



STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS

ANNUAL FINANCIAL REPORT
June 30, 2010

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Melrose, New Mexico



STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
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STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
Official Roster
June 30, 2010

BOARD OF EDUCATION

Laurie Pettigrew	President
Tom Wilton	Vice-President
Vincent Rodriguez	Secretary
Cody West	Member
Scot Stinnett	Member

SCHOOL OFFICIALS

Patricia Miller	Superintendent
Leola Patterson	Business Manager

Independent Auditor's Report

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the FORT SUMNER MUNICIPAL SCHOOLS

Mr. Balderas and Members of the Board

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons for the general funds and major special revenue funds of FORT SUMNER MUNICIPAL SCHOOLS, (District), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental and the budgetary comparisons for the major capital project fund, debt service fund and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2010, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2010, and the respective changes in financial position, thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2010, and the respective changes in financial position, thereof and the respective budgetary comparisons for the major capital project fund, debt service fund and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2010, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the basic financial statements and the combining and individual fund financial statements. The accompanying schedule of expenditures of federal awards is presented for purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of State, 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

De'Ann Willoughby CPA PC

November 11, 2010

FINANCIAL SECTION

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
 Government-Wide Statement of Net Assets
 June 30, 2010

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 2,689,282
Taxes Receivable	21,982
Due From Grantor	223,837
Inventory	308
Total Current Assets	<u>2,935,409</u>
Noncurrent Assets	
Capital Assets	20,622,467
Less: Accumulated Depreciation	<u>(2,939,229)</u>
Total Noncurrent Assets	<u>17,683,238</u>
Total Assets	<u>20,618,647</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	17,698
Accrued Interest	23,503
Deferred Revenue	711
Compensated Absences	9,477
Current Portion of Long-Term Debt	<u>235,000</u>
Total Current Liabilities	<u>286,389</u>
Noncurrent Liabilities	
Bonds and Notes, Net	<u>2,266,404</u>
Total Noncurrent Liabilities	<u>2,266,404</u>
Total Liabilities	<u>2,552,793</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	15,181,834
Restricted for Capital Projects	228,755
Unrestricted	<u>2,655,265</u>
Total Net Assets	<u>\$ 18,065,854</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
 Government-Wide Statement of Activities
 For the Year Ended June 30, 2010

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Instruction	\$ 2,931,365	\$ 50,052	\$ 303,645	\$ 0	\$ (2,577,668)
Support Service-Students	366,466	0	110,415	0	(256,051)
Support Services-Instruction	187,647	0	95,193	0	(92,454)
Support Services-General Administration	125,478	0	0	0	(125,478)
Support Services-School Administration	194,835	0	0	0	(194,835)
Central Services	115,246	0	0	0	(115,246)
Operation & Maintenance of Plant	677,459	0	36,763	0	(640,696)
Student Transportation	464,265	0	442,784	0	(21,481)
Food Services	178,335	35,688	120,876	0	(21,771)
Interest on Long-Term Obligations	61,989	0	0	0	(61,989)
Total Governmental Activities	<u>\$ 5,303,085</u>	<u>\$ 85,740</u>	<u>\$ 1,109,676</u>	<u>\$ 0</u>	<u>(4,107,669)</u>
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes					26,070
Property Taxes, Levied for Capital Projects					105,875
Property Taxes, Levied for Debt Service					299,300
Federal and State aid not restricted to specific purpose					
General					3,798,924
Capital					12,239,780
Interest and investment earnings					34,773
Miscellaneous					55,341
Subtotal, General Revenues					<u>16,560,063</u>
Change in Net Assets					12,452,394
Net Assets - beginning					<u>5,613,460</u>
Net Assets - ending					<u>\$ 18,065,854</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
 GOVERNMENTAL FUNDS
 Balance Sheet
 June 30, 2010

	General Fund		
	Operational 11000	Transportation 13000	Instructional Material 14000
ASSETS			
Cash and Cash Equivalents	\$ 38,891	\$ 0	\$ 7,037
Receivables			
Taxes	1,189	0	0
Due From Grantor	0	0	0
Interfund Balance	219,209	0	0
Inventory	0	0	0
Total Assets	<u>\$ 259,289</u>	<u>\$ 0</u>	<u>\$ 7,037</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Accounts Payable	11,203	0	0
Deferred Revenue	1,036	0	0
Total Liabilities	<u>12,239</u>	<u>0</u>	<u>0</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Special Revenue Funds	0	0	0
Capital Improvements	0	0	0
Retirement of Long-Term Debt	0	0	0
Unreserved, Undesignated, reported in:			
General Fund	247,050	0	7,037
Capital Projects	0	0	0
Total Fund Balances	<u>247,050</u>	<u>0</u>	<u>7,037</u>
Total Liabilities and Fund Balances	<u>\$ 259,289</u>	<u>\$ 0</u>	<u>\$ 7,037</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2010

	<u>Special Revenue</u>		<u>Capital Projects</u>
	State Fiscal Stabilization Program Fund 25250	Florida Power & Light 29129	Bond Building 31100
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 518,382	\$ 1,407,651
Receivables			
Taxes	0	0	0
Due From Grantor	68,782	0	0
Interfund Balance	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 68,782</u>	<u>\$ 518,382</u>	<u>\$ 1,407,651</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 68,782	\$ 0	\$ 0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>68,782</u>	<u>0</u>	<u>0</u>
Fund Balances			
Reserved for:			
Inventory	0	0	0
Special Revenue Funds	0	518,382	0
Capital Improvements	0	0	1,407,651
Retirement of Long-Term Debt	0	0	0
Unreserved, Undesignated, reported in:			
General Fund	0	0	0
Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>518,382</u>	<u>1,407,651</u>
Total Liabilities and Fund Balances	<u>\$ 68,782</u>	<u>\$ 518,382</u>	<u>\$ 1,407,651</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2010

	<u>Capital Projects</u>		
	Special		
	Capital Outlay	Other	Total
	State	Governmental	Governmental
	31400	Funds	Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 717,321	\$ 2,689,282
Receivables			
Taxes	0	20,793	21,982
Due From Grantor	45,812	109,243	223,837
Interfund Balance	0	0	219,209
Inventory	0	308	308
Total Assets	<u>\$ 45,812</u>	<u>\$ 847,665</u>	<u>\$ 3,154,618</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 45,812	\$ 104,615	\$ 219,209
Accounts Payable	0	6,495	17,698
Deferred Revenue	0	18,532	19,568
Total Liabilities	<u>45,812</u>	<u>129,642</u>	<u>256,475</u>
Fund Balances			
Reserved for:			
Inventory	0	308	308
Special Revenue Funds	0	193,531	711,913
Capital Improvements	0	0	1,407,651
Retirement of Long-Term Debt	0	295,429	295,429
Unreserved, Undesignated, reported in:			
General Fund	0	0	254,087
Capital Projects	0	228,755	228,755
Total Fund Balances	<u>0</u>	<u>718,023</u>	<u>2,898,143</u>
Total Liabilities and Fund Balances	<u>\$ 45,812</u>	<u>\$ 847,665</u>	<u>\$ 3,154,618</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Assets
 June 30, 2010

Total Fund Balance - Governmental Funds \$ 1,407,651

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

Total Fund Balance - Governmental Funds \$ 2,898,143

Property taxes receivable will be collected after the period of
 availability, but are not available soon enough to pay for the
 current period's expenditures, and therefore are deferred in
 the funds. 18,857

Capital assets used in governmental activities are not
 financial resources and therefore are not reported as
 assets in governmental funds.

	\$	20,622,467	
The cost of capital assets		(2,939,229)	
Accumulated depreciation is		(2,939,229)	17,683,238

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

		(2,570,000)	
Bond payable		79,744	
Issue Costs		(11,148)	
Accumulated Amortization		(23,503)	
Accrued Interest		(9,477)	
Compensated Absences		(9,477)	(2,534,384)

Total Net Assets - Governmental Activities \$ 18,065,854

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	General Fund		
	Operational	Transportation	Instructional
	11000	13000	Material 14000
Revenues			
Property Taxes	\$ 25,034	\$ 0	\$ 0
Interest Income	16,797	0	0
Fees	14,133	0	0
State and Local Grants	3,408,164	442,784	12,509
Federal Grants	0	0	0
Miscellaneous	48,977	5,097	0
Total Revenues	<u>3,513,105</u>	<u>447,881</u>	<u>12,509</u>
Expenditures			
Current			
Instruction	1,980,482	0	28,367
Support Services-Students	256,251	0	0
Support Services-Instruction	76,227	0	0
Support Services-General Administration	120,967	0	0
Support Services-School Administration	194,835	0	0
Central Services	117,043	0	0
Operation & Maintenance of Plant	630,444	0	0
Student Transportation	633	463,515	0
Food Service	14,649	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Costs	0	0	0
Total Expenditures	<u>3,391,531</u>	<u>463,515</u>	<u>28,367</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>121,574</u>	<u>(15,634)</u>	<u>(15,858)</u>
Other Financing Sources (Uses)			
Bond Proceeds	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Changes in Fund Balance	121,574	(15,634)	(15,858)
Fund Balances at Beginning of Year	<u>125,476</u>	<u>15,634</u>	<u>22,895</u>
Fund Balance at End of Year	<u>\$ 247,050</u>	<u>\$ 0</u>	<u>\$ 7,037</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue		Capital Projects
	State Fiscal	Florida	Bond
	Stabilization Program Fund 25250	Power & Light 29129	Building 31100
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	13,370
Fees	0	0	0
State and Local Grants	0	90,165	0
Federal Grants	300,595	0	0
Miscellaneous	0	0	0
Total Revenues	<u>300,595</u>	<u>90,165</u>	<u>13,370</u>
Expenditures			
Current			
Instruction	273,822	0	0
Support Services-Students	8,579	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	18,194	0	0
Student Transportation	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	551,393
Debt Service			
Principal	0	0	0
Interest	0	0	0
Bond Issue Costs	0	0	48,004
Total Expenditures	<u>300,595</u>	<u>0</u>	<u>599,397</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>90,165</u>	<u>(586,027)</u>
Other Financing Sources (Uses)			
Bond Proceeds	0	0	880,000
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>880,000</u>
Net Changes in Fund Balance	0	90,165	293,973
Fund Balances at Beginning of Year	<u>0</u>	<u>428,217</u>	<u>1,113,678</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 518,382</u>	<u>\$ 1,407,651</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	<u>Capital Projects</u>		
	Special		
	Capital Outlay	Other	Total
	State	Governmental	Governmental
	31400	Funds	Funds
Revenues			
Property Taxes	\$ 0	\$ 387,354	\$ 412,388
Interest Income		4,606	34,773
Fees	0	71,607	85,740
State and Local Grants	12,239,780	132,034	16,325,436
Federal Grants	0	522,349	822,944
Miscellaneous	0	1,267	55,341
Total Revenues	<u>12,239,780</u>	<u>1,119,217</u>	<u>17,736,622</u>
Expenditures			
Current			
Instruction	0	330,793	2,613,464
Support Services-Students	0	101,636	366,466
Support Services-Instruction	0	111,420	187,647
Support Services-General Administration	0	3,869	124,836
Support Services-School Administration	0	0	194,835
Central Services	0	0	117,043
Operation & Maintenance of Plant	0	29,898	678,536
Student Transportation	0	0	464,148
Food Service	0	163,686	178,335
Capital Outlay	12,239,780	19,148	12,810,321
Debt Service			
Principal	0	310,000	310,000
Interest	0	57,589	57,589
Bond Issue Costs	0	0	48,004
Total Expenditures	<u>12,239,780</u>	<u>1,128,039</u>	<u>18,151,224</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>0</u>	<u>(8,822)</u>	<u>(414,602)</u>
Other Financing Sources (Uses)			
Bond Proceeds	0	0	880,000
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>880,000</u>
Net Changes in Fund Balance	0	(8,822)	465,398
Fund Balances at Beginning of Year	<u>0</u>	<u>726,845</u>	<u>2,432,745</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 718,023</u>	<u>\$ 2,898,143</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
 Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balance
 To the Statement of Activities
 June 30, 2010

Net Change in Fund Balance \$ 465,398

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

Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered "available" revenues in the governmental funds, and are instead reported as deferred revenues. They are however, recorded as revenues in the Statement of Activities. 18,857

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

Depreciation expense	\$ (317,901)	
Capital Outlays	<u>12,810,321</u>	12,492,420

The issuance of long-term debt provides current financial resources to governmental funds but has no effect on net assets. (880,000)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 310,000

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

Issue Cost this year	48,004	
Amortization of Issue Cost this year	<u>(7,974)</u>	40,030

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.

