 10.664 | 11000-8604 | 19,026 |
| Fresh Fruit & Vegetables | 10.582 | 24118 | - |
| | | | <u>343,355</u> |
| Passed Through New Mexico State | | | |
| Department of Human Services | | | |
| Non-Monetary Assistance | 10.565 | 21000-8904 | 17,570 |
| TOTAL DEPARTMENT OF AGRICULTURE | | | <u>\$ 360,925</u> |
| <u>US DEPARTMENT OF HEALTH AND HUMAN SERVICES</u> | | | |
| Passed Through the State Department of Education | | | |
| Title XIX Medicaid | 93.7780 | 25153 | \$ 91,934 |
| TOTAL US DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | <u>\$ 91,934</u> |
| <u>US FEDERAL COMMUNICATIONS COMMISSION</u> | | | |
| Universal Service Program for Schools | | | |
| and Libraries -- E-Rate | 54.504 | 11000 | \$ 78,684 |
| TOTAL US FEDERAL COMMUNICATION COMMISSION | | | <u>\$ 78,684</u> |
| TOTAL FEDERAL AWARDS EXPENDITURES | | | <u>\$ 1,671,055</u> |

<1> Major Program

Note 1 This schedule is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with OMB Circular A-133, Audits of States, Local Governments, and Non- Profit Organizations.

Note 2 Non-Monetary assistance is reported in the schedule at the fair market value of the commodities received.

STATE OF NEW MEXICO
ESTANCIA MUNICIPAL SCHOOLS

OTHER DISCLOSURES

Year Ended June 30, 2011

OTHER DISCLOSURES

PREPARATION OF FINANCIAL STATEMENTS

We prepared the draft financial statements based on management's chart of accounts and trial balances and any adjusting, correcting, and closing entries have been approved by management. We also have prepared the draft footnotes based on the information determined, provided by and approved by management. These services are allowable under SAS 115.

EXIT CONFERENCE

An Exit Conference was held on October 5, 2011. Present were:

Stella Chavez
Randol Riley
Sylvia Chavez
Carol Gonzeles
Carolyn Allen=Renteria
D. Brent Woodard, CPA

Audit Committee – Community Finance
Audit Committee – Board President
Audit Committee - Parent
Finance Director
Superintendent
Auditor