Accrued Interest, June 30, 2009	27,077	
Accrued Interest, June 30, 2010	<u>(23,503)</u>	3,574

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

Compensated Absences, June 30, 2009	11,592	
Compensated Absences, June 30, 2010	<u>(9,477)</u>	<u>2,115</u>

Changes in Net Assets of Governmental Activities \$ 12,452,394

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 23,566	23,566	\$ 25,011	\$ 1,445
Interest Income	16,446	16,446	16,797	351
Fees	3,300	3,300	14,133	10,833
State Grant	3,472,305	3,472,305	3,408,164	(64,141)
Miscellaneous	0	0	48,977	48,977
Total Revenues	<u>3,515,617</u>	<u>3,515,617</u>	<u>3,513,082</u>	<u>(2,535)</u>
Expenditures				
Instruction				
Personnel Services	1,508,088	1,508,088	1,416,121	91,967
Employee Benefits	524,613	524,613	460,224	64,389
Professional & Tech Services	21,600	9,328	10,888	(1,560)
Purchased Property Services	1,500	1,500	0	1,500
Purchased Services	31,520	25,520	16,742	8,778
Supplies	65,638	53,163	76,081	(22,918)
Total Instruction	<u>2,152,959</u>	<u>2,122,212</u>	<u>1,980,056</u>	<u>142,156</u>
Support Services-Students				
Personnel Services	167,980	167,980	180,427	(12,447)
Employee Benefits	64,054	64,054	70,745	(6,691)
Professional & Tech Services	60,098	41,098	4,847	36,251
Purchased Services	250	250	0	250
Supplies	3,000	3,100	256	2,844
Total Support Services-Students	<u>295,382</u>	<u>276,482</u>	<u>256,275</u>	<u>20,207</u>
Support Services-Instruction				
Personnel Services	33,475	33,475	33,353	122
Employee Benefits	26,027	26,027	23,830	2,197
Professional & Tech Services	250	250	99	151
Supplies	1,700	19,511	18,946	565
Total Support Services-Instruction	<u>61,452</u>	<u>79,263</u>	<u>76,228</u>	<u>3,035</u>
Support Services-General Administration				
Personnel Services	64,790	69,956	68,335	1,621
Employee Benefits	31,260	33,229	20,895	12,334
Professional & Tech Services	29,871	29,871	28,314	1,557
Purchased Services	6,400	6,400	4,275	2,125
Supplies	1,700	1,700	459	1,241
Total Support Services-General Administration	<u>\$ 134,021</u>	<u>\$ 141,156</u>	<u>\$ 122,278</u>	<u>\$ 18,878</u>

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Support Services-School Administration				
Personnel Services	\$ 155,743	\$ 155,742	\$ 155,567	\$ 175
Employee Benefits	35,075	35,075	32,742	2,333
Professional & Tech Services	1,200	1,200	408	792
Supplies	400	6,118	6,118	0
Total Support Services-School Administration	192,418	198,135	194,835	3,300
Central Services				
Personnel Services	83,300	83,300	83,160	140
Employee Benefits	27,482	27,482	25,660	1,822
Professional & Tech Services	2,000	2,000	981	1,019
Supplies	9,054	9,054	7,242	1,812
Total Central Services	121,836	121,836	117,043	4,793
Operation & Maintenance of Plant				
Personnel Services	152,297	152,297	146,721	5,576
Employee Benefits	97,979	97,979	67,939	30,040
Professional & Tech Services	500	500	271	229
Purchased Property Services	245,500	255,600	252,378	3,222
Purchased Services	100,875	100,875	97,156	3,719
Supplies	35,100	64,618	64,618	0
Total Operation & Maintenance of Plant	632,251	671,869	629,083	42,786
Transportation				
Purchased Property Services	2,000	2,000	482	1,518
Supplies	1,000	1,000	150	850
Total Transportation	3,000	3,000	632	2,368
Food Service				
Personnel Services	13,324	13,324	7,217	6,107
Employee Benefits	14,213	14,213	7,433	6,780
Total Food Service	27,537	27,537	14,650	12,887
Total Expenditures	3,620,856	3,641,490	3,391,080	250,410
Excess (Deficiency) of Revenues Over Expenditures	(105,239)	(125,873)	122,002	247,875
Cash Balance Beginning of Year	136,098	136,098	136,098	0
Cash Balance End of Year	\$ 30,859	\$ 10,225	\$ 258,100	\$ 247,875
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 122,002	
Net Change in Taxes Receivable			24	
Net Change in Accounts Payable			(452)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 121,574	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
GENERAL FUND-TRANSPORTATION-13000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grants	\$ 493,377	\$ 479,848	\$ 442,784	\$ (37,064)
Miscellaneous	0	0	5,097	5,097
Total Revenues	<u>493,377</u>	<u>479,848</u>	<u>447,881</u>	<u>(31,967)</u>
Expenditures				
Transportation				
Personnel Services	92,623	92,006	88,463	3,543
Employee Benefits	60,112	60,112	57,402	2,710
Professional & Tech Services	1,092	0	630	(630)
Purchased Property Services	42,935	46,172	43,925	2,247
Other Purchased Services	274,339	269,881	269,881	0
Supplies	6,292	7,767	3,563	4,204
Total Transportation	<u>477,393</u>	<u>475,938</u>	<u>463,864</u>	<u>4,204</u>
Total Expenditures	<u>477,393</u>	<u>475,938</u>	<u>463,864</u>	<u>4,204</u>
Excess (Deficiency) of Revenues Over Expenditures	15,984	3,910	(15,983)	(19,893)
Cash Balance Beginning of Year	<u>15,983</u>	<u>15,983</u>	<u>15,983</u>	<u>0</u>
Cash Balance End of Year	\$ <u>31,967</u>	\$ <u>19,893</u>	\$ <u>0</u>	\$ <u>(19,893)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (15,983)	
Net Change in Accounts Payable			349	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(15,634)</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
GENERAL FUND-INSTRUCTIONAL MATERIAL-14000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grants	\$ 12,509	\$ 12,509	\$ 12,509	\$ 0
Total Revenues	<u>12,509</u>	<u>12,509</u>	<u>12,509</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	34,953	34,953	28,449	6,504
Total Instruction	<u>34,953</u>	<u>34,953</u>	<u>28,449</u>	<u>6,504</u>
Support Services-Instruction				
Supplies	0	0	0	0
Total Support Services-Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>34,953</u>	<u>34,953</u>	<u>28,449</u>	<u>6,504</u>
Excess (Deficiency) of Revenues Over Expenditures	(22,444)	(22,444)	(15,940)	6,504
Cash Balance Beginning of Year	<u>22,977</u>	<u>22,977</u>	<u>22,977</u>	<u>0</u>
Cash Balance End of Year	\$ <u>533</u>	\$ <u>533</u>	\$ <u>7,037</u>	\$ <u>6,504</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (15,940)	
Net Change in Accounts Payable			82	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(15,858)</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-STATE FISCAL STABILIZATION PROGRAM FUND-25250
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 404,466	\$ 441,466	\$ 231,813	\$ (209,653)
Total Revenues	<u>404,466</u>	<u>441,466</u>	<u>231,813</u>	<u>(209,653)</u>
Expenditures				
Instruction				
Personnel Services	331,074	310,888	164,981	145,907
Employee Benefits	64,999	64,999	61,284	3,715
Professional & Tech Services	0	0	180	(180)
Purchased Services	0	0	42	(42)
Supplies	0	37,000	47,335	(10,335)
Total Instruction	<u>396,073</u>	<u>412,887</u>	<u>273,822</u>	<u>139,065</u>
Support Services-Students				
Professional & Tech Services	8,393	8,393	8,393	0
Supplies	0	186	186	0
Total Support Services-Students	<u>8,393</u>	<u>8,579</u>	<u>8,579</u>	<u>0</u>
Operations & Maintenance of Plant				
Purchased Services	0	0	903	(903)
Supplies	0	20,000	17,291	2,709
Total Operations & Maintenance of Plant	<u>0</u>	<u>20,000</u>	<u>18,194</u>	<u>1,806</u>
Total Expenditures	<u>404,466</u>	<u>441,466</u>	<u>300,595</u>	<u>140,871</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(68,782)	(68,782)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (68,782)</u>	<u>\$ (68,782)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (68,782)	
Net Change in Due from Grantor			<u>68,782</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-FLORIDA POWER & LIGHT-29129
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Local Grant	\$ 90,165	\$ 90,165	\$ 90,165	\$ 0
Total Revenues	<u>90,165</u>	<u>90,165</u>	<u>90,165</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital Outlay				
Purchased Services	0	0	0	0
Total Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	90,165	90,165	90,165	0
Cash Balance Beginning of Year	<u>428,217</u>	<u>428,217</u>	<u>428,217</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 518,382</u>	<u>\$ 518,382</u>	<u>\$ 518,382</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 90,165	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 90,165</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2010

	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ 126,591
Total Assets	<u>\$ 126,591</u>
Liabilities	
Deposits Held for Others	\$ 126,591
Total Liabilities	<u>\$ 126,591</u>

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

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Fort Sumner Municipal Schools (District) , has been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued prior to November 30, 1989 that do not conflict with or contradict GASB pronouncements. The more significant of the District's accounting policies are described below.

Financial Reporting Entity

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

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

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

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

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

Governmental Funds

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

General Fund - The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds.

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

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

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

Fiduciary Fund Type

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the District. The Agency funds are accounted for using the economic resources measurement focus and accrual basis of accounting.

The Student Activity Fund, an agency fund, accounts for assets held by the District as an agent for the District organizations. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. This accounting reflects the District's agency relationship with the student activity organizations.

Major Funds

The District reports the following major governmental funds:

General (11000) (13000) (14000). The General Fund consist of three sub funds. The first is the operational fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The Transportation fund includes a state grant to provide transportation for students in the District. The Instructional Materials fund accounts for a state grant to provide text books for students in the District.

State Fiscal Stabilization Program Fund (25250). The objectives of this grant are to support and restore funding for elementary and secondary education, to avoid reductions in budgets for education and other essential services in exchange for a commitment to advance essential education reforms. The fund was created by grant provisions.

Florida Power & Light (29129). To account for resources and expenditures from a Wind Farm who makes payments in lieu of Property Taxes, Parents Reaching Out for the purpose of development and implementation of the School Parent Community Involvement Plan. The fund was created by grant provisions.

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

Special Capital Outlay-State (31400). To account for a state grant specifically for the use of construction to improve the buildings and grounds of the District.

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements (GWFS)

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

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

Program Revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues. Program revenues include: 1) charges for services to students or applicants who purchase, use or directly benefit from the goods or services provided by the given function 2) program-specific operating grants and contributions, and including grants for transportation, instructional materials, food service. special revenue funds such as special education as well as others and federal and state programs 3) program specific capital grants and contributions.

Fund Financial Statements (FFS)

Governmental Funds

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

Revenues

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

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

Revenue Recognition for Grants.

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

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

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

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

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

Expenditures

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

Other Financing Sources (Uses)

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

Basis of Budgeting

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

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
Notes to the Financial Statements
June 30, 2010

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

1. Prior to April 15, (unless a later date is fixed by the Superintendent of Public Instruction) the local school board submits to the District Budget Planning Unit (SBPU) of the New Mexico Public Education Department an estimated budget for the District for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the New Mexico Public Education Department (PED) by the district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed "operating" budget will be reviewed and approved by the SBPU and certified and approved by the local school board at the public hearing of which notice has been published by the local school board which fixed the estimated budget for the district for the ensuing fiscal year.
3. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the SBPU and the local school board. The budget shall be integrated formally in to the accounting system. Encumbrances shall be used as an element for control and shall be integrated into the budget system.
4. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the SBPU.
5. No school board or officer or employee of the District shall make any expenditures or incur any obligation for the expenditures of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division. But this does not prohibit the transfer of funds between line items within a series of a budget.
6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the District and approved by the SBPU.
7. Legal budget control for expenditures is by function.
8. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

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

Investments

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

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

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

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

Receivables and Payables

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

Property Taxes

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

Elimination and Reclassifications of Certain Receivables and Payables

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

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June 30, 2010

Inventories and Prepaid Items

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

Capital Assets

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

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

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

Buildings & Improvements	20-50 Years
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	5-20 Years

Capital Leases

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

Short -Term Debt

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

Long-Term Liabilities

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

Restricted Net Assets

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

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

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Imposed by law through constitutional provisions or enabling legislation.

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

Fund Balances of Fund Financial Statements

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

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

Interfund Transfers

In governmental funds, transfers should be reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

Deferred Revenue

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

Compensated Absences

The District contracts all employees on an annual basis. A terminated employee is paid through the date of dismissal in accordance with their contract. Due to this practice, there are no compensated absences accrued.

Estimates

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

NOTE B: DEPOSITS AND INVESTMENTS

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

The Citizens Bank of Clovis

<u>Name of Account</u>	Balance Per Bank 06-30-10	Reconciled Balance	<u>Type</u>
Payment Account	\$ 389,263	\$ 366	Checking
Deposit Account	2,610,492	2,610,492	Checking
Draw Account	50	0	Checking
Hot Lunch	80,658	66,373	Checking
High School	141,104	138,642	Checking
TOTAL Deposited	<u>3,221,567</u>	<u>\$ 2,815,873</u>	
Less: FDIC Coverage	(250,000)		
Uninsured Amount	<u>2,971,567</u>		
50% collateral requirement	1,485,784		
Pledged securities	<u>3,449,410</u>		
Over (Under) requirement	<u>\$ 1,963,627</u>		

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The following securities are pledged

<u>Description</u>	<u>CUSIP #</u>	<u>Par/ Market Value</u>	<u>Maturity Date</u>	<u>Location</u>
GNMA II Pool #80444	36225CP67	\$ 225,475	08/20/30	* IB AFS
GNMA II Pool #3984	36202EM97	1,989,197	05/20/37	* IB AFS
GNMA II Pool #80719	36225CYR1	83,484	06/20/33	* IB AFS
GNMA II Pool #4083	36202ERC5	1,151,254	02/20/38	* IB AFS
		<u>\$ 3,449,410</u>		

* Independent Bank AFS
Dallas TX

Custodial Credit Risk-Deposits

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 250,000
Collateralized:	
Collateral held by the pledging bank in District's name	0
Uninsured and uncollateralized	2,971,567
Total Deposits	<u>\$ 3,221,567</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2010, \$2,971,567 of District's bank balance of \$3,221,567 was exposed to custodial credit risk.

NOTE C: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances is as follows:

<u>Receivable Fund</u>	<u>Payable Funds</u>			
	State Fiscal Stabilization Program Fund 25250	Special Capital Outlay State 31400	Non Major Funds	Total
General Fund	\$ 68,782	\$ 45,812	\$ 104,615	\$ 219,209
Totals	<u>\$ 68,782</u>	<u>\$ 45,812</u>	<u>\$ 104,615</u>	<u>\$ 219,209</u>

The above interfund balances resulted from reimbursement grants. The shortfalls were covered by the General Fund. All transactions will be repaid within one year.

NOTE E: TAXES RECEIVABLE

Following is a schedule of property taxes receivable as of June 30, 2010:

	<u>Operational Fund 11000</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Property Taxes Receivable:	\$		
Available	153	2,261	2,414
Unavailable	1,036	18,532	19,568
TOTAL Property Taxes Receivable	<u>\$ 1,189</u>	<u>\$ 20,793</u>	<u>\$ 21,982</u>

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June 30, 2010

NOTE F: DUE FROM GRANTOR

Amounts due from other agencies and units of government were as follows as of June 30, 2010:

Federal Agencies	\$	175,742
State Agencies		48,095
Local Grantors		17,301
Total	\$	<u>223,837</u>

NOTE G: DEFERRED REVENUES

Revenues are deferred in accordance with the modified accrual basis of accounting for the fund financial statements. The following deferred revenues are measurable but do not represent available expendable resources for the Fund Financial Statements for the fiscal year ended June 30, 2010:

	Operational Fund 11000	Other Governmental	Total
Property Taxes	\$ 1,036	\$ 18,532	\$ 19,568
Federal Revenues	0	0	0
TOTAL Deferred Revenues	<u>\$ 1,036</u>	<u>\$ 18,532</u>	<u>\$ 19,568</u>

NOTE H: CAPITAL ASSETS

Capital Assets Balances and Activity for the Year Ended June 30, 2010, is as follows:

	Balance 6/30/09	Increases	Decreases	Balance 6/30/10
Governmental Activities				
Capital Assets, not being Depreciated				
Land	\$ 0	\$ 0	\$ 0	\$ 0
Construction In Progress	92,131	12,810,321	0	12,902,452
Total Capital Assets, not being Depreciated	<u>92,131</u>	<u>12,810,321</u>	<u>0</u>	<u>12,902,452</u>
Capital Assets, being Depreciated				
Buildings & Improvements	5,774,333	0	0	5,774,333
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>1,945,682</u>	<u>0</u>	<u>0</u>	<u>1,945,682</u>
Total Capital Assets, being Depreciated	<u>7,720,015</u>	<u>0</u>	<u>0</u>	<u>7,720,015</u>
Total Capital Assets	<u>\$ 7,812,146</u>	<u>\$ 12,810,321</u>	<u>\$ 0</u>	<u>\$ 20,622,467</u>

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Less Accumulated Depreciation

Buildings & Improvements	\$ 1,697,627	\$ 304,669	\$ 0	\$ 2,002,296
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	923,701	13,232	0	936,933
Total Accumulated Depreciation	<u>2,621,328</u>	<u>317,901</u>	<u>0</u>	<u>2,939,229</u>
Capital Assets, net	\$ <u>5,190,818</u>	\$ <u>12,492,420</u>	\$ <u>0</u>	\$ <u>17,683,238</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 317,901
Total depreciation expenses	<u>\$ 317,901</u>

NOTE I: LONG TERM DEBT

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

	Balance 6/30/09	Additions	Reductions	Balance 6/30/10	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ 2,000,000	\$ 880,000	\$ 310,000	\$ 2,570,000	\$ 235,000
Total Bonds	<u>2,000,000</u>	<u>880,000</u>	<u>310,000</u>	<u>2,570,000</u>	<u>235,000</u>
Other Liabilities					
Compensated					
Absences	11,592	13,200	15,315	9,477	9,477
Total Other Liabilities	<u>11,592</u>	<u>13,200</u>	<u>15,315</u>	<u>9,477</u>	<u>9,477</u>
Long-Term Liabilities					
Liabilities	\$ <u>2,011,592</u>	\$ <u>893,200</u>	\$ <u>325,315</u>	\$ <u>2,579,477</u>	\$ <u>244,477</u>

Payments on the general obligation bonds are made by the Debt Service Funds. The compensated absences liability will ultimately be liquidated by several of the District's governmental funds, with most being paid by the General Fund, Transportation Fund, Food Service Fund and Title I Fund.

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

Above Balance	\$ 2,570,000
Issue Costs	(79,744)
Accumulated Amortization	11,148
Statement of Net Assets	<u>\$ 2,501,404</u>

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June 30, 2010

Government Wide Statements	
Amount Reported as Current Amount Due	\$ 235,000
Amount Reported as Long-Term Due	2,266,404
Statement of Net Assets	<u>\$ 2,501,404</u>

General Obligation Bonds.

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

Series	Date of Issue	Original Amount	Interest Rate	Balance
2003	05/09/03	700,000	.910% - 2.6%	400,000
2007	11/16/07	1,500,000	3.570 %	1,290,000
2010	10/15/2009	880,000	2.09%	880,000
				<u>\$ 2,570,000</u>

The annual requirements to amortize the general obligation bonds including interest payments are as follows:

	Principal	Interest	Total
2011	\$ 235,000	\$ 61,760	\$ 296,760
2012	255,000	60,346	315,346
2013	275,000	53,770	328,770
2014	295,000	46,650	341,650
2015	310,000	38,556	348,556
2016-2020	1,200,000	72,350	1,272,350
	<u>\$ 2,570,000</u>	<u>\$ 333,432</u>	<u>\$ 2,903,432</u>

NOTE J: COMMITMENTS

The District is doing a campus wide remodel and improvement at an estimated cost of \$1.3 million.

NOTE K: PENSION PLAN

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

Effective July 1, 2009, plan members were required by state statute to contribute 7.9% of their gross salary if they earn \$20,000 or less annually, and plan members earning more than \$20,000 annually were required to contribute 9.4% of their gross salary. The District was required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, and 10.9% of the gross covered salary of employees earning more than \$20,000 annually. The employer contribution will increase .75% each year until July 1, 2011 when the employer contribution will be 13.9% of the gross covered salary. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2010, 2009, and 2008, were \$517,634, \$494,642 and \$468,459 respectively, which equal the amount of the required contributions for each fiscal year.

NOTE L: RETIREE HEALTH CARE ACT CONTRIBUTIONS

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

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

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

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

The Retiree Health Care Authority issues a separate, publicly available audited financial report that includes post employment benefit expenditures of premiums and claims paid, participant contributions (employer, employee, and retiree), and net expenditures for the fiscal year. The report also includes the approximate number of retirees participating in the plan. That report may be obtained by writing to the RHCA, Albuquerque State Government Center, 401 Roma, NW, Suite 200, Albuquerque, New Mexico 87102.

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
 Notes to the Financial Statements
 June 30, 2010

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, 2010, the statute required each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee was required to contribute .65% of their salary. In the fiscal years ending June 30, 2011 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 contribution rates will be:

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Employee Contribution</u>
2011	1.666%	0.833%
2012	1.834%	0.917%
2013	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.

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

The District's contributions to the RHCA for the years ended June 30, 2010, 2009 and 2008 were \$49,489, \$50,981 and \$50,806 respectively, which equal the required contributions for each year.

NOTE M: RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS STATEMENTS

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

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

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

Reconciliations are located at the bottom of each budget actual.

NOTE N: INSURANCE COVERAGE

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

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

NOTE O: SURETY BOND

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

NOTE P: JOINT POWERS AGREEMENT

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

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

The REC passed-through \$131,091, to the District for salaries and fringe benefits. As required by SAO 2.2.2.12 C (3) (d), the REC funds were reported as revenues and expenditures in the following special revenue funds:

24106	IDEA, Part B Entitlement
24107	IDEA, Part B Discretionary
24109	IDEA Preschool

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

**SUPPLEMENTAL INFORMATION RELATED TO
MAJOR FUNDS**

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
 CAPITAL PROJECT FUND-BOND BUILDING-31100
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 10,000	\$ 10,000	\$ 13,370	\$ 3,370
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>13,370</u>	<u>3,370</u>
Expenditures				
Capital Outlay				
Professional & Tech Services	10,000	10,000	113,505	(103,505)
Construction Services	<u>1,000,000</u>	<u>1,000,000</u>	<u>485,892</u>	<u>514,108</u>
Total Capital Outlay	<u>1,010,000</u>	<u>1,010,000</u>	<u>599,397</u>	<u>410,603</u>
Total Expenditures	<u>1,010,000</u>	<u>1,010,000</u>	<u>599,397</u>	<u>410,603</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>(586,027)</u>	<u>413,973</u>
Other Financing Sources				
Bond Proceeds	<u>0</u>	<u>0</u>	<u>880,000</u>	<u>880,000</u>
Total Other Sources	<u>0</u>	<u>0</u>	<u>880,000</u>	<u>880,000</u>
Net Change in Cash Balance	(1,000,000)	(1,000,000)	293,973	1,293,973
Cash Balance Beginning of Year	<u>1,113,678</u>	<u>1,113,678</u>	<u>1,113,678</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 113,678</u>	<u>\$ 113,678</u>	<u>\$ 1,407,651</u>	<u>\$ 1,293,973</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Net Change in Cash Balance			\$ 293,973	
Net Change in Fund Balance			<u>0</u>	
Net Change in Fund Balance			<u>\$ 293,973</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
 CAPITAL PROJECT FUND-SPECIAL CAPITAL OUTLAY-STATE-31400
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 71,500	\$ 113,119	\$ 41,360	\$ (71,759)
Total Revenues	<u>71,500</u>	<u>113,119</u>	<u>41,360</u>	<u>(71,759)</u>
Expenditures				
Capital Outlay				
Construction Services	71,500	113,119	87,172	25,947
Total Capital Outlay	<u>71,500</u>	<u>113,119</u>	<u>87,172</u>	<u>25,947</u>
Total Expenditures	<u>71,500</u>	<u>113,119</u>	<u>87,172</u>	<u>25,947</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(45,812)	(45,812)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (45,812)</u>	<u>\$ (45,812)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (45,812)	
Net Change in Due from Grantor			<u>45,812</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

**SUPPLEMENTAL INFORMATION RELATED TO
NON MAJOR FUNDS**

NONMAJOR SPECIAL REVENUE FUNDS

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

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

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

IDEA B (24106) (24107) (24120). To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by the Individuals with Disabilities Education Act, Part B, Sections 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100-639, and 101-476, 20 U. S. C. 1411-1420. The fund was created by the authority of federal grant provisions.

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

Fresh Fruit & Vegetable Program (24118). To account for a Federal grant to provide a variety of free fresh fruits and vegetables to children to help create a healthier school environment. Funding is authorized by the Agriculture, Rural Development, Food and Drug Administration and Related Agencies Act, signed in November 2005, Public Law 109-97.

E2T2-C (24149). To account for revenues and expenditures received from a federal grant to be used to encourage elementary and secondary schools and community-based agencies to create, develop, and offer service learning opportunities for school-age youth. The fund was created by the authority of the National and Community Service Act of 1990, as amended.

Teacher/Principal Training & Recruiting (24154). To provide grants to State Education Agencies (SEAs) on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in student academic achievement. Elementary and Secondary Education Act of 1965, as amended, Title II, Part A (PL 107-110).

Safe & Drug Free Schools (24157). 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. Elementary and Secondary Education Act, Title IV, Part A, Subpart 1, as amended. 20 USC 7111-7118.

Title III Immigrant Grant (24163). To account for the revenues and expenditures provided for daily tutoring in intensive English instruction in the area of reading. Funds are received through the New Mexico Department of Education. The fund was created by the authority of federal grant provisions. (PL 103-382).

NONMAJOR SPECIAL REVENUE FUNDS

Title I Recovery Act (24201). To account for a program funded by a Federal grant to supplement the regular instructional program for educationally deprived students. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

IDEA, Part B Recovery Act (24206). To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

IDEA Preschool Recovery Act (24209). To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to preschool disabled children aged three through five years. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

Education Homeless Recovery Act (24213). To account for a program funded by the U.S. Department of Education through the New Mexico Public Education Department to provide services for schools that have children and youth who were displaced by Hurricane Katrina. The students are entitled to the same services as any other student in the district, including transportation, special education, etc. The fund was created by the authority of federal grant provisions.

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

Dual Credit (27103). To provide financial assistance to purchased instructional materials for the college classes offered to students who are taking them for dual credits. The fund was created by the authority of state grant provisions.

GO Library Books (27105). To provide funding for the purchase of library books. The fund was created by the authority of state grant provision.

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

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

Teacher Mentoring (27154). To account for revenues and expenditures from a state grant provided for tutoring and student enhancement activities in reading, math, and study skills for grades sixth through eight. The fund was created by state grant provisions.

Breakfast for Elementary Students (27155). To account for revenues and expenditures from a state grant for the purpose of providing a free breakfast to elementary students. The fund was created by state grant provisions.

NONMAJOR SPECIAL REVENUE FUNDS

State Directed Activities (27200). To account for funds received from the New Mexico Public Education Department for the support and direct services, including technical assistance, preparation and professional development and training. To support capacity building activities and improve the delivery of services by local agencies to improve results for children with disabilities. The fund was created by state provisions.

Rural Revitalization (27503). To account for revenues and expenditures from a state grant for discovery, development, and the use of resources of the community as part of the educational facilities of the school. The fund was created by state grant provisions.

NM Outdoor Classroom (27504). To account for revenues and expenditures from a state grant to increase outdoor education across the state. The fund was created by state grant provisions.

Library Books (27549). To account for funds received from the New Mexico Public Education Department for purchasing library books. The fund was created by state grant provisions.

Greenhouse (29107). Funds donated by the Irrigation District to upgrade the heating and cooling system in the Greenhouse. The fund was created by state grant provisions.

School Based Health (29130). To account for funds to provide health services to students. The fund was created by state grant provisions.

Microsoft (29132). To account for funds received from a settlement with Microsoft. Funds can be spent for partners in learning greenhouse project. The fund was created by grant provisions.

Wind Farm Projects (29134). To account for a local grant funded by a wind farm in lieu of paying property taxes, to teach the students about future wind farm technology, a growing industry in the area. The fund was created by grant provisions.

NONMAJOR CAPITAL PROJECTS FUND

Capital Improvement Senate Bill-Nine (31700). The revenues are derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements, maintenance of the facilities and supplies.

NONMAJOR DEBT SERVICE FUND

Debt Service (41000). To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values.

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue		
	Food Service 21000	Athletics 22000	Title I 24101
ASSETS			
Cash and Cash Equivalents	\$ 66,373	\$ 12,102	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	18,909
Inventory	308	0	0
Total Assets	<u>\$ 66,681</u>	<u>\$ 12,102</u>	<u>\$ 18,909</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 18,909
Payables	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>18,909</u>
Fund Balance			
Reserved for:			
Inventory	308	0	0
Special Revenue Funds	66,373	12,102	0
Debt Service	0	0	0
Unreserved, Undesignated			
Capital Projects	0	0	0
Total Fund Balance	<u>66,681</u>	<u>12,102</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 66,681</u>	<u>\$ 12,102</u>	<u>\$ 18,909</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue		
	IDEA, Part B Entitlement 24106	IDEA, Part B Discretionary 24107	IDEA Preschool 24109
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 1,747	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	18,294	0	1,411
Inventory	0	0	0
Total Assets	<u>\$ 18,294</u>	<u>\$ 1,747</u>	<u>\$ 1,411</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 18,294	\$ 0	\$ 1,411
Payables	0	1,747	0
Deferred Revenue	0	0	0
Total Liabilities	<u>18,294</u>	<u>1,747</u>	<u>1,411</u>
Fund Balance			
Reserved for:			
Inventory	0	0	0
Special Revenue Funds	0	0	0
Debt Service	0	0	0
Unreserved, Undesignated			
Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 18,294</u>	<u>\$ 1,747</u>	<u>\$ 1,411</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue		
	Fresh Fruits & Vegetables 24118	IDEA B Risk Pool 24120	E2T2-C 24149
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	461	22,319	13,756
Inventory	0	0	0
Total Assets	<u>\$ 461</u>	<u>\$ 22,319</u>	<u>\$ 13,756</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 461	\$ 22,235	\$ 13,634
Payables	0	84	122
Deferred Revenue	0	0	0
Total Liabilities	<u>461</u>	<u>22,319</u>	<u>13,756</u>
Fund Balance			
Reserved for:			
Inventory	0	0	0
Special Revenue Funds	0	0	0
Debt Service	0	0	0
Unreserved, Undesignated			
Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 461</u>	<u>\$ 22,319</u>	<u>\$ 13,756</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue		
	Teacher/Principal Training & Recruiting <u>24154</u>	Drug Free School & Community <u>24157</u>	Title III Immigrant Grant <u>24163</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 711
Receivables			
Taxes	0	0	0
Due From Grantor	92	0	0
Inventory	0	0	0
Total Assets	<u>\$ 92</u>	<u>\$ 0</u>	<u>\$ 711</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 92	\$ 0	\$ 0
Payables	0	0	0
Deferred Revenue	0	0	711
Total Liabilities	<u>92</u>	<u>0</u>	<u>711</u>
Fund Balance			
Reserved for:			
Inventory	0	0	0
Special Revenue Funds	0	0	0
Debt Service	0	0	0
Unreserved, Undesignated			
Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 92</u>	<u>\$ 0</u>	<u>\$ 711</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue		
	Title I Recovery Act 24201	IDEA, Part B Recovery Act 24206	IDEA Preschool Recovery Act 24209
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	9,876	3,278	128
Inventory	0	0	0
Total Assets	\$ 9,876	\$ 3,278	\$ 128
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 5,454	\$ 3,278	\$ 128
Payables	4,422	0	0
Deferred Revenue	0	0	0
Total Liabilities	9,876	3,278	128
Fund Balance			
Reserved for:			
Inventory	0	0	0
Special Revenue Funds	0	0	0
Debt Service	0	0	0
Unreserved, Undesignated			
Capital Projects	0	0	0
Total Fund Balance	0	0	0
Total Liabilities and Fund Balance	\$ 9,876	\$ 3,278	\$ 128

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue		
	Homeless Education Recovery Act 24213	Rural Education Achievement Program 25233	Duel Credit 27103
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	1,135	0	0
Inventory	0	0	0
Total Assets	\$ 1,135	\$ 0	\$ 0
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 1,135	\$ 0	\$ 0
Payables	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	1,135	0	0
Fund Balance			
Reserved for:			
Inventory	0	0	0
Special Revenue Funds	0	0	0
Debt Service	0	0	0
Unreserved, Undesignated			
Capital Projects	0	0	0
Total Fund Balance	0	0	0
Total Liabilities and Fund Balance	\$ 1,135	\$ 0	\$ 0

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue		
	GO Library Books 27105	Tech for Education 27117	Incentives for School Improvement 27138
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 268	0
Receivables			
Taxes	0	0	0
Due From Grantor	2,283	0	0
Inventory	0	0	0
Total Assets	<u>\$ 2,283</u>	<u>\$ 268</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 2,283	\$ 0	\$ 0
Payables	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>2,283</u>	<u>0</u>	<u>0</u>
Fund Balance			
Reserved for:			
Inventory	0	0	0
Special Revenue Funds	0	268	0
Debt Service	0	0	0
Unreserved, Undesignated			
Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>268</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 2,283</u>	<u>\$ 268</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue		
	Teacher Mentoring <u>27154</u>	Breakfast for Elementary Students <u>27155</u>	State Directed Activities <u>27200</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Payables	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance			
Reserved for:			
Inventory	0	0	0
Special Revenue Funds	0	0	0
Debt Service	0	0	0
Unreserved, Undesignated			
Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue		
	Rural Revitalization 27503	NM Outdoor Outdoor Class 27504	Library Books 27549
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	\$ 0	\$ 0	\$ 0
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Payables	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	0	0	0
Fund Balance			
Reserved for:			
Inventory	0	0	0
Special Revenue Funds	0	0	0
Debt Service	0	0	0
Unreserved, Undesignated			
Capital Projects	0	0	0
Total Fund Balance	0	0	0
Total Liabilities and Fund Balance	\$ 0	\$ 0	\$ 0

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue		
	Greenhouse 29107	School Based Health 29130	Microsoft 29132
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 70,226	\$ 44,682
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>\$ 0</u>	<u>\$ 70,226</u>	<u>\$ 44,682</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Payables	0	0	120
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>120</u>
Fund Balance			
Reserved for:			
Inventory	0	0	0
Special Revenue Funds	0	70,226	44,562
Debt Service	0	0	0
Unreserved, Undesignated			
Capital Projects	0	0	0
Total Fund Balance	<u>0</u>	<u>70,226</u>	<u>44,562</u>
Total Liabilities and Fund Balance	<u>\$ 0</u>	<u>\$ 70,226</u>	<u>\$ 44,682</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>
	Wind Farm Projects 29134	Senate Bill Nine 31700	Debt Service 41000
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 228,027	\$ 293,185
Receivables			
Taxes	0	4,908	15,885
Due From Grantor	17,301	0	0
Inventory	0	0	0
Total Assets	<u>\$ 17,301</u>	<u>\$ 232,935</u>	<u>\$ 309,070</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 17,301	\$ 0	\$ 0
Payables	0	0	0
Deferred Revenue	0	4,180	13,641
Total Liabilities	<u>17,301</u>	<u>4,180</u>	<u>13,641</u>
Fund Balance			
Reserved for:			
Inventory	0	0	0
Special Revenue Funds	0	0	0
Debt Service	0	0	295,429
Unreserved, Undesignated			
Capital Projects	0	228,755	0
Total Fund Balance	<u>0</u>	<u>228,755</u>	<u>295,429</u>
Total Liabilities and Fund Balance	<u>\$ 17,301</u>	<u>\$ 232,935</u>	<u>\$ 309,070</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2010

	Total
ASSETS	
Cash and Cash Equivalents	\$ 717,321
Receivables	
Taxes	20,793
Due From Grantor	109,243
Inventory	308
Total Assets	<u>\$ 847,665</u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Interfund Balance	\$ 104,615
Payables	6,495
Deferred Revenue	18,532
Total Liabilities	<u>129,642</u>
Fund Balance	
Reserved for:	
Inventory	308
Special Revenue Funds	193,531
Debt Service	295,429
Unreserved, Undesignated	
Capital Projects	228,755
Total Fund Balance	<u>718,023</u>
Total Liabilities and Fund Balance	<u>\$ 847,665</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue		
	Food Service 21000	Athletics 22000	Title I 24101
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	367	0	0
Fees	35,688	35,919	0
State and Local Grants	0	0	0
Federal Grants	109,569	0	88,271
Miscellaneous	0	0	0
Total Revenues	<u>145,624</u>	<u>35,919</u>	<u>88,271</u>
Expenditures			
Current			
Instruction	0	34,828	88,271
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	152,379	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>152,379</u>	<u>34,828</u>	<u>88,271</u>
Excess (Deficiency) of Revenues Over Expenditures	(6,755)	1,091	0
Fund Balances at Beginning of Year	<u>73,436</u>	<u>11,011</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 66,681</u>	<u>\$ 12,102</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue		
	IDEA, Part B Entitlement 24106	IDEA, Part B Discretionary 24107	IDEA Preschool 24109
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	0	0
Federal Grants	71,636	0	5,403
Miscellaneous	0	0	0
Total Revenues	<u>71,636</u>	<u>0</u>	<u>5,403</u>
Expenditures			
Current			
Instruction	51,910	0	5,403
Support Services-Students	19,726	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>71,636</u>	<u>0</u>	<u>5,403</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue		
	Fresh Fruits & Vegetables 24118	IDEA B Risk Pool 24120	E2T2-C 24149
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	0	0
Federal Grants	0	25,461	51,051
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>25,461</u>	<u>51,051</u>
Expenditures			
Current			
Instruction	0	20,461	51,051
Support Services-Students	0	5,000	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>0</u>	<u>25,461</u>	<u>51,051</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue		
	Teacher/Principal Training & Recruiting 24154	Drug Free School & Community 24157	Title III Immigrant Grant 24163
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	0	0
Federal Grants	29,894	1,537	0
Miscellaneous	0	0	0
Total Revenues	<u>29,894</u>	<u>1,537</u>	<u>0</u>
Expenditures			
Current			
Instruction	12,069	92	0
Support Services-Students	17,825	1,445	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>29,894</u>	<u>1,537</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue		
	Title I Recovery Act 24201	IDEA, Part B Recovery Act 24206	IDEA Preschool Recovery Act 24209
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	0	0
Federal Grants	18,935	39,779	1,585
Miscellaneous	0	0	0
Total Revenues	<u>18,935</u>	<u>39,779</u>	<u>1,585</u>
Expenditures			
Current			
Instruction	18,161	227	1,585
Support Services-Students	0	0	0
Support Services-Instruction	0	39,552	0
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	774	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>18,935</u>	<u>39,779</u>	<u>1,585</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue		
	Homeless Education Recovery Act 24213	Rural Education Achievement Program 25233	Duel Credit 27103
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	0	2,583
Federal Grants	1,747	12,555	0
Miscellaneous	0	0	0
Total Revenues	1,747	12,555	2,583
Expenditures			
Current			
Instruction	1,747	12,555	2,583
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	1,747	12,555	2,583
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	0	0	0
Fund Balance End of Year	\$ 0	\$ 0	\$ 0

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue		
	GO Library Books 27105	Tech for Education 27117	Incentives for School Improvement 27138
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	8,020	2,194	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>8,020</u>	<u>2,194</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	5,431	322
Support Services-Students	0	0	0
Support Services-Instruction	8,020	0	0
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>8,020</u>	<u>5,431</u>	<u>322</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(3,237)	(322)
Fund Balances at Beginning of Year	<u> </u>	<u>3,505</u>	<u>322</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 268</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue		
	Teacher Mentoring 27154	Breakfast for Elementary Students 27155	State Directed Activities 27200
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	11,307	0
Federal Grants	0	0	64,926
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>11,307</u>	<u>64,926</u>
Expenditures			
Current			
Instruction	1,270	0	16,865
Support Services-Students	0	0	440
Support Services-Instruction	0	0	47,621
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	0	11,307	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>1,270</u>	<u>11,307</u>	<u>64,926</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,270)	0	0
Fund Balances at Beginning of Year	<u>1,270</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue		
	Rural Revitalization 27503	NM Outdoor Outdoor Class 27504	Library Books 27549
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	0	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	1,006
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>1,006</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(1,006)
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>1,006</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue		
	Greenhouse 29107	School Based Health 29130	Microsoft 29132
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0
Fees	0	0	0
State and Local Grants	0	65,979	0
Federal Grants	0	0	0
Miscellaneous	0	0	0
Total Revenues	<u>0</u>	<u>65,979</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	57,200	0
Support Services-Instruction	0	0	15,221
Support Services-General Administration	0	0	0
Operation & Maintenance of Plant	10,000	0	0
Food Service	0	0	0
Capital Outlay	0	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>10,000</u>	<u>57,200</u>	<u>15,221</u>
Excess (Deficiency) of Revenues Over Expenditures	(10,000)	8,779	(15,221)
Fund Balances at Beginning of Year	<u>10,000</u>	<u>61,447</u>	<u>59,783</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 70,226</u>	<u>\$ 44,562</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue	Capital Projects	Debt Service
	Wind Farm Projects 29134	Senate Bill Nine 31700	Debt Service 41000
Revenues			
Property Taxes	\$ 0	\$ 101,695	\$ 285,659
Interest Income	0	2,515	1,724
Fees	0	0	0
State and Local Grants	17,301	24,650	0
Federal Grants	0	0	0
Miscellaneous	0	1,267	0
Total Revenues	<u>17,301</u>	<u>130,127</u>	<u>287,383</u>
Expenditures			
Current			
Instruction	5,962	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	1,015	2,854
Operation & Maintenance of Plant	11,339	7,785	0
Food Service	0	0	0
Capital Outlay	0	19,148	0
Debt Service			
Principal	0	0	310,000
Interest	0	0	57,589
Total Expenditures	<u>17,301</u>	<u>27,948</u>	<u>370,443</u>
Excess (Deficiency) of Revenues Over Expenditures	0	102,179	(83,060)
Fund Balances at Beginning of Year	<u>0</u>	<u>126,576</u>	<u>378,489</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 228,755</u>	<u>\$ 295,429</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2010

	Total
Revenues	
Property Taxes	\$ 387,354
Interest Income	4,606
Fees	71,607
State and Local Grants	132,034
Federal Grants	522,349
Miscellaneous	1,267
Total Revenues	<u>1,119,217</u>
Expenditures	
Current	
Instruction	330,793
Support Services-Students	101,636
Support Services-Instruction	111,420
Support Services-General Administration	3,869
Operation & Maintenance of Plant	29,898
Food Service	163,686
Capital Outlay	19,148
Debt Service	
Principal	310,000
Interest	57,589
Total Expenditures	<u>1,128,039</u>
Excess (Deficiency) of Revenues Over Expenditures	(8,822)
Fund Balances at Beginning of Year	<u>726,845</u>
Fund Balance End of Year	<u>\$ 718,023</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-FOOD SERVICE-21000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Interest Income	\$ 300	\$ 300	\$ 367	\$ 67
Fees	27,500	27,500	35,688	8,188
Federal Grant	107,800	107,800	101,226	(6,574)
Total Revenues	<u>135,600</u>	<u>135,600</u>	<u>137,281</u>	<u>1,681</u>
Expenditures				
Food Service				
Personnel Services	28,566	28,566	48,826	(20,260)
Employee Benefits	29,643	29,643	29,787	(144)
Professional & Tech Services	1,000	1,000	677	323
Supplies	98,591	120,486	63,514	56,972
Total Food Service	<u>157,800</u>	<u>179,695</u>	<u>142,804</u>	<u>36,891</u>
Total Expenditures	<u>157,800</u>	<u>179,695</u>	<u>142,804</u>	<u>36,891</u>
Excess (Deficiency) of Revenues Over Expenditures	(22,200)	(44,095)	(5,523)	38,572
Cash Balance Beginning of Year	<u>71,895</u>	<u>71,895</u>	<u>71,895</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 49,695</u>	<u>\$ 27,800</u>	<u>\$ 66,372</u>	<u>\$ 38,572</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (5,523)	
Net Change in Inventory			(2,536)	
Net Change in Accounts Payable			1,304	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (6,755)</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-ATHLETICS-22000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 30,200	\$ 30,200	\$ 35,919	\$ 5,719
Total Revenues	<u>30,200</u>	<u>30,200</u>	<u>35,919</u>	<u>5,719</u>
Expenditures				
Instruction				
Personnel Services	2,500	2,500	1,975	525
Employee Benefits	510	510	425	85
Professional & Tech Services	3,390	3,390	11,090	(7,700)
Purchased Services	3,000	34,811	20,964	13,847
Supplies	<u>0</u>	<u>0</u>	<u>374</u>	<u>(374)</u>
Total Instruction	<u>9,400</u>	<u>41,211</u>	<u>34,828</u>	<u>6,383</u>
Total Expenditures	<u>9,400</u>	<u>41,211</u>	<u>34,828</u>	<u>6,383</u>
Excess (Deficiency) of Revenues Over Expenditures	20,800	(11,011)	1,091	12,102
Cash Balance Beginning of Year	<u>11,011</u>	<u>11,011</u>	<u>11,011</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 31,811</u>	<u>\$ 0</u>	<u>\$ 12,102</u>	<u>\$ 12,102</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>1,091</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>1,091</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TITLE I-24101
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 113,180	\$ 119,798	\$ 95,772	\$ (24,026)
Total Revenues	<u>113,180</u>	<u>119,798</u>	<u>95,772</u>	<u>(24,026)</u>
Expenditures				
Instruction				
Personnel Services	56,391	61,361	61,378	(17)
Employee Benefits	29,421	30,487	25,995	4,492
Professional & Tech Services	868	868	454	414
Supplies	90	672	444	228
Total Instruction	<u>86,770</u>	<u>93,388</u>	<u>88,271</u>	<u>5,117</u>
Total Expenditures	<u>86,770</u>	<u>93,388</u>	<u>88,271</u>	<u>5,117</u>
Excess (Deficiency) of Revenues Over Expenditures	26,410	26,410	7,501	(18,909)
Cash Balance Beginning of Year	<u>(26,410)</u>	<u>(26,410)</u>	<u>(26,410)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (18,909)</u>	<u>\$ (18,909)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 7,501	
Net Change in Due from Grantor			(7,501)	
Net Change in Deferred Revenue			0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-IDEA, PART B ENTITLEMENT-24106
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 35,539	\$ 110,596	\$ 88,882	\$ (21,714)
Total Revenues	<u>35,539</u>	<u>110,596</u>	<u>88,882</u>	<u>(21,714)</u>
Expenditures				
Instruction				
Personnel Services	0	38,848	38,847	1
Employee Benefits	0	14,124	12,541	1,583
Professional & Tech Services	0	0	522	(522)
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>52,972</u>	<u>51,910</u>	<u>1,062</u>
Support Services-Students				
Personnel Services	0	10,987	10,931	56
Employee Benefits	0	8,655	8,795	(140)
Purchased Services	0	2,443	0	2,443
Total Support Services-Students	<u>0</u>	<u>22,085</u>	<u>19,726</u>	<u>2,359</u>
Total Expenditures	<u>0</u>	<u>75,057</u>	<u>71,636</u>	<u>3,421</u>
Excess (Deficiency) of Revenues Over Expenditures	35,539	35,539	17,246	(18,293)
Cash Balance Beginning of Year	<u>(35,539)</u>	<u>(35,539)</u>	<u>(35,539)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (18,293)</u>	<u>\$ (18,293)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 17,246	
Net Change in Due from Grantor			(17,246)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-IDEA, PART B DISCRETIONARY-24107
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 1,097	\$ 3,540	\$ 2,844	\$ (696)
Total Revenues	<u>1,097</u>	<u>3,540</u>	<u>2,844</u>	<u>(696)</u>
Expenditures				
Instruction				
Personnel Services	0	2,443	0	2,443
Total Instruction	<u>0</u>	<u>2,443</u>	<u>0</u>	<u>2,443</u>
Total Expenditures	<u>0</u>	<u>2,443</u>	<u>0</u>	<u>2,443</u>
Excess (Deficiency) of Revenues Over Expenditures	1,097	1,097	2,844	1,747
Cash Balance Beginning of Year	<u>(1,097)</u>	<u>(1,097)</u>	<u>(1,097)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,747</u>	<u>\$ 1,747</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 2,844	
Net Change in Due from Grantor			(1,097)	
Net Change in Deferred Revenue			<u>(1,747)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-IDEA PRESCHOOL-24109
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 1,760	\$ 7,163	\$ 5,752	\$ (1,411)
Total Revenues	<u>1,760</u>	<u>7,163</u>	<u>5,752</u>	<u>(1,411)</u>
Expenditures				
Instruction				
Personnel Services	0	4,462	4,404	58
Employee Benefits	0	941	839	102
Purchased Services	0	0	102	(102)
Supplies	0	0	58	(58)
Total Instruction	<u>0</u>	<u>5,403</u>	<u>5,403</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>5,403</u>	<u>5,403</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	1,760	1,760	349	(1,411)
Cash Balance Beginning of Year	<u>(1,760)</u>	<u>(1,760)</u>	<u>(1,760)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,411)</u>	<u>\$ (1,411)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 349	
Net Change in Due from Grantor			<u>(349)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-FRESH FRUITS & VEGTABLES-24118
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 1,614	\$ 1,614	\$ 1,614	\$ 0
Total Revenues	<u>1,614</u>	<u>1,614</u>	<u>1,614</u>	<u>0</u>
Expenditures				
Food Service				
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Food Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	1,614	1,614	1,614	0
Cash Balance Beginning of Year	<u>(1,614)</u>	<u>(1,614)</u>	<u>(1,614)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 1,614	
Net Change in Due from Grantor			<u>(1,614)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-IDEA B RISK POOL-24120
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 25,461	\$ 25,000	\$ (461)
Total Revenues	<u>0</u>	<u>25,461</u>	<u>25,000</u>	<u>(461)</u>
Expenditures				
Instruction				
Personnel Services	0	20,000	20,000	0
Purchased Services	0	0	51	(51)
Supplies	0	461	410	51
Total Instruction	<u>0</u>	<u>20,461</u>	<u>20,461</u>	<u>0</u>
Support Services-Students				
Personnel Services	0	5,000	5,000	0
Total Support Services-Students	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>25,461</u>	<u>25,461</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(461)	(461)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (461)</u>	<u>\$ (461)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (461)	
Net Change in Due from Grantor			461	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-E2T2-C-24149
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 10,868	\$ 82,938	\$ 39,600	\$ (43,338)
Total Revenues	<u>10,868</u>	<u>82,938</u>	<u>39,600</u>	<u>(43,338)</u>
Expenditures				
Support Services-Instruction				
Professional & Tech Services	0	39,787	26,037	13,750
Purchased Services	0	9,000	198	8,802
Supplies	0	2,500	21,049	(18,549)
Supply Assets	0	20,783	3,682	17,101
Total Support Services-Instruction	<u>0</u>	<u>72,070</u>	<u>50,966</u>	<u>21,104</u>
Total Expenditures	<u>0</u>	<u>72,070</u>	<u>50,966</u>	<u>21,104</u>
Excess (Deficiency) of Revenues Over Expenditures	10,868	10,868	(11,366)	(22,234)
Cash Balance Beginning of Year	<u>(10,868)</u>	<u>(10,868)</u>	<u>(10,868)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (22,234)</u>	<u>\$ (22,234)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (11,366)	
Net Change in Due from Grantor			11,451	
Net Change in Accounts Payable			(85)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TEACHER/PRINCIPAL TRAINING & RECRUITING-24154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 35,898	\$ 43,191	\$ 27,862	\$ (15,329)
Total Revenues	<u>35,898</u>	<u>43,191</u>	<u>27,862</u>	<u>(15,329)</u>
Expenditures				
Instruction				
Professional & Tech Services	4,570	10,483	9,920	563
Other Purchased Services	<u>647</u>	<u>2,027</u>	<u>2,027</u>	<u>0</u>
Total Instruction	<u>5,217</u>	<u>12,510</u>	<u>11,947</u>	<u>563</u>
Support Services-Students				
Personnel Services	15,621	15,621	15,000	621
Employee Benefits	<u>3,336</u>	<u>3,336</u>	<u>2,825</u>	<u>511</u>
Total Support Services-Students	<u>18,957</u>	<u>18,957</u>	<u>17,825</u>	<u>1,132</u>
Total Expenditures	<u>24,174</u>	<u>31,467</u>	<u>29,772</u>	<u>1,695</u>
Excess (Deficiency) of Revenues Over Expenditures	11,724	11,724	(1,910)	(13,634)
Cash Balance Beginning of Year	<u>(11,724)</u>	<u>(11,724)</u>	<u>(11,724)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(13,634)</u>	\$ <u>(13,634)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,910)	
Net Change in Due from Grantor			2,032	
Net Change in Accounts Payable			<u>(122)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-DRUG FREE SCHOOL & COMMUNITY-24157
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 1,445	\$ 1,537	\$ 1,445	\$ (92)
Total Revenues	<u>1,445</u>	<u>1,537</u>	<u>1,445</u>	<u>(92)</u>
Expenditures				
Instruction				
Supplies	0	92	92	0
Total Instruction	<u>0</u>	<u>92</u>	<u>92</u>	<u>0</u>
Support Services-Students				
Other Purchased Services	1,445	1,445	1,445	0
Total Support Services-Students	<u>1,445</u>	<u>1,445</u>	<u>1,445</u>	<u>0</u>
Total Expenditures	<u>1,445</u>	<u>1,537</u>	<u>1,537</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(92)	(92)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (92)</u>	<u>\$ (92)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (92)	
Net Change in Due from Grantor			<u>92</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TITLE III IMMIGRANT GRANT-24163
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Purchased Services	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>711</u>	<u>711</u>	<u>711</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 711</u>	<u>\$ 711</u>	<u>\$ 711</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TITLE I RECOVERY ACT-24201
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 18,705	\$ 26,751	\$ 17,655	\$ (9,096)
Total Revenues	<u>18,705</u>	<u>26,751</u>	<u>17,655</u>	<u>(9,096)</u>
Expenditures				
Instruction				
Professional & Tech Services	2,000	2,000	3,533	(1,533)
Supplies	0	7,272	4,752	2,520
Supply Assets	8,109	8,109	5,454	2,655
Total Instruction	<u>10,109</u>	<u>17,381</u>	<u>13,739</u>	<u>3,642</u>
Operation & Maintenance of Plant				
Purchased Services	0	774	774	0
Total Operation & Maintenance of Plant	<u>0</u>	<u>774</u>	<u>774</u>	<u>0</u>
Total Expenditures	<u>10,109</u>	<u>18,155</u>	<u>14,513</u>	<u>3,642</u>
Excess (Deficiency) of Revenues Over Expenditures	8,596	8,596	3,142	(5,454)
Cash Balance Beginning of Year	<u>(8,596)</u>	<u>(8,596)</u>	<u>(8,596)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (5,454)</u>	<u>\$ (5,454)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 3,142	
Net Change in Due From Grantor			1,280	
Net Change in Accounts Payable			<u>(4,422)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-IDEA, PART B RECOVERY ACT-24206
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 7,204	\$ 47,839	\$ 43,704	\$ (4,135)
Total Revenues	<u>7,204</u>	<u>47,839</u>	<u>43,704</u>	<u>(4,135)</u>
Expenditures				
Instruction				
Professional & Tech Services	<u>0</u>	<u>227</u>	<u>227</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>227</u>	<u>227</u>	<u>0</u>
Support Services-Instruction				
Personnel Services	0	32,937	32,937	0
Employee Benefits	0	7,471	6,404	1,067
Professional & Tech Services	<u>0</u>	<u>0</u>	<u>211</u>	<u>(211)</u>
Total Support Services-Instruction	<u>0</u>	<u>40,408</u>	<u>39,552</u>	<u>856</u>
Total Expenditures	<u>0</u>	<u>40,635</u>	<u>39,779</u>	<u>856</u>
Excess (Deficiency) of Revenues Over Expenditures	7,204	7,204	3,925	(3,279)
Cash Balance Beginning of Year	<u>(7,204)</u>	<u>(7,204)</u>	<u>(7,204)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (3,279)</u>	<u>\$ (3,279)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 3,925	
Net Change in Due from Grantor			<u>(3,925)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-IDEA PRESCHOOL RECOVERY ACT-24209
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 19	\$ 1,714	\$ 1,475	\$ (239)
Total Revenues	<u>19</u>	<u>1,714</u>	<u>1,475</u>	<u>(239)</u>
Expenditures				
Instruction				
Professional & Tech Services	0	208	208	0
Supplies	<u>0</u>	<u>1,487</u>	<u>1,376</u>	<u>111</u>
Total Instruction	<u>0</u>	<u>1,695</u>	<u>1,584</u>	<u>111</u>
Total Expenditures	<u>0</u>	<u>1,695</u>	<u>1,584</u>	<u>111</u>
Excess (Deficiency) of Revenues Over Expenditures	19	19	(109)	(128)
Cash Balance Beginning of Year	<u>(19)</u>	<u>(19)</u>	<u>(19)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (128)</u>	<u>\$ (128)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (109)	
Net Change in Due from Grantor			<u>109</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-EDUCATION HOMELESS RECOVERY ACT-24213
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 4,000	\$ 612	\$ (3,388)
Total Revenues	<u>0</u>	<u>4,000</u>	<u>612</u>	<u>(3,388)</u>
Expenditures				
Instruction				
Supplies	0	4,000	1,747	2,253
Total Instruction	<u>0</u>	<u>4,000</u>	<u>1,747</u>	<u>2,253</u>
Total Expenditures	<u>0</u>	<u>4,000</u>	<u>1,747</u>	<u>2,253</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(1,135)	(1,135)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,135)</u>	<u>\$ (1,135)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,135)	
Net Change in Due from Grantor			<u>1,135</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-RURAL EDUCATION ACHIEVEMENT PROGRAM-25233
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 20,178	\$ 12,555	\$ 7,623
Total Revenues	<u>0</u>	<u>20,178</u>	<u>12,555</u>	<u>7,623</u>
Expenditures				
Instruction				
Supplies	0	20,178	12,555	7,623
Total Instruction	<u>0</u>	<u>20,178</u>	<u>12,555</u>	<u>7,623</u>
Total Expenditures	<u>0</u>	<u>20,178</u>	<u>12,555</u>	<u>7,623</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-DUEL CREDIT-27103
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 4,100	\$ 2,583	\$ (1,517)
Total Revenues	<u>0</u>	<u>4,100</u>	<u>2,583</u>	<u>(1,517)</u>
Expenditures				
Instruction				
Supplies	0	4,100	2,583	1,517
Total Instruction	<u>0</u>	<u>4,100</u>	<u>2,583</u>	<u>1,517</u>
Total Expenditures	<u>0</u>	<u>4,100</u>	<u>2,583</u>	<u>1,517</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-2008 LIBRARY GO BONDS-27105
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 9,487	\$ 5,737	\$ (3,750)
Total Revenues	<u>0</u>	<u>9,487</u>	<u>5,737</u>	<u>(3,750)</u>
Expenditures				
Support Services-Instruction				
Supplies	<u>0</u>	<u>9,487</u>	<u>8,020</u>	<u>1,467</u>
Total Support Services-Instruction	<u>0</u>	<u>9,487</u>	<u>8,020</u>	<u>1,467</u>
Total Expenditures	<u>0</u>	<u>9,487</u>	<u>8,020</u>	<u>1,467</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(2,283)	(2,283)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (2,283)</u>	<u>\$ (2,283)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (2,283)	
Net Change in Due from Grantor			<u>2,283</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TECH FOR EDUCATION-27117
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 2,061	\$ 2,194	\$ 133
Total Revenues	<u>0</u>	<u>2,061</u>	<u>2,194</u>	<u>133</u>
Expenditures				
Instruction				
Supplies	0	2,506	3,728	(1,222)
Supply Assets	<u>0</u>	<u>3,060</u>	<u>1,703</u>	<u>1,357</u>
Total Instruction	<u>0</u>	<u>5,566</u>	<u>5,431</u>	<u>135</u>
Total Expenditures	<u>0</u>	<u>5,566</u>	<u>5,431</u>	<u>135</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(3,505)	(3,237)	268
Cash Balance Beginning of Year	<u>3,505</u>	<u>3,505</u>	<u>3,505</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 3,505</u>	<u>\$ 0</u>	<u>\$ 268</u>	<u>\$ 268</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (3,237)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (3,237)</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-INCENTIVES FOR SCHOOL IMPROVEMENT-27138
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	322	322	0
Total Instruction	<u>0</u>	<u>322</u>	<u>322</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>322</u>	<u>322</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(322)	(322)	0
Cash Balance Beginning of Year	<u>322</u>	<u>322</u>	<u>322</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 322</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (322)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (322)</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-TEACHER MENTORING-27154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Professional & Tech Services	0	600	1,198	(598)
Supplies		670	72	598
Total Instruction	<u>0</u>	<u>1,270</u>	<u>1,270</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>1,270</u>	<u>1,270</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(1,270)	(1,270)	0
Cash Balance Beginning of Year	<u>1,270</u>	<u>1,270</u>	<u>1,270</u>	<u>0</u>
Cash Balance End of Year	\$ <u>1,270</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>(1,270)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(1,270)</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-BREAKFAST FOR ELEMENTARY STUDENTS-27155
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 11,307	\$ 11,307	\$ 0
Total Revenues	<u>0</u>	<u>11,307</u>	<u>11,307</u>	<u>0</u>
Expenditures				
Food Service				
Supplies	0	11,307	11,307	0
Total Food Service	<u>0</u>	<u>11,307</u>	<u>11,307</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>11,307</u>	<u>11,307</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-STATE DIRECTED ACTIVITIES-27200
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 73,312	\$ 64,926	\$ (8,386)
Total Revenues	<u>0</u>	<u>73,312</u>	<u>64,926</u>	<u>(8,386)</u>
Expenditures				
Instruction				
Personnel Services	0	142	142	0
Employee Benefits	0	873	20	853
Professional & Tech Services	0	3,506	3,506	0
Purchased Services	0	2,030	2,030	0
Supplies	0	17,639	11,168	6,471
Total Instruction	<u>0</u>	<u>24,190</u>	<u>16,866</u>	<u>7,324</u>
Support Services-Students				
Professional & Tech Services	0	440	440	0
Total Support Services-Students	<u>0</u>	<u>440</u>	<u>440</u>	<u>0</u>
Support Services-Instruction				
Professional & Tech Services	0	1,715	1,715	0
Purchased Services	0	39,787	38,725	1,062
Supplies	0	7,180	7,180	0
Total Support Services-Instruction	<u>0</u>	<u>48,682</u>	<u>47,620</u>	<u>1,062</u>
Total Expenditures	<u>0</u>	<u>73,312</u>	<u>64,926</u>	<u>8,386</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-RURAL REVITALIZATION-27503
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 7,875	\$ 7,875	\$ 7,875	\$ 0
Total Revenues	<u>7,875</u>	<u>7,875</u>	<u>7,875</u>	<u>0</u>
Expenditures				
Instruction				
Other Purchased Services	0	0	0	0
Supplies	0	0	0	0
Supply Assets	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	7,875	7,875	7,875	0
Cash Balance Beginning of Year	<u>(7,875)</u>	<u>(7,875)</u>	<u>(7,875)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 7,875	
Net Change in Due from Grantor			<u>(7,875)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-NM OUTDOOR CLASSROOM-27504
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 3,000	\$ 3,000	\$ 3,000	\$ 0
Total Revenues	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>
Expenditures				
Instruction				
Personnel Services	0	0	0	0
Employee Benefits	0	0	0	0
Other Purchased Services	0	0	0	0
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	3,000	3,000	3,000	0
Cash Balance Beginning of Year	<u>(3,000)</u>	<u>(3,000)</u>	<u>(3,000)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 3,000	
Net Change in Due from Grantor			<u>(3,000)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-LIBRARY BOOK FUND-27549
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Support Services-Instruction				
Supplies	1,006	1,006	1,006	0
Total Support Services-Instruction	<u>1,006</u>	<u>1,006</u>	<u>1,006</u>	<u>0</u>
Total Expenditures	<u>1,006</u>	<u>1,006</u>	<u>1,006</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,006)	(1,006)	(1,006)	0
Cash Balance Beginning of Year	<u>1,006</u>	<u>1,006</u>	<u>1,006</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,006)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (1,006)</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-GREENHOUSE-29107
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Operation & Maintenance of Plant				
Purchased Services	10,000	10,000	10,000	0
Total Operation & Maintenance of Plant	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	(10,000)	(10,000)	(10,000)	0
Cash Balance Beginning of Year	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (10,000)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (10,000)</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-SCHOOL BASED HEALTH-29130
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 60,000	\$ 60,000	\$ 65,979	\$ 5,979
Total Revenues	<u>60,000</u>	<u>60,000</u>	<u>65,979</u>	<u>5,979</u>
Expenditures				
Support Services-Students				
Purchased Services	<u>60,000</u>	<u>60,000</u>	<u>57,200</u>	<u>2,800</u>
Total Support Services-Students	<u>60,000</u>	<u>60,000</u>	<u>57,200</u>	<u>2,800</u>
Total Expenditures	<u>60,000</u>	<u>60,000</u>	<u>57,200</u>	<u>2,800</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	8,779	8,779
Cash Balance Beginning of Year	<u>61,447</u>	<u>61,447</u>	<u>61,447</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 61,447</u>	<u>\$ 61,447</u>	<u>\$ 70,226</u>	<u>\$ 8,779</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>8,779</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>8,779</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-NEW MEXICO MICROSOFT PARTNERS IN LEARNING-29132
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 100,000	\$ 100,000	\$ 0	\$ (100,000)
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>0</u>	<u>(100,000)</u>
Expenditures				
Support Services-Instruction				
Purchased Services	0	0	607	(607)
Supplies	20,000	20,000	15,037	4,963
Total Support Services-Instruction	<u>20,000</u>	<u>20,000</u>	<u>15,644</u>	<u>4,356</u>
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>15,644</u>	<u>4,356</u>
Excess (Deficiency) of Revenues Over Expenditures	80,000	80,000	(15,644)	(95,644)
Cash Balance Beginning of Year	<u>60,326</u>	<u>60,326</u>	<u>60,326</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 140,326</u>	<u>\$ 140,326</u>	<u>\$ 44,682</u>	<u>\$ (95,644)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (15,644)	
Net Change in Accounts Payable			423	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (15,221)</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
SPECIAL REVENUE FUND-WIND FARM PROJECTS-29134
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 518,382	\$ 0	\$ (518,382)
Total Revenues	<u>0</u>	<u>518,382</u>	<u>0</u>	<u>(518,382)</u>
Expenditures				
Instruction				
Supplies	0	50,000	5,962	44,038
Total Instruction	<u>0</u>	<u>50,000</u>	<u>5,962</u>	<u>44,038</u>
Operation & Maintenance of Plant				
Purchased Services	0	15,000	11,339	3,661
Supplies	0	95,000	0	95,000
Fixed Assets	0	30,165	0	30,165
Total Operation & Maintenance of Plant	<u>0</u>	<u>140,165</u>	<u>11,339</u>	<u>128,826</u>
Capital Outlay				
Construction Services	0	328,217	0	328,217
Total Capital Outlay	<u>0</u>	<u>328,217</u>	<u>0</u>	<u>328,217</u>
Total Expenditures	<u>0</u>	<u>518,382</u>	<u>17,301</u>	<u>501,081</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(17,301)	(17,301)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (17,301)</u>	<u>\$ (17,301)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (17,301)	
Net Change in Accounts Payable			<u>17,301</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
 CAPITAL PROJECTS FUND-SENATE BILL NINE-31700
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 95,607	\$ 95,607	\$ 101,486	\$ 5,879
Interest Income	0	0	2,515	2,515
Other	0	0	1,267	1,267
State Grant	0	31,327	24,650	(6,677)
Total Revenues	<u>95,607</u>	<u>126,934</u>	<u>129,918</u>	<u>2,984</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	<u>931</u>	<u>1,015</u>	<u>1,015</u>	<u>0</u>
Total Support Services-General Administration	<u>931</u>	<u>1,015</u>	<u>1,015</u>	<u>0</u>
Operation & Maintenance of Plant				
Purchased Property Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Supply Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Operation & Maintenance of Plant	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital Outlay				
Fixed Assets	100,000	100,000	19,148	80,852
Supply Assets	96,589	96,589	7,785	88,804
Total Capital Outlay	<u>196,589</u>	<u>196,589</u>	<u>26,933</u>	<u>169,656</u>
Total Expenditures	<u>197,520</u>	<u>197,604</u>	<u>27,948</u>	<u>169,656</u>
Excess (Deficiency) of Revenues Over Expenditures	(101,913)	(70,670)	101,970	172,640
Cash Balance Beginning of Year	<u>126,057</u>	<u>126,057</u>	<u>126,057</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 24,144</u>	<u>\$ 55,387</u>	<u>\$ 228,027</u>	<u>\$ 172,640</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 101,970	
Net Change in Taxes Receivable			<u>209</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 102,179</u>	

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
DEBT SERVICE-41000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 367,607	\$ 367,607	\$ 285,397	\$ (82,210)
Interest Income	3,000	3,000	1,724	(1,276)
Total Revenues	<u>370,607</u>	<u>370,607</u>	<u>287,121</u>	<u>(83,486)</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	3,676	3,676	2,854	822
Total Support Services-General Administration	<u>3,676</u>	<u>3,676</u>	<u>2,854</u>	<u>822</u>
Debt Service				
Principal	310,000	310,000	310,000	0
Interest	57,607	57,607	57,589	18
Total Debt Service	<u>367,607</u>	<u>367,607</u>	<u>367,589</u>	<u>18</u>
Total Expenditures	<u>371,283</u>	<u>371,283</u>	<u>370,443</u>	<u>840</u>
Excess (Deficiency) of Revenues Over Expenditures	(676)	(676)	(83,322)	(82,646)
Cash Balance Beginning of Year	<u>376,507</u>	<u>376,507</u>	<u>376,507</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 375,831</u>	<u>\$ 375,831</u>	<u>\$ 293,185</u>	<u>\$ (82,646)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (83,322)	
Net Change in Taxes Receivable			262	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (83,060)</u>	

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

OTHER SUPPLEMENTAL INFORMATION

FIDUCIARY FUND

Activity Trust Fund

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
 AGENCY FUNDS
 Statement of Fiduciary Net Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2010

	Beginning Balance <u>06/30/09</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>06/30/10</u>
ASSETS				
Activity Trust Fund	\$ 105,463	\$ 179,693	\$ 158,565	\$ 126,591
TOTAL Assets	<u>\$ 105,463</u>	<u>\$ 179,693</u>	<u>\$ 158,565</u>	<u>\$ 126,591</u>
LIABILITIES				
Due to Student Groups	\$ 105,463	\$ 179,693	\$ 158,565	\$ 126,591
TOTAL Liabilities	<u>\$ 105,463</u>	<u>\$ 179,693</u>	<u>\$ 158,565</u>	<u>\$ 126,591</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
 AGENCY FUNDS - ACTIVITY
 Schedule of Fiduciary Net Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2010

	Beginning Balance 06/30/09	Additions	Deductions	Ending Balance 06/30/10
ASSETS				
0 Draw	\$ 50	\$ 0	\$ 0	\$ 50
11 Admin Principal	285	0	0	285
12 Photography Club	226	0	0	226
13 All School	1,378	5,208	4,803	1,783
14 EPAC	0	19,179	16,581	2,598
15 Library	505	0	0	505
16 Student Council	696	403	177	922
17 Accelerated Reader	185	1,027	701	511
19 Close Up	133	0	0	133
20 National Honor Society	2,765	120	72	2,813
21 EPAC Programs	0	1,611	1,611	0
22 Home Economic Department	4	0	0	4
24 Zune	1,033	17	0	1,050
31 Athletic Boosters	8,198	39,528	38,362	9,364
32 Vixen Volleyball	4,911	13,741	11,285	7,367
33 Fox Basketball	1,106	540	623	1,023
34 Vixen Basketball	1,949	3,332	3,668	1,613
36 Fox Football	3,281	5,239	6,969	1,551
35 Harley Raffle	193	5,078	0	5,271
41 BPA	6,785	26,990	32,671	1,104
42 Greenhouse	36,367	8,244	1,125	43,486
43 Drug Free	751	1,282	200	1,833
44 FFA	2,209	9,478	6,848	4,839
46 Science Club	1,369	6,863	1,318	6,914
48 Drama	812	399	451	760
49 McMillian Memorial Fund	729	100	43	786
50 West Greenhouse	1,796	0	0	1,796
51 Cheerleaders	1,416	12,365	10,980	2,801
61 Band	33	0	0	33
70 Student Achievement	17,149	1,239	899	17,489
75 Class of 2012	220	1,206	0	1,426
76 Class of 2013	147	136	103	180
77 Class of 2014	318	155	0	473
78 Class of 2015	0	60	0	60
79 Class of 2010	3,801	0	3,285	516
80 Class of 2011	442	6,159	6,253	348
81 Elementary	3,995	2,909	2,240	4,664
91 Annual	226	7,085	7,297	14
Total Assets	\$ <u>105,463</u>	\$ <u>179,693</u>	\$ <u>158,565</u>	\$ <u>126,591</u>
LIABILITIES				
Deposits Held for Others	\$ <u>105,463</u>	\$ <u>179,693</u>	\$ <u>158,565</u>	\$ <u>126,591</u>
Total Liabilities	\$ <u>105,463</u>	\$ <u>179,693</u>	\$ <u>158,565</u>	\$ <u>126,591</u>

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

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
Cash Reconciliations - All Funds
For the Year Ended June 30, 2010

		Beginning Cash	Revenues	Expenditures	Transfers	Ending Cash
Operational	11000	\$ 136,098	\$ 3,513,082	\$ 3,391,080	\$ 0	\$ 258,100
Transportation	13000	15,983	447,881	463,864	0	0
Instructional Materials	14000	22,977	12,509	28,449	0	7,037
Food Services	21000	71,895	137,281	142,804	0	66,372
Athletics	22000	11,011	35,919	34,828	0	12,102
Activities	23000	105,464	179,693	158,566	0	126,591
Federal Flowthrough	24000	(104,121)	352,218	330,669	0	(82,572)
Federal Direct	25000	0	244,368	313,150	0	(68,782)
State Flowthrough	27000	(4,773)	97,621	94,863	0	(2,015)
State Direct	29000	559,989	156,145	100,145	0	615,989
Bond Building	31100	1,113,678	893,370	599,397	0	1,407,651
Special Capital Outlay-State	31400	0	41,360	87,172	0	(45,812)
Senate Bill Nine	31700	126,057	129,918	27,948	0	228,027
Debt Service	41000	376,507	287,121	370,443	0	293,185
Total		\$ 2,430,765	\$ 6,528,486	\$ 6,143,378	\$ 0	\$ 2,815,873

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

FEDERAL COMPLIANCE

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2010

Federal Agency/Pass Through Grantor/Program Title	Federal CFDA Number	State ID Number	Total Federal Awards Expended
<u>U. S. Department of Agriculture</u>			
Pass-through State Public Education Department: USDA National School Lunch Program	10.553	21000	\$ 101,226
Pass-through State Department of Human Services: USDA Commodities Program	10.550	21000	(1) 8,343
Total U. S. Department of Agriculture			\$ <u>109,569</u>
<u>U. S. Department of Education</u>			
Pass-through State Public Education Department: Special Education Cluster			
IDEA, Part B	84.027		\$ 162,023
IDEA, Part B, Recovery Act	84.391	24206	39,779
IDEA Preschool	84.173	24109	5,403
IDEA Preschool Recovery Act	84.392	24209	1,585
Total Special Education Cluster			<u>208,790</u>
Title I	84.010	24101	88,271
Title I Recovery Act	84.389	24201	18,935
E2T2-C	84.318	24149	51,051
Title II	84.367A	24154	29,894
Title IV	84.186A	24157	1,537
Homeless Education	84.387	24213	1,747
State Fiscal Stabilization Program Fund	84.394	25250	300,595
Direct Program:			
Rural and Low Income	84.358	25233	12,555
Total U. S. Department of Education			\$ <u>713,375</u>
Total Federal Assistance			\$ <u><u>822,944</u></u>

(1) Non-cash assistance

See accompanying notes to the Schedule of Expenditures of Federal Awards

Note 1: Significant Accounting Policies used in preparing the Schedule of Expenditure of Federal Awards

The modified accrual basis was used to prepare the Schedule of Expenditures of Federal Awards

Note 2: Insurance Requirements

There are no insurance requirements on the federal awards disclosed on the Schedule of Expenditures of Federal Awards

Note 3: Loans or Loan Guarantees

There were no loans or loan guarantees outstanding at year end.

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

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the FORT SUMNER MUNICIPAL SCHOOLS

Mr. Balderas and Members of the Board

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds and related budgetary comparisons presented as supplemental information of FORT SUMNER MUNICIPAL SCHOOLS , (District), as of and for the year ended June 30, 2010, and have issued our report thereon dated November 11, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses listed as 10-1, 10-2 and 10-3.

Compliance and Other Matters

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

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

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

 CPA PC

November 11, 2010

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

Report on Compliance with Requirements
Applicable to Each Major Program and Internal Control
Over Compliance in Accordance With OMB Circular A-133

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the FORT SUMNER MUNICIPAL SCHOOLS

Mr. Balderas and Members of the Board

Compliance

We have audited FORT SUMNER MUNICIPAL SCHOOLS (District) compliance with the types of compliance requirements described in the OMB A-133 Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2010. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District'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. 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 the District'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 the District's compliance with those requirements.

In our opinion, the District, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

Management of the District, 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 the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

 CPA PC

November 11, 2010

STATE OF NEW MEXICO
FORT SUMNER MUNICIPAL SCHOOLS
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2010

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting

- * Significant deficiencies __yes X no
- * Significant deficiency(ies) identified that are not considered to be material weaknesses? __yes X none reported
- Noncompliance material to financial statements noted? __yes X no

Federal Awards

Internal control over major programs:

- * Significant deficiencies __yes X no
- * Significant deficiency(ies) identified that are not considered to be material weaknesses? __yes X none reported

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133 __yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program of Cluster</u>
84.027	IDEA, Part B
84.391	IDEA, Part B Recovery Act
84.173	IDEA Preschool
84.392	IDEA Preschool-Recovery Act
84.394	Education Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low risk auditee __yes X no

Prior Year Audit Findings

There were no previous year audit findings.

Current Year Audit Findings

10-1 REPORTING OF INSURANCE PREMIUMS

Condition

School District must ensure that it accurately calculates and reports deductions of insurance premiums to the New Mexico Public School Insurance Authority (NMPSIA). A sample of sixty-six employees revealed that the percentage used to calculate insurance deductions was incorrect for one employee. As a result, the District over-paid their portion of insurance premiums for the fiscal year by \$564.08.

Criteria

The New Mexico Public Districts' Insurance Authority-Employee Benefits Rules and Regulations Program guide July 2010 sets forth the proper percentages for calculating deductions for employee insurance.

Effect

The District paid a larger portion of employee insurance premiums than required, causing the District to incur unnecessary expenditures.

Cause

The deductions are based on a tiered system. The employees were offered a stipend at a later date that caused the wage base to increase and move their base to the next tier.

Recommendation

The percentages used to calculate insurance premium deductions should be reviewed after every change in employee pay.

Response

Any change in salary will be reviewed according to NMPSIA tiers.

10-2 REPORTING OF RHCA CONTRIBUTIONS

Condition

The District under reported Retiree Health Care Authority Act (RHCA) contributions. A payroll sampling revealed that for a twelve month period, wages of \$9,801.59 were under reported to RHCA. The employee percentage totals \$63.71 and the employer percentage totals \$127.42.

Criteria

The Office of the State Auditor has added NMRHCA to their 2010 State Auditor Rule under State Compliance, Section 2.2.2.10(G)(19). The rule states: "Retiree Health Care Authority Act (Section 10-7C-1 to 10-7C-19 NMSA 1978). Auditors should test to ensure 100% of payroll is reported to NMRHCA. RHCA employer and employee contributions are set forth in Section 10-7C-15 NMSA 1978."

Effect

These employees were not substitutes, or less than .25 full time employees, therefore RHCA contributions should have been made by both the employee and employer. As a result, the District has misreported its wages to the NMRHCA and is out of compliance with the state statute. The District also could be subject to additional expenditures due to this mistake.

Cause

The Visions software used by the District was not set up correctly to include all eligible employees for RHCA taxes.

Recommendation

The District should implement procedures to properly report wages to the NMRHCA Board and ensure wages are properly reported and contributions are paid accurately and timely.

Response

As of July 1, 2010 the payroll system is set up to charge RHCA along with ERB every time.

10-3 Late Audit Report

Condition

The audit report was submitted to the State Auditor after the required deadline of November 15, 2010.

Criteria

School audits are to be submitted to the State Auditor by November 15 as required by NMAC 2.2.2.9A (1) (d).

Cause

The Auditor submitted the report before the due date of November 15th. A rejection fax was received after the November 15th deadline making the audit report late.

Effect

The users of the financial statements such as legislators, creditors, bondholders, state and federal grantors, etc., do not have timely audit reports and financial statements for their review. Late audit report could have an effect on state and federal funding.

Recommendation

The audit should be filed timely.

Response

We will ask the auditor to submit our audit earlier so required changes to not make our audit late.

Financial Statement Preparation

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

Exit Conference

An exit conference was held on November 11, 2010 with Patricia Miller-Superintendent, Tom Wilton-Vice President, Lydia Sursa-Audit Committee Member, Ron Gauna-Audit Committee, Janet Sanchez-Payroll Clerk, Leola Patterson-Business Manager and De'Aun Willoughby, CPA